

LOCAL BODIES' FINANCE AND POWERS.

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A BILL INTITULED

AN ACT to provide for Grants in Aid to Local Bodies for the Construction of Works within their respective Jurisdiction, and for otherwise promoting the Efficiency of Local Bodies, and for other Purposes.

Title.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

1. The Short Title of this Act is "The Local Bodies' Finance and Powers Act, 1885."

Short Title.

2. For the purposes of this Act—
 "County" means a county under "The Counties Act, 1876;"
 "Construction" means the making and completion and reconstruction, in case of total or partial destruction by extraordinary damage; of any road or other work, including engineering and other expenses connected with and incident to construction and reconstruction:

Interpretation.

"District" means and includes any defined portion of the colony over which a local body as hereinafter defined has jurisdiction:

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“Local body” means and includes the Council or other governing body of a borough, of a town district, of a road district, and of any other local district governed by a body having the charge and control of any local works within the same, and also the Corporation of any borough, road district, Town Board, or county, and shall include two or more local bodies uniting as provided by section *seven* of this Act: 5

“River works” mean any protective works which any local body may by law construct or undertake within its district: 10

“Road” means a public highway as defined in “The Public Works Act, 1882,” and includes a street as defined in “The Municipal Corporations Act, 1876,” and amendments thereof, and any bridge or works necessary for the protection thereof, and any ferry, culvert, or drain connected with the road, and any tramway the property of any local body, and any wharf in any navigable river or arm of the sea: 15

“Treasurer” means the person for the time being holding the office of Colonial Treasurer, and any member of the Executive Council for the time being acting for the Colonial Treasurer. 20

Establishment of
“Local Bodies’
Finance Account.”

3. In order to give effect to this Act there shall be transferred to the credit of an account, to be kept by the Treasurer and called “The Local Bodies’ Finance Account,” the sum of one hundred and fifty thousand pounds for the period beginning the first day of October, one thousand eight hundred and eighty-five, and ending the thirty-first day of March, one thousand eight hundred and eighty-six, and thereafter for a period of twenty-five years there shall yearly be transferred to the credit of the said account a sum of three hundred thousand pounds; the said moneys so transferred shall be applied in manner hereinafter mentioned. 25 30

“Local Bodies’
Finance Account,”
how made up.

4. Fifty thousand pounds out of the aforesaid sum of one hundred and fifty thousand pounds shall be paid out of the Public Works Fund, and the remaining amount required to be paid shall be paid out of the Consolidated Fund; and for a period of five years, from the thirty-first day of March, one thousand eight hundred and eighty-six, one half of the aforesaid annual sum of three hundred thousand pounds shall be paid out of the Public Works Fund, and the remaining half shall be paid out of the Consolidated Fund. For the remaining period of twenty years the whole of the said sum shall be paid out of the Consolidated Fund. 35 40

Annual distribution
of moneys to credit
of “Local Bodies’
Finance Account.”

5. The sums so transferred as aforesaid shall yearly be divided by the Treasurer amongst, and paid over to, the local bodies in the manner set forth in the *First* Schedule to this Act. Whenever in accordance with the plan of distribution described in the said Schedule, the total required by such Schedule would exceed the whole sum of three hundred thousand pounds, all subsidies and fixed amounts distributable shall be reducible rateably in like proportion to the said amount in the aggregate of three hundred thousand pounds, provided that in no year shall more than fifty-five thousand pounds be distributed amongst towns and boroughs; and whenever, in accordance with the plan of distribution described in the said Schedule, more than fifty thousand pounds would be distributable in one year 45 50

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amongst the towns and boroughs, all such subsidies shall be reducible rateably in like proportion to the said amount in the aggregate of fifty thousand pounds.

5 During the year ending the thirty-first March, one thousand eight hundred and eighty-six, payments shall be made to the extent only of one-half the amounts authorized in the said Schedule.

10 The moneys received by the local bodies under this Act from the Treasurer shall be expended in the construction of roads as respectively defined herein, or in such other works and for such other purposes as are mentioned in section *forty* of this Act, and in the repayment of loans herein authorized, and the interest thereon.

15 **6.** In case the said sum so transferred as aforesaid shall in any year exceed the sum payable to the whole of such local bodies according to the *First* Schedule to this Act as aforesaid, the amount so in excess shall fall into and form part of the consolidated revenue and Public Works Fund in proportion to the sums transferred from such funds respectively and shall be subject to ordinary appropriation by the General Assembly of New Zealand.

Excess of fund to form part of consolidated revenue.

20 **7.** Any local body, or any number of local bodies, uniting as hereinafter mentioned, may, in addition to any powers alone possessed by it or them for the purpose of carrying into effect any of the purposes mentioned in section *forty* of this Act, borrow and take up at interest, on the credit of a special rate or rates made and levied for that purpose, or on the credit of any moneys payable to
25 such local body or local bodies under the provisions of section *five* of this Act, or on the credit of both such securities, any sum or sums of money which may be necessary for giving effect to the purpose for which the same is or are to be borrowed.

