

(section 18), or (b) Has delivered to the Colonial Treasurer debentures for one-fourth of the cost of the work to be executed (section 14). (3.) The local body to account to the Colonial Treasurer from time to time as may be required. (4.) In the event of the money not being applied to the purpose for which it has been obtained, the money found by the Audit to have been so misappropriated shall be a debt due to the Crown by each and all the Councillors who consented to or permitted such misappropriation. (5.) No further grants under the Act shall be made to such local body until the matter has been reported to Parliament.

Subsection (1) was agreed to.

Mr. Beetham moved, That subsection (2) be agreed to.

Mr. Seddon moved, as an amendment, That, after the word "Chairman," the following words be added: "accompanied by the certificate of the District Engineer."

On being put to the Committee this was agreed to.

The motion as amended was then put and agreed to.

Mr Beetham moved, That subsections 3, 4, and 5 be adopted.

On being put to the Committee they were agreed to.

Mr. Seddon moved, That the following clause in Captain Mackenzie's name be struck out: That in future the distribution of money for main roads be made to depend upon the valuation for property-tax within each county; and that the extent and cost of main roads already constructed at the public cost be taken into consideration, as well as the amount of subsidies paid.

On being put to the Committee this was agreed to. Clause therefore struck out.

Mr. Mitchelson asked leave to withdraw the following clause standing in his name: That the present system of grants to the local bodies under the Roads and Bridges Construction Act is manifestly unfair to a number of local bodies throughout the country, and that the Government be requested to amend the Act during the recess, so as to prevent a repetition of the same; and that this Committee do recommend to the Government the necessity of adopting some fairer means of distributing this year's grant; and that the Treasurer shall pay to each local body making application a certain sum, from five to ten thousand pounds, for each hundred miles of main road in the respective districts.

On being put to the Committee this was agreed to. Clause therefore struck out.

Mr. Sutton moved, That the following clause in Captain Mackenzie's name be struck out: That no a teration of the *pro rata* system be made retrospective. That all "great bridges" upon roads which are clearly seen to be necessary for the traffic between different parts of the colony, and which have been paid for in great measure out of the State funds, should be taken by the Public Works Department and maintained by Government.

On being put to the Committee this was agreed to. Clause therefore struck out.

Mr. Sutton moved, That motion under "General Suggestions," standing in his name, be adopted as follows: That the Act be amended by excising therefrom all power to obtain any grant for main roads by any other means than is provided by clause 18. That the clauses affecting district roads be not interfered with.

On being put to the Committee the motion was negatived.

Mr. Seddon moved, That the following clause, standing in Mr. Larnach's name under "General Suggestions," be struck out: In the second line of clause 7 of the Act to leave out all the words after "Council"—"before the 31st day of March in any year."

On being put to the Committee this was agreed to. The clause was accordingly struck out.

Mr. Sutton moved, That the following clause, standing in the name of Captain Mackenzie under "General Suggestions," be struck out: An alteration of the Act to enable Councils to claim grants in aid of the main roads which were proclaimed such in the *Gazette* this year but have not yet been approved by the House.

On being put to the Committee this was agreed to. The clause was accordingly struck out.

Mr. Postlethwaite moved, That the clause standing in his name be adopted as follows: That this Committee recommends that clauses 12 and 18 of the Roads and Bridges Construction Act shall read "one-half" and not "three-fourths"; also that, instead of ten years for repayment, it shall not exceed five years.

On being put to the Committee the clause was negatived.

Mr. Beetham moved, That the clauses standing in his name under "General Suggestions" be adopted as follows:—

That grants under the Roads and Bridges Construction Act should be made with special reference to each particular highway district through which a main road passes for which an application for a grant is made.

That all applications should have priority when the highway and county rates levied in the highway district are highest, viz.: All highway districts paying a shilling local and a shilling county rate should be placed first and their application granted, then those next highest should come next, and so on. No district where the county and highway rates combined do not reach one shilling and sixpence in the pound should have their applications considered at all. By this plan the grants under the Act would go to assist those ratepayers only who were willing to tax themselves the most heavily, thereby insuring a fair expenditure of the grant in those districts where it is most required and would be most appreciated.

Mr. Sutton moved, That Mr. Beetham's motion be altered to read as follows:—

That grants under the Roads and Bridges Construction Act should be made with special reference to each county through which a main road passes for which an application for a grant is made.

That all applications should have priority when the county rates levied in the county are highest, viz.: All counties paying a three-farthings' county rate should be placed first and their application granted, then those next highest should come next, and so on. By this plan the grants