

SESSION II.  
1912.  
NEW ZEALAND.

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## NEW ZEALAND STATE - GUARANTEED ADVANCES ACT AND LOANS TO LOCAL BODIES ACT

(LOANS OWING BY LOCAL BODIES UNDER).

*Return to an Order of the House of Representatives dated the 10th October, 1912.*

*Ordered*, "That there be laid before this House a return showing separately—(1) The amount of loans owing by River Boards, Drainage Boards, Harbour Boards, County Councils, Town Boards, Road Boards, and Borough Councils on the 1st March, 1910; (2) the amounts from the 1st March, 1910, that have been lent to River Boards, Drainage Boards, Harbour Boards, County Councils, Town Boards, Road Boards, and Borough Councils; (3) the security in each instance for the loans advanced."—(Right Hon. Sir J. G. WARD.)

RETURN showing—(1) The AMOUNT of LOANS owing by River Boards, Drainage Boards, Harbour Boards, County Councils, Town Boards, Road Boards, and Borough Councils on the 1st March, 1910; (2) the Amounts from the 1st March, 1910, that have been lent to River Boards, Drainage Boards, Harbour Boards, County Councils, Town Boards, Road Boards, and Borough Councils; (3) the Security in each instance for the Loans advanced.

*1. Under Local Bodies' Loans Act, 1908.—Up to the 1st March, 1910.*

					£	s.	d.
River Boards	...	...	...	...	76,545	10	8
Drainage Boards	...	...	...	...	84,770	1	1
Harbour Boards	...	...	...	...	1,338	17	10
County Councils	...	...	...	...	1,662,892	15	4
Town Boards	...	...	...	...	27,148	16	4
Road Boards	...	...	...	...	250,723	16	4
Borough Councils	...	...	...	...	746,256	0	2
					£2,849,675	17	9

The amounts above shown are the total of those inscribed against the various local bodies as at the 1st March, 1910. Any loan raised during any year was inscribed against the local body on the 1st February following. A certain number of half-yearly instalments of interest from the date of such inscription would extinguish the liability of the local body in respect of that particular loan. This number depended on the currency at which the loan was raised—viz., forty-one, thirty-two, or twenty-six years. Loans have been inscribed from 1886, and payments have been regularly made since that period. In forty-one years from the date of the last inscription the total debt will be extinguished.

*2. Under New Zealand State-guaranteed Advances Act, 1909.—Since the 1st March, 1910, and to the 19th October, 1912.*

				Amounts finally approved. £	Amounts actually paid. £
River Boards	...	...	...	2,830	2,330
Drainage Boards	...	...	...	48,650	46,510
Harbour Boards	...	...	...	123,750	45,750
County Councils	...	...	...	665,430	425,820
Town Boards	...	...	...	116,145	76,205
Road Boards	...	...	...	211,300	158,410
Borough Councils	...	...	...	1,026,740	812,040
				£2,194,845	£1,567,065

3. *Under both Acts.*

The security in each case is a special rate sufficient to meet the annual charges on account of each loan.

Under the New Zealand State-guaranteed Advances Act, 1909, in addition to the main security of a special rate the Advances Board has also required a collateral security in those cases in which the loan-money was granted for revenue-producing works. There are not many of these—there being only twelve instances. The following are the instances above referred to, and the collateral security in each such case:—

—	Nature of Collateral Security.
Road Board— Otahuhu, £15,000 loan and 10 per cent. additional loan of £1,500	A mortgage or charge over the undertaking, works, and the revenue therefrom, less working-expenses, and also all the revenues of the said Board.
Town Boards— Frankton, £10,000 ... Johnsonville, £3,500 ... Otane, £1,500 ...	A mortgage over the proposed works. A security "over the plant" and a right of access over the site included.
Harbour Boards— Hokitika, £25,000 ...  Wairoa, £78,000 ...	The revenue to be derived from an export duty, not exceeding 2s. 6d. per 1,000 superficial feet, on timber to be exported from Hokitika. The revenue from the port and leases to be assigned as addi- tional security.
Borough Councils— Cambridge, £3,800 ... Eltham, £10,000 loan and 10 per cent. additional loan of £1,000 ... Greytown, £6,000 ... Milton, £2,800 ... Queenstown, £1,250 ... Sumner, £10,000 ...	Mortgage to be given over the gasworks. The proposed undertaking, works, and plant; the revenues and profits thereof are also accepted as collateral security. Mortgage over gasworks to be given in addition to the special rate. Mortgage to be given over the gasworks in addition to the special rate. Ditto. "

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