

With regard to the insurance companies, the main objection is one of principle and applies even to the payments made to the existing Fire Boards. As explained in previous reports, it is claimed by many of the insurance interests that contributions to the cost of fire-brigade maintenance are not justified since insurance rates are based on the fire risk existing in individual towns and the comparative efficiency of the local fire-protection service. While this may be theoretically correct, there are so many tariff anomalies that it is far from being the case in practice.

In previous reports an endeavour has been made to show that, despite any principle involved, it is good business for the insurance companies to ensure by a reasonable contribution that the fire-brigade equipment, even in the small towns, is brought up to standard which will ensure a reasonably efficient service. To illustrate this point figures have been carefully prepared and checked by the returns made by insurance companies to the Government Statistician covering the fire loss and insurance companies' payments in fire districts. These show that, despite the fact that most of the serious fire risks are situated in these districts and the insurance tariff rates are in most cases on the lower scales, the fire losses for the past seven years, plus the insurance companies' contributions to Fire Boards, represent 36.11 per cent. of premium income as compared with fire losses alone in the remainder of the Dominion, which amount to 52.34 per cent. of premium income.

The period over which the figures have been taken—seven years—is sufficient to give a fair indication of the relative position and show that the insurance contributions to the Fire Boards are justified by the resulting reduction in fire losses. It has been explained above that the municipal brigades suffer by the comparison in respect of fire-fighting equipment, and it is evident that the existing expenditure by municipalities represents the maximum which they are prepared to face for this branch of municipal activities. There is little doubt that the insurance contribution necessary to improve the equipment of these brigades to the Fire Board standard would be equally justified by results.

It will be clear from the above that the problem of fire-brigade control is not by any means confined to the question of amalgamation of existing Fire Boards or the absorption of their functions by other local authorities. The solution will probably be found in some compromise between the Australian system of a central Fire Board and the extreme decentralization necessary under existing New Zealand legislation. It is evident from newspaper comments that considerable misunderstanding of the position exists, and the purpose of these comments is, firstly, to set out the facts, and, secondly, to suggest the factors which should be given special consideration when the problem is under review.

These may be briefly summarized as follows :—

- (1) The controlling legislation should apply not only to the existing and potential fire districts, but preferably also to all towns where the water-supply conditions are suitable for fire-fighting purposes.
- (2) The setting-up of separate local authorities should be avoided except where the expenditure involved, or the fact that a number of municipal areas are included, is deemed to justify an independent controlling authority.
- (3) The administration and initiative should, wherever this is practicable, be left with the municipal authority for the district.
- (4) The insurance interests should be represented directly on any independent controlling authorities, and in some supervisory capacity where the immediate administration is carried out by the municipality.
- (5) In the case of all newly formed fire districts, the maximum expenditure should be prescribed—such maximum to be exceeded only with the unanimous consent of the municipality, the insurance interests, and the Minister.
- (6) Provisions should be made to safeguard the existing standard of efficiency. It might be provided that in cases where the administration of either existing or future fire-district brigades was taken over by the municipality the onus should be placed on the latter of the maintenance of an efficient organization within the limits of maximum expenditure suggested under (5).

SERVICE CONDITIONS.

Considerable attention has been paid during the year to the service conditions of the professional firemen. All New Zealand brigades employing permanent staff are operating under what is known as the continuous-duty system, under which the firemen are required to remain on the station and available for fire calls at all times during their period of duty, which previously varied in different brigades from three to six days. This system is the most efficient where, as in New Zealand, the wide distribution of the urban population, and the consequent limitation of the size of the individual towns, makes it necessary for economic reasons that the permanent staff should be kept to a minimum.

Shortly after the introduction by the Government of the forty-hour-week legislation application was made to have this applied to the fire service. This application was declined by the Arbitration Court, but the matter was subsequently reviewed by the Government, with the object of giving the professional firemen an increase of leisure equivalent to that obtained by other workers under the legislation. It was recognized that the position in the fire service differed from ordinary trade-union conditions, in that the former was a disciplined force and that it was essential for efficiency that an adequate discipline should be maintained.

A conference of the Superintendents of the principal brigades employing permanent firemen was therefore called to consider the existing conditions in the service and the modifications which would be permissible within the requirements of discipline and efficiency. A conference was later called of representatives of the Fire Boards controlling these brigades to consider the recommendations made by the Superintendents' conference, and also the Government's view with regard to proposed improvements in the service conditions.

The Fire Board representatives at this conference agreed to recommend to their respective Boards the adoption of the Government proposals, both for an improved leave scale and a standardization of