Power to local body to raise money on security of special rates, &c.

30 **8.** Where, for the purposes of this Act, a local body or any number of local bodies, uniting as hereinafter mentioned, shall make a special rate, the same shall be made at a meeting of the local body, or each of the local bodies, specially called for the purpose, and shall be payable on the first day of March in each year ensuing the making thereof.

Special rate, how made.

35 **9.** The local body or local bodies borrowing any moneys under this Act as aforesaid may make provision for the repayment of the same either—

Local bodies may make provision for repayment of moneys borrowed.

40 (1.) By making, with or without a sinking fund, the whole loan or separate portions thereof repayable at a stated period or at stated periods ;

(2.) Or by making any debentures issued in respect of such loan repayable by periodical drawings ;

(3.) Or by the grant of terminable annuities ;

45 charged in each case upon the security mentioned in the notice to be given under section *twenty-five* of this Act.

50 **10.** In case any local body or local bodies (if more than one) shall have agreed to make provision for the repayment of any such loan by the creation of a sinking fund, such local body or local bodies shall annually appropriate out of the funds upon the credit of which such loan shall be raised a sufficient sum to provide for the purposes of such sinking fund.

Sinking fund to be provided.

55 **11.** In any such case as last aforesaid the local body or local bodies joining in any such loan as aforesaid shall pay to the Commissioners of Sinking Funds appointed or acting under "The Public Debts Sinking Funds Act, 1868" (hereinafter called "the Commis-

Sinking fund to be paid to Sinking Fund Commissioners.

Commissioners") all moneys appropriated for the purposes of a sinking fund; and the Commissioners shall invest the moneys so paid, and all accruing interest, dividends, and income to arise therefrom, in their names, to the intent that such interest, dividends, and income may accumulate in the way of compound interest until the date appointed for the repayment of the loan intended to be secured thereby. 5

Sinking Fund Commissioners to furnish local body with an annual statement showing sinking fund transactions.

12. The Commissioners shall, immediately after the day of _____ in each year, deliver to each local body for which they are acting as aforesaid an account showing all transactions in respect of the moneys and securities aforesaid during the year ending on such day. 10

Sinking fund to be applied in payment of loan.

13. When the whole or any part of the principal money of any loan becomes payable, the accumulated sinking fund provided for paying the same shall be applied in the payment thereof.

Local body may re-borrow to pay loan.

14. When a part only of the principal money of any loan becomes payable by means of such sinking fund, as aforesaid, or when the whole of the principal money of any loan becomes payable otherwise than by means of a sinking fund, as aforesaid, the local body or local bodies by which such moneys shall have been borrowed may, for the purpose of repaying the same, or so much of the same as may not be provided for by any accrued sinking fund held for the payment thereof, re-borrow moneys necessary for that purpose under the provisions of this Act. 15 20

If default made in payment of debenture or coupon, Receiver may be appointed.

15. If the sum secured by any debenture or any coupon issued under this Act is not paid upon presentation of such debenture or coupon respectively at the place where and the time when the same is payable, or at such place and at any time thereafter, the holder thereof may apply to a Judge of the Supreme Court of New Zealand in the Supreme Court district within which the local body or bodies by which such payment ought to have been made, by petition, in a summary way, for relief under this Act; and the Judge may, if satisfied of the truth of the matters alleged in such petition, appoint a Receiver of the fund or funds liable under the provisions of this Act for the payment of such debenture or coupon. 25 30

Fund liable to payment of principal or interest to vest in Receiver.

16. Such part of such fund or funds as is liable for such principal and interest, and as is specified in the order of the Judge in that behalf, and all securities held by the local body or local bodies, as the case may be, or by the Commissioners as above provided, as accumulated sinking fund for the repayment of such loan shall, from the date of the said order, vest in the Receiver, and shall cease to be vested in the local body or local bodies, as the case may be, or in the Commissioners. 35 40

Receiver to have power to recover rates.

17. All powers for the recovery of any special rate, or for receiving any other moneys forming part of the fund or funds liable for the principal and interest of any such loan, as aforesaid, shall, after the appointment of a Receiver, cease to be exercised by the local body or local bodies or the Commissioners, as aforesaid, and shall be exercised by the Receiver. 45

Receiver to have power to amend special rate.

18. The Receiver shall, in respect of any special rates vested in him, have the power given to the local body or local bodies (if more than one) to amend a special rate, as provided by section *nine* of this Act; but such power shall be exercised only under an order by a Judge of the Supreme Court, for that purpose obtained by such Receiver. 50

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19. Every Receiver shall, before entering on his office, give such security for the faithful execution thereof as a Judge of the Supreme Court shall direct.

