131 D.—1.

APPENDIX E.

FOURTH 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 fourth annual report for presentation to Parliament through the Hon. the Minister.

Introductory.

The total expenditure by the Board for the year under review was £1,073,607. Of this amount £592,522 was expended from the Revenue Fund and £481,085 from the Construction Fund. operations under the Revenue Fund involved the payment of subsidies on the maintenance of 6,608 miles of main highways, which length includes sections of roads in boroughs of under six thousand inhabitants, amounting to 186 miles, which were declared main highways on the 23rd February, 1928.

The following summary shows roughly the achievements in the way of construction, the figures in brackets being the lengths for the previous year: Length of highways surfaced, 256 (252) miles, made up as follows -- Portland cement concrete, 6 (16) miles; bituminous concrete, nil (12 miles); bituminous macadam (penetration), 34 (38) miles; tar and bituminous surface treatment, 83 (35) miles; gravelling and metalling, 133 (151) miles. Length of highways formed and widened, 173 (174) miles; length of bridges completed, 7,760 (6,408) lin. ft. A comparison of the two sets of figures indicates a reduction in the length laid down of expensive high-class pavements and a substantial increase in the mileage of surface-treated roads.

The most important feature of the year was the passing of the Motor-spirits Taxation Act by Parliament during the session of 1927. It is estimated that the income which will be derived from this tax will exceed the total derivable from both the tire-tax and the motor-registration and annuallicense fees. The three principal sources of income now available to the Board are estimated to yield approximately £1,250,000 per annum. The annual expenditure during the next few years from both Revenue and Construction Funds will show an increase from the average of the last two years of £1,100,000 to approximately £1,800,000, but it is worthy of note that despite such increase the amount to be borrowed annually will not be greater than heretofore.

As mentioned above, 186 m. of streets in boroughs were declared to be main highways on the 23rd This mileage represents the total continuations of main highways through boroughs under six thousand inhabitants, and up to the 23rd February the subsidy paid by the Board was in respect of maintenance only, and was based on the amount of subsidy paid to County Councils on the adjoining lengths of main highways. The declaration places the small boroughs in the same position as counties. Maintenance will in the future be subsidized on the basis of the actual expenditure, and, in addition, the boroughs will be entitled to the statutory subsidy payable on construction expenditure.

A necessary preliminary to the declaration of the continuations of the main highways through these boroughs was the inclusion of such boroughs in the highway districts. Accordingly, by resolution of 16th December, 1927, the highway districts were redefined, and were regazetted on the 26th January, A schedule showing the districts as redefined is attached to this report.

The date of expiry of annual license fees in respect of motor-vehicles was altered in the Motorvehicles Amendment Act, 1927, from 31st March to 31st May. The result will be that in future the annual license-fees will be received during the financial year in respect of which they are paid, and the cash

balance in the Treasury at the end of each year will more clearly show the true position.

Section 33 of the Finance Act (No. 2), 1927, gave the Board power to find out of the Revenue Fund such amount as may be required to pay the interest and sinking-fund charges in respect of loans raised under the authority of the Hutt Road Amendment Act, 1917; the Wellington City and Suburban Highways Construction and Hutt Road Amendment Act, 1924; and the Wellington City and Suburban Highways Construction and Hutt Road Amendment Act, 1927. In consideration of the Board'sacceptance of this liability and the payment of such amounts by the Board, the same section provides that the Wellington City Council shall not collect nor receive in any year any part of the fees payable by motorists in the Wellington area under the local taxation scheme. The Board has exercised the powers conferred upon it by this section, and, as an assurance has been given to the Wellington City Council that the interest and sinking-fund charges on loans raised under the Hutt Road Acts will be paid by the Board, the tax of £2 per motor-vehicle upon motorists in the Wellington District has not this year been imposed by the Wellington City Council.

As will be seen under the report on construction, the Board is continuing its policy of closing up unmetalled sections of main highway. There are yet a number of unmetalled gaps to surface on important highways, and by the close of the next working season the Board hopes to see several of these completed.