

## GENERAL.

From the above it will be seen that it is not the general policy to grant endowments to municipalities, but simply that provision has been made to pay endowment in exceptional cases. The general policy is to discourage applications from municipalities for endowment, and to discontinue the present endowments as soon as possible. The endowments of municipalities also have no special reference to the upkeep of roads, though this is one of the factors which are taken into consideration.

## SHIRES AND MUNICIPALITIES.

*National Roads, Bridges, Ferries.*

All bridges which cost to construct £2,000 or over, whether situated in shires or municipalities, are declared to be "national works" under section 128, and are directly maintained by the central Government's District Engineers at Government expense. Similarly, several large and important wharves, and eleven large steam- or oil-driven ferry-punts have been declared "national" works. One road, that up Mount Kosciusko, which serves no other purpose than that of tourist traffic, and is therefore of no special benefit to the local people, while costly to maintain, is also a "national" work. With these exceptions the whole of the roads, bridges, and ferries are maintained, managed, and administered by the Shire and Municipal Councils.

*Shire Endowments.*

There are 134 shires, covering an aggregate area of 114,643,200 acres; and ranging from 20,480 acres, the smallest, to 3,644,800 acres, the largest. The average size of the shires is 855,546 acres. The shires were designed, roughly, to be of such size that they should, as nearly as possible, embrace land which would yield an income of not less than £3,000 from a general rate of 1d. in the pound on the unimproved capital value of all rateable land. (Many other considerations entered into the question of delimiting the boundaries; but this of finance was one of the most important.)

The functions of the Shire Councils are not limited to the care of roads and bridges, but (see sections 73, 110, 109, and 6, in this order) comprise many others, chief among which are usually to be found care of public health, noxious-weeds destruction, public wharves, bush-fire prevention, flood-prevention, and the provision of water for travelling-cattle on the great overland stock routes, and on the routes from cattle stations to railways (known as public watering-places).

The Government endowment of shires under the Local Government Act is granted for general purposes, and therefore may be used for any of the abovementioned functions of a Council.

Section 161 of the Act provides that the Government shall set aside each year not less than £150,000 for endowment of shires. In actual fact the first year the Government set aside £180,000, the second year £210,000, the third year £250,176, the fourth year £263,000, the fifth year £305,000, and for the sixth year (1912) £335,000.

By section 161 the Governor is required to arrange the whole of the shires in six classes once every three years, and in determining the class of each shire the following matters must be taken into consideration:—

- (a.) The extent of the shire;
- (b.) The probable annual revenue derivable from a rate of 1d. in the pound on the unimproved capital value of rateable land in the shire;
- (c.) The necessary annual expenditure;
- (d.) The extent of the roads to be made and maintained;
- (e.) The difficulty of construction and maintenance of roads and other public works;
- (f.) The facilities to be afforded to vehicular traffic;
- (g.) The extent of public works maintained by the Government;
- (h.) The extent of Crown lands (other than parks or reserves for public recreation) from which the Council will receive no rates, and the existence of which in the shire involves expenditure by the Council on road-construction, or in other ways.

The method of classification adopted was to appoint a special Committee consisting of officers who have special knowledge of the whole of the country. The last Committee appointed consisted of the Under-Secretary for Public Works (a gentleman who, having previously been Commissioner for Roads, has special knowledge of the shires, particularly as to roads, bridges, and ferries), the Chief Inspector of Lands Department (who has special knowledge of the character of the land and class of settlement in every shire), an officer of the Crown Law Department (to give legal advice), and the Engineer attached to the Local Government Office (who, as a one-time Inspecting Roads Engineer, before the introduction of local government, has special knowledge of the shires and their works).

This Committee has before it the accounts of each of the Shire Councils for the three preceding years, giving particulars of income and expenditure in detail, together with a further detailed list of the expenditure on each road separately. The form in which these accounts were furnished is laid down in Regulation No. 6, Schedule XXVII. The Committee also had returns from some of the shires for the same periods giving the expenditure of the shires classified in a different way, for the better information of the Roads Engineers on the Committee. This form is to be found in Schedule 1 of Regulation 9. The majority of the Shire Councils raise difficulties as to furnishing this return, however, as their Engineers say they have not records from which to compile it; and, owing to the fact that it was not received from all the Councils, the utility of the information which was received was much impaired.