Receiver to give security.

20. All moneys received by the Receiver shall be applied, under the order of a Judge of the Supreme Court, as follows:—

Application of money by Receiver.

(1.) In the payment of the legal expenses of and incident to the application and order respectively made under section *fifteen* of this Act, and of any other necessary proceedings in relation thereto or in connection therewith;

(2.) In the payment of such remuneration to the Receiver, and of such expenses of his office, as a Judge of the Supreme Court shall from time to time direct;

(3.) In the payment of the principal and interest of the loan in respect of which the Receiver is appointed;

(4.) And the residue of such moneys, after the payment of the above, shall be paid into the ordinary revenue fund for the use of the local body or local bodies (if more than one) in the proportion in which it has arisen in each;

and the Receiver shall account for all such moneys in such manner as the Judge directs.

21. When all the principal and interest of the loan in respect of which the Receiver was appointed is paid, or at any time by an order of the Judge of the Supreme Court upon the application of the local body or local bodies concerned, the powers of the Receiver shall cease and shall revert in such local body or local bodies, and the Receiver shall forthwith pay any moneys in his hands into the ordinary revenue fund of such local body or local bodies, in like manner as in subsection *four* of section *twenty* of this Act.

When loan paid Receiver's power to cease.

22. The sum of money named in any debenture and in any coupon shall, when the same respectively becomes payable, be a debt of the local body or local bodies issuing the same to the holder of such debenture or coupon.

Debenture to be a debt of the local body.

23. Notwithstanding anything hereinbefore contained, any local body or local bodies raising any money by way of loan, in manner aforesaid, may, in lieu of providing for the first two years' interest upon the same by way of special rate or otherwise, pay and discharge such interest out of the principal moneys so borrowed.

First two years' interest may be paid out of principal.

24. No moneys shall be borrowed under the provisions of this Act except with the sanction of the majority of not less than three-fifths of the ratepayers who shall record their votes at the poll to be taken as hereinafter provided.

Money not to be borrowed without consent of three-fifths of ratepayers.

25. The local body or local bodies, if more than one shall unite for the purpose, desiring to raise money for any of the purposes aforesaid, shall publish within the district or districts to be affected, once in each week for three successive weeks in some newspaper generally circulating in the district or districts a notice, setting forth—

Notice of intention to raise loan to be advertised.

(1.) The particular work or object for the purposes of which the money is to be borrowed, and the estimated cost thereof;

(2.) The amount of the yearly payments required to be made, and the amount of the special rate required to meet them;

(3.) Particulars of the security intended to be given for the loan;

(4.) That the detailed proposals, plans, and estimates for the work may be seen during ordinary office hours at some suitable and convenient place;

(5.) The date on which the poll is to be taken.

Poll of ratepayers,
how taken.

26. The poll shall be taken not less than a week nor more than five fourteen days after the publication of the last of such notifications, and shall be taken as follows:—

(1.) The Chairman or other presiding officer of the local body or of each local body, as the case may require, shall give seven days' notice in writing to the Returning Officer of the local body, requiring him to take the poll upon the day appointed. 10

(2.) The Returning Officer shall upon the said day proceed to take a poll in the manner provided by "The Regulation of Local Elections Act, 1876," for taking a poll at any election, and shall provide voting-papers and all other things necessary for taking the poll; 15

(3.) The voting-papers shall be printed in the form in the *Second* Schedule hereto, and shall contain in full the notice mentioned in section *twenty-five* of this Act; 20

(4.) The voter shall erase one or other of the lines in the said voting-papers, and his vote shall be deemed to be given according to the one of the said lines which he leaves unerasd;

(5.) All the provisions of "The Regulation of Local Elections Act, 1876," as regards taking a poll shall, so far as they are applicable, and except as by this section otherwise provided, apply to the taking a poll on the proposal to raise a special loan. 25

When proposal to
raise loan deemed
to be carried.

27. If the number of votes given within each district for the proposal is not less than three-fifths of the votes given at the poll to be taken as aforesaid, then, and not otherwise, the proposal shall be deemed to be carried, and the local body or local bodies concerned may proceed with the proposal accordingly; otherwise the resolution shall be deemed to be rejected, and the local body or local bodies concerned shall not so proceed. 30 35

Result of poll to be
advertised.

28. Each Chairman or other presiding officer as aforesaid shall forthwith give notice, by advertisement in a newspaper as aforesaid, of the number of votes recorded for and against the proposal as above provided, and shall declare the resolution to be carried or rejected, as the case may be. 40

Notice that pro-
posal to raise loan
carried to be pub-
lished in *Gazette*.

