

APPENDIX E.

THIRD ANNUAL REPORT OF THE MAIN HIGHWAYS BOARD.

The MAIN HIGHWAYS BOARD to the MINISTER OF PUBLIC WORKS, Wellington.

SIR,—

In accordance with the provisions of section 24 of the Main Highways Act, 1922, the Main Highways Board has the honour to submit its third annual report for presentation to Parliament through the Hon. the Minister.

INTRODUCTORY.

The total expenditure by the Board for the year under review has been £1,120,952. Of this amount £547,090 was expended from the Revenue Fund and £573,862 from the Construction Fund. The operations under the Revenue Fund involved the payment of subsidies on the maintenance of 6,391 miles of main highways, as well as providing assistance towards the cost of the maintenance of over 200 miles of continuations of main highways passing through boroughs of under six thousand inhabitants.

The following summary shows roughly the achievements in the way of construction: Length of highway surfaced, 252 miles, made up as follows: Portland cement concrete, 16 miles; bituminous concrete, 12 miles; bituminous macadam (penetration), 38 miles; tar and bituminous surface treatment (sealing), 35 miles; gravelling and metalling, 151 miles. Length of highway formed and widened, 174 miles; length of bridges completed, 6,408 lineal feet.

The outstanding feature of the Board's financial position is that the expenditure from the Revenue Fund for the year roughly approximated the actual receipts. As explained later in this report, however, the receipts for the year show an unduly inflated figure, due to the late issue of the number-plates for motor-vehicles in the year 1926. For the purpose of gauging the true position it may be pointed out that the Board's average revenue for the past two years from all sources has been £458,748. The anticipated revenue for the year ending 31st March, 1928, is £530,000, but it is expected that the expenditure from the Revenue Fund will reach £750,000, an estimated excess of expenditure over income of £220,000. This position has been brought about through the Board framing its policy of increased maintenance subsidies with the object of reducing its credit balance in the Revenue Fund, which was appreciably augmented by the accumulations in the first two years of its operations. It is a fact also that the great increase in motor-vehicles has demanded a corresponding increase in expenditure on maintenance, and had the Board not increased its rate of subsidy, as explained later in this report, the position would have been most unsatisfactory not only from the point of view of the travelling public, but also from the point of view of the local authorities of the Dominion, who would have been called upon to shoulder an unbearable burden. Indeed, even with the increased subsidies, the local authorities of the Dominion during the past year found a sum of £91,334 in excess of their contribution for the previous year. There also has been an insistent demand from several parts of the Dominion that the Board should spend its accumulated funds at an even greater rate than the above figures disclose. It is obvious that the surplus in the Revenue Fund will be very quickly absorbed, and if the present standard of maintenance is to be retained under the ever-increasing motor traffic it will be necessary for the Government to furnish the Board with additional revenue.

As has been the case since the commencement of the Board's operations, the bulk of the construction work during the year under review has been carried out in the North Island, but it is gratifying to record that the local authorities of the South Island have applied for their full share of the Construction Fund for the year 1927-28.

The direction contained in section 21 of the Main Highways Act, 1922, providing that the Customs duty on tires and the annual revenue from motor registrations and licenses shall be apportioned between the North and South Islands in accordance with the number of motor-vehicles in each Island at the 31st March of each year has been rigidly adhered to.

The annual review of main highways, as provided under the Act, resulted in the receipt by the Board of applications for a considerable length of additional highways, but in view of the financial position of the Revenue Fund as outlined above only a very small percentage of the applications were recommended to you for declaration.

Appended to this report is a map of each island showing the main-highway system at the 31st March, 1927. The maps also indicate those sections of main highway which are not yet in such condition as to be available for motor traffic in wet weather.

During the last session of Parliament the Main Highways Amendment Act, 1926, was passed, embodying several recommendations made by the Board as the result of its previous year's experience.

In last year's report the Board commented on the desirability, in some parts of the Dominion, of amalgamation of counties. The progress in this direction, however, has been disappointing.

During the past year the Dominion has experienced a slight depression, with corresponding difficulties in regard to unemployment. The Board has regarded it as its duty to co-operate with the Government in relieving the position.