H.—3.

The problem of local government, while in some respects it has received in New Zealand a solution more satisfactory than almost anywhere else out of America, is nevertheless in a very

anomalous position.

The notion of disruption and division of our institutions which had been inaugurated under the temptation of getting borrowing-powers has, I believe, inadvertently been allowed to proceed so far that now, at length, it has culminated in a reductio ad absurdum. What with multitudes of municipalities multiplying by fission like so many bacteria in a good fat infusion, and County Councils and Road Boards, Harbour Boards, Licensing Boards, and School Boards, District Charitable Aid Boards and United Boards, Incorporated Benevolent Societies and Hospital Boards, we are almost in a state of administrative paralysis from the impossibility of organically co-ordinating their functions; worse still, but which is never heard of, a very large part of the real administration of the country is carried on by their officers, who are miserably underpaid because of their multitude, and whose efficiency is in proportion to their pay. This state of things constitutes, perhaps, the gravest difficulty in the reformation of the government of our hospitals and charitable institutions, for until some consolidating local government Bill is passed by Parliament it is extremely difficult, if not impossible, to devise a scheme for their satisfactory government. Take, for instance, the case of the Dunedin Hospital and the Benevolent Institution in Caversham. Shall we hand over the Dunedin Hospital, with its medical school—drawing patients from remote districts as well as from the Provinces of Otago and Southland—to the Dunedin City Council? How, then, shall we deal with the questions that must emerge regarding the maintenance of patients from the dozen municipalities that are clustered all round the city proper? Shall we give the City Council power to charge these municipalities and the counties for the patients coming from them; and, if so, how shall we define a legal settlement for this purpose? or, shall we give them power to rate these municipalities as well as themselves, according to their property, with the certainty that these governing bodies will refuse to be rated unless they are represented; and, if they are represented, will not their sole anxiety be to keep down the taxes? Now, though just at present this is undoubtedly the most urgently-needed reform, yet there is grave cause to apprehend that the tax-payers' representatives will not be the wisest and most discriminating helpers of the deserving poor, who alone will be left to their care if the Government's proposals for the elimination of inveterate paupers and habitual drunkards are successfully carried out. Again, not merely is it to be apprehended that the municipalities will combine against the city, but they will probably fly at each other. The councillors of Roslyn and Mornington, on the hill, being aristocratic and well-to-do districts will refuse to be equally rated with South Dunedin and St. Kilda, and the others on the flat, whence a much larger proportion of paupers and hospital patients come. And so on all over the colony. Christchurch and Auckland will stand on their rights against their independent offspring, and Wellington will still be at war with Wairarapa.

One of the chief aims of the existing Act was to leave nothing undone to encourage the voluntary contributions for charitable purposes that so honourably distinguished some districts of the colony; but, unfortunately, here, as elsewhere, a poor-law dries up the springs of charity. Among other inducements the Act held out for this purpose, voluntary subscribers were permitted to elect a large proportion of the members of the Boards, and the results have not been so satisfactory as was expected. The people have to vote so often for the endless elections of members to the various local bodies that except when some burning question is mooted they never take the trouble to attend. Even in large towns I have known the trustees of the hospitals to be elected by less than half a dozen persons outside of the candidates themselves. Anybody may, in these circumstances, if he takes a very little trouble, step into a position which enables him to pose as a friend of the people; and there is grave reason to fear that these positions are in some places coveted merely as a means to ulterior ends. Speaking broadly, I am of opinion that for these and similar reasons the powers at present given to voluntary subscribers ought to be withdrawn, except in places where

one-fourth of the expenditure comes from local sources.

How to deal with orphans and other dependent children who are not vicious or criminal is another question of great complexity. English and American experience has fully demonstrated that they cannot be brought up in refuges and schools attached to them, as in the Otago Benevolent Institution. Long ago this plan was condemned all over the civilised world. cannot continue to be educated in separate institutions, such as the Lyttelton Orphanage, where each child costs over 11s. per week. They must be boarded out in families, either by the local bodies or the State. If the State takes over all the dependent children and boards them out, how can it deal with such denominational institutions as St. Mary's Orphan School, Nelson? If the local bodies are responsible, how are we to get over such cases as the following, which occurred this year? The father of a family of five died, leaving some property and the charge of his family to his brothers and sisters, all of them well-to-do people, but who were not legally responsible. One of the brothers kept the children till the money was nearly gone, and then got the children committed, very quietly, to the orphanage, at a cost of 7s. per week each till the youngest is fifteen years of age. The Charitable Aid Board were thus, without being in any way consulted, made responsible for a large sum of money. That is one of those things which cannot go on. The necessity of throwing the cost of charity on the local bodies, which must be quite apparent to all who have given any thought to the subject, is also one which has some awkward implications. For instance, if the local bodies are made responsible they must provide local refuges, as in the cases of Christchurch and Wellington. In the former instance the North Canterbury United Board have built the central block and one wing of a most elaborately-designed refuge of such a character, as regards the privacy and comfort of the separate rooms provided, as will tend to make men struggling on the verge of pauperism conclude that, struggle as they may, this is a more comfortable home for their age than they have any chance of providing. The same may be said of the refuges lately built in Wellington and Invercargill, and will no doubt be true of the Costley Institution in Auckland.