In regard to the suggested method of subsidizing rates, it is found that counties whose rates are low will receive less, while those whose rates are high will receive more than under the present system. Nevertheless, for the whole Dominion it is anticipated that the increase over the present total of £150,000 or thereabouts will not amount to more than £20,000 annually. By this suggested system it is anticipated that the tendency will be to form larger counties with higher standards of organization, and to stimulate progressive counties to still further efforts in the development of their districts and in the improvement of their roads.

Under the proposed Main Roads Bill it would appear that certain counties will be relieved of the maintenance of varying lengths of main roads, and consequently will be in a better position to deal with their remaining roads, while other counties (who will not be similarly relieved) are in positions that equally require financial relief. It is suggested that in order to obviate this apparent inequity all counties who are relieved of maintenance of portions taken over in terms of the Main Roads Bill shall contribute 50 per cent. of the average annual maintenance-costs of the portions so taken over, such average cost being computed from the annual costs of the three years immediately preceding the taking-over, and the Government shall have power to collect this contribution by deduction from the proposed subsidy on rates.

G. T. Murray, Inspecting Engineer, Wellington. H. H. Sharp, Staff Engineer, Wellington.

T. M. Ball, District Engineer, Stratford.

Schedule showing Financial Position of Counties affected by Recommendations.

| County. | Area. | Amount of Valuation. | Date of Valua- tion. | System of Rating. | Loan Charges. | Average General Rate on Capital- value Basis, | Amount collect- able. | Govern- ment Subsidy, 1920. | Subside | Difference. | Loss by Abolition of Toll-gates. |
|---|---|---|--|--|---|---|---|---|---|---|--|
| Clifton Egmont Eltham Hawera Inglewood Stratford Taranaki Waimate West Waitotara Wanganui | sq. m. 570 197 201 195 156 368 239 88 476 472 | £ 864,014 1,711,464 1,914,187 4,294,250 467,348 2,069,867 816,629 2,086,100 2,515,951 2,823,127 | 1911 1914 1914 1919 1920 1913 1920 1916 1916 | Capital value "" Unimproved value Ditto Capital value "" | £ 1,239 3,356 5,200 3,661 1,447 7,215 3,055 3,589 770 2,842 | £ 2·37 2·41 1·84 1·35 2·50 1·31 2·80 1·46 1·25 1·72 | £ 8,508 17,252 14,668 24,174 9,736 17,804 16,144 12,686 13,104 20,213 Totals | £ 650 1,000 1,800 2,341 250 1,552 998 1,049 1,950 2,037 | £ 1,680 3,465 2,249 2,720 2,028 1,944 3,767 1,543 1,365 2,897 23,658 | $\begin{array}{c} £ \\ +1,030 \\ +2,465 \\ +449 \\ +379 \\ +1,778 \\ \\ +392 \\ +2,769 \\ +494 \\ -585 \\ +860 \\ \\ \end{array}$ | £ 1,350 2,502 2,066 2,368 1,704 |

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