

The diversion of the unexpended balances of loans amounting to £458 19s. was approved under section 47 of the Finance Act, 1927, and approval was given under section 20 of the Finance Act, 1934, to the use of capital moneys amounting to £11,502 16s. 3d.

The amount sanctioned for new works shows a substantial increase, and borrowing by Hospital Boards was again very heavy, the amount sanctioned being exceeded only in 1942-43, when the figure was £996,250, as against £953,730 last year.

The supply of electricity has called for heavy capital expenditure and approximately twice the amount authorized in 1944-45 was sanctioned. Despite the electricity shortage in the North Island, new building, opening up of land for development, and increased demand by individual consumers have made it necessary for Electric-power Boards to extend and increase the carrying-capacity of reticulation lines.

The amount sanctioned for housing shows a substantial decrease, probably accounted for by the acute shortage of materials. A noteworthy feature of the housing-loan proposals formulated during the year was the extent to which local authorities exercised the powers given by the Local Authorities (Temporary Housing) Emergency Regulations 1944, which authorize the raising of loans by special order without a poll of the rate-payers for the purpose of providing, with the consent of the Minister of Finance, temporary accommodation for persons awaiting homes. During the year, loans totalling £177,100 were sanctioned for this purpose.

The amount referred back during the year (£666,000) was much larger than usual and included proposed loans for hospital buildings amounting to £542,000. In these cases the Board was of the opinion that the proposals could with advantage be reconsidered by the respective Hospital Boards with a view to reducing costs and thus lightening the levies on the contributing local authorities.

A further safeguard to the expenditure of loan-moneys by local authorities has been introduced by the Engineers' Registration Amendment Act, 1944, which came into force on the 1st April, 1945. That Act provides that loan-moneys may be expended only under the supervision of an engineer who is the holder of an annual practising certificate issued under the Act. The Board acted in conjunction with the Engineers' Registration Board in drawing the attention of local authorities to the provisions of the Act.

Applications dealt with by the Board have been as follows :—

	Total Applications.	Sanctioned.	
		New Works.	Redemptions.
	£	£	£
1927-28	4,636,649	3,212,185	1,048,796
1928-29	6,007,045	3,866,551	809,221
1929-30	4,218,730	3,563,842	967,875
1930-31	3,840,505	1,766,256	838,901
1931-32	3,412,365	781,195	2,483,810
1932-33	2,951,645	406,521	2,348,231
1933-34	3,884,132	917,560	2,744,245
1934-35	3,859,363	1,585,440	2,379,955
1935-36	4,061,076	1,550,690	2,051,790
1936-37	2,804,308	2,411,358	430,313
1937-38	3,362,173	3,098,445	122,758
1938-39	5,138,917	3,013,872	1,188,525
1939-40	2,674,450	1,701,460	355,800
1940-41	5,336,640	2,709,505	1,602,670
1941-42	4,589,653	1,898,096	1,391,728
1942-43	3,336,770	1,497,120	1,121,000
1943-44	3,999,665	1,349,335	2,359,755
1944-45	3,242,327	1,737,807	698,120
1945-46	3,497,820	2,643,935	243,235
	74,854,233	39,711,173	25,186,728
		64,897,901	