

which were backward in roading and development have thereby received a greater proportion of the available money than they otherwise would have done.

During recent years the ever-increasing motor traffic necessitated considerable attention being paid to the question of road surfacing, and, with a view to reducing the cost of upkeep, the Government decided to adopt the principle of assisting local bodies with the cost of laying down bitumen or other improved surfaces. At the same time the question of the future maintenance of surfaced roads had very careful consideration, in order to avoid a wastage of Government funds by the metalling or other surfacing of roads for which the controlling authority had not sufficient funds to cover adequate maintenance. As a result it was decided that in all cases where subsidies or grants for metalling purposes were applied for the local body had to satisfy the Government that its finances would permit of a sufficient sum being set aside annually for maintenance purposes, and for some time past it has been the practice to obtain resolutions to that effect before authorities covering the Government's quota have been actually issued. This practice has worked very satisfactorily, and doubtless many thousands of pounds of Government funds have been saved.

Mention has already been made of the automatic allocation system, and in this connection, although the backward districts received a certain amount of relief thereby, it was realized that many of the sparsely populated and isolated areas were still in urgent need of additional assistance. The Government, therefore, decided in 1926 to create a new vote to be known as the "Roads to give access to outlying districts vote," and the first funds were made available under this vote in 1927.

The idea of annually setting aside a specific amount apart from the ordinary Roads vote, which is automatically allocated, was for the purpose of enabling the Government to grant more liberal assistance in those cases where the outlying settlers were clamouring for access, and the local authority, owing to the small amount of rates received, was unable to provide anything towards the cost. The operation of this vote has resulted in great benefit having been derived by these settlers, as a result of roads having been completed which in ordinary circumstances would not have been put in hand for many years.

HIGHWAYS.

As the result of the appreciation by the Minister of Public Works (at that time the Hon. J. G. Coates) of the difficulties under which local authorities, particularly County Councils, were struggling in their endeavours to keep the roads of the country in a fit state to carry the rapidly increasing number of motor-vehicles, the idea was conceived of raising revenue from those who used the roads for motor transport and allocating these funds to assist rural local authorities in maintaining and improving the standard and construction of the chief roads of the Dominion.

As the result of a considerable amount of investigation and consideration the Main Highways Act, 1922, was drafted, introduced to Parliament, and passed. At the time the Act was passed there was no system of registration throughout the Dominion, and consequently there was no source by which evidence could be obtained as to the number of motor-vehicles then existing, or concerning the rate at which they were increasing. The provisions of the Act were therefore drawn on fairly conservative lines. The chief purpose of the Act was to declare a system of roads throughout the Dominion as main highways, and to give to the local authorities controlling them a pound-for-pound subsidy on the cost of new works, and a £1 subsidy on the cost of maintenance.

Soon after the Board began to function and the motor-cars to be registered it was realized that more money would be received in revenue than had been anticipated, and a year after the Board began to function the rate of subsidy for maintenance was increased from 10s. for £1 to £1 for £1. The number of motor-cars still increased at a very high rate, and in 1926 the rate of subsidy was increased again to 30s. for £1, and during the last session of Parliament, 1928, the Act was further amended and the rate of subsidy is now £2 for £1.

In addition to increasing the maintenance subsidy, generally, very many special cases were given a specially liberal subsidy, and in some cases the Board has even carried out large works with free money.

The record of the Highways operations has been one of continual increase in the rate of assistance both for maintenance and construction, together with an increase in the mileage of highways, and a general increase in the liberality with which all matters were treated. Last year the ability of the Board to still further assist was made possible by the imposition of the petrol-tax.