29. When a resolution in favour of any such proposal has been carried as aforesaid, each Chairman or other presiding officer as aforesaid shall send a notice thereof to the Treasurer, who shall cause the same to be published in the *Gazette*, and such notice so published shall be evidence that the raising of the loan to which it refers has been duly authorized under the provisions of this Act. 45

One loan may be
raised for two or
more purposes.

30. If any local body, or local bodies uniting for the purpose, shall desire to raise a loan for any two or more of the purposes for which a loan may be raised under the provisions of this Act, such local body or 50

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local bodies may raise the whole sum required for such purposes by one loan: Provided always that, before any money shall be so raised, the portion thereof to be appropriated to each of the purposes for which the loan is to be raised, and the portion thereof to be charged on each district if more than one, shall be defined by the local body or local bodies, as the case may be, concerned therein.

31. Any two or more local bodies may unite to raise one joint loan in order to provide the moneys required by each for any purposes for their common benefit, and for which a loan may be raised under this Act; but the proposal to raise such loan must be carried by a poll, in the manner herein provided, by the ratepayers of each such local body severally, and the funds of every local body pledged as a security for such loan shall be jointly and severally liable for the whole loan.

Two or more local bodies may unite to raise loan.

32. Whenever any local body, or, if more than one, any local bodies, shall be of opinion that the benefit to be derived from carrying into effect any of the purposes of this Act would be confined to a part only of the district or districts over which the jurisdiction of such local body or local bodies extends, then it shall be deemed sufficient if the proposal to raise any loan under the provisions of this Act shall have been carried by a poll, in manner aforesaid, by the ratepayers in the part of the district or districts to be affected thereby; and in such case the loan so to be raised shall be secured upon a special rate only charged upon the part or parts of the district or districts receiving the benefit of the expenditure of such loan.

Works in particular district may be decided on by poll of ratepayers in that district.

33. Any local body, or any two or more local bodies concerned therein, may raise a loan by special order, without taking any poll thereon as hereinbefore provided, for the purpose of paying off any loan, or of consolidating any separate loans theretofore raised, exclusive of a loan or loans charged upon a part only of a district or districts; and such repayment or consolidation may be effected in such manner and on such terms and conditions as the local body or local bodies concerned think fit, but the annual charge in respect of any such loan or loans shall not be thereby increased.

Loans to pay off other loans may be raised without a poll.

Any local body which is authorized under any Act other than this Act to raise loans may raise a loan as in this section provided for the purposes herein mentioned.

34. Every local body shall, in respect of every loan which may be raised under this Act, have all such powers, authorities, and duties in respect thereof as it would have in respect of any loan raised by such body under the general enactment under which such body is constituted. Provided that the interest of any debenture made and issued by any such body shall not exceed six and one-half per centum on the amount thereof; and no such debenture shall be sold at such a price as to produce to the purchaser an interest of more than six and one-half per centum on the price paid.

Powers, &c., of local bodies.

35. No holder of any debenture or coupon issued or made under the authority of this Act shall have any claim to be paid out of the public revenues of New Zealand or by the Government thereof.

Debenture-holders to have no claim on revenues of colony.

36. From and after the passing of this Act, all the revenues derived from any mining district constituted under "The Mines Act,

Gold revenue to form part of county fund.

1877," or part of any such district within the limits of any county shall, subject to and after cost of collecting the same, or other lawful charge connected therewith, in accordance with any regulation in that behalf by Order in Council, shall have been defrayed, form part of the county fund, and the Governor in Council may delegate to any local body all or any of the powers he possesses for collecting such revenues, subject to any conditions and according to any regulations he may from time to time impose by Order in Council. 5

Power to Council to impose royalty on gold.

37. The Council of any county within which any such mining district or part of any such district shall be situated may impose and levy a royalty not exceeding two shillings and sixpence per ounce upon all gold obtained by mining within such district or part of a district as aforesaid. 10

Notice of intention to impose such royalty to be advertised.

38. Before any such royalty shall become payable, the Council of the county imposing and intending to levy the same shall publish in some newspaper published and current within the county, or, if there be no newspaper published within the county, then in some newspaper generally current therein, once in each week for three successive weeks, and in the *Gazette* for one insertion, a notice of any resolution to impose and levy such royalty as aforesaid, and of the amount thereof, and of a date from and after which the same shall be payable; and such royalty shall, from and after the date to be so fixed as aforesaid, become part of the gold revenue within the district or part of a district affected by such notice, and shall be levied by and payable to the person or persons for the time being empowered to collect the gold revenue within such district or part of a district; and such person or persons shall and may exercise, for the purpose of levying and recovering the same, all the powers now exercised by any person or persons authorized to levy any other part of the gold revenue leviable therein: Provided always that such royalty shall be payable only where gold is obtained by, or belongs to, persons whose right and title to mine are by virtue of licenses and