Legislation.

New legislation affecting the Board during the past financial year has been—

Section 16 of the Finance Act (No. 2), 1934, extended authority to retain in the Consolidated Fund for the year 1934–35 a sum not exceeding £500,000 out of the net revenue derived from motor-spirits taxation and otherwise payable to the Main Highways Revenue Fund. The application of this authority was subject to consideration being given to the proper requirements of the Main Highways Revenue Fund, so that the amount which in the opinion of the Minister of Finance was necessary for those requirements would not be reduced.

The amount retained pursuant to this legislation was £321,754.

Section 4 of the Finance Act (No. 3), 1934, empowered the Minister of Finance to borrow further amounts not exceeding a total of £1,000,000 for reconstruction or construction of main highways. Under the Main Highways Act, 1922, the original loan authority was for a total of £3,000,000, so that in effect this has now been increased to £4,000,000.

Section 4 reads as follows :—

"(1) In addition to all moneys which the Minister of Finance has heretofore been authorized to borrow for the purposes of the construction or reconstruction of main highways, the said Minister may for those purposes borrow, on the security of and charged upon the public revenues of New Zealand, such sums of moneys as he thinks fit, not exceeding in the aggregate the sum of one million pounds.

"(2) The sums so borrowed shall bear interest at such rate as the Minister of Finance prescribes.

"(3) All moneys borrowed under the authority of this section shall, as and when borrowed, be paid into the Public Account to the credit of the Main Highways Construction Fund established under the Main Highways Act, 1922, and may from time to time be applied accordingly in accordance with appropriations by Parliament.

"(4) This section shall be deemed to be an authorizing Act within the meaning of the New Zealand Loans Act, 1932, and the moneys herein authorized to be borrowed shall be borrowed under and subject to the provisions of that Act accordingly."

Section 28 of the Finance Act (No. 3), 1934, authorized the payment to local authorities out of the Main Highways Revenue Fund of subsidies in respect of rates levied on certain farm lands, to be applied in relief of the ratepayers affected.

The full text of section 28 is as follows :—

"(1) This section applies with respect to—

"(*a*) All lands situated within any county and used exclusively or principally for agricultural, horticultural, or pastoral purposes :

"(*b*) All lands situated within any road district in a county in which the Counties Act, 1920, is in full force, and used exclusively or principally for agricultural, horticultural, or pastoral purposes :

"(*c*) All urban farm lands (within the meaning of the Urban Farm Land Rating Act, 1932), included as at the twenty-eighth day of February, nineteen hundred and thirty-five, in any farm-land roll under that Act.

"(2) To every local authority that for the year ending the thirty-first day of March, nineteen hundred and thirty-five, has made and levied on its own account any rates on lands with respect to which this section applies there shall in accordance with this section be paid a subsidy equal to twelve and one-half per centum of the total amount of the rates so made and levied by that local authority on those lands.

"(3) The subsidy payable to any local authority pursuant to this section shall, not later than the thirty-first day of March, nineteen hundred and thirty-five, be paid out of the Main Highways Revenue Fund without further appropriations than this section.

"(4) For the purpose of enabling effect to be given to the foregoing provisions of this section every local authority that is entitled to receive a subsidy thereunder shall, as soon as practicable after the passing of this Act, furnish to the Minister of Finance, in a form to be approved by him, a statement, certified as correct by the Chairman pursuant to a resolution of the local authority showing—

"(*a*) In the case of lands that are not included in a farm-land roll—

"(i) The aggregate amount of the rates made and levied by the local authority on its own account for the current financial year on all the rateable property in its district ; and

"(ii) In respect of rateable property in its district that is not used exclusively or principally for agricultural, horticultural, or pastoral purposes, the name of the owner and occupier of any such property, its rateable value, and the total amount of the rates made and levied on its own account in respect thereof for the current financial year :

"(*b*) In the case of lands that are included a farm-land roll, the aggregate amount of the rates made and levied by the local authority on its own account for the current financial year on all lands included in that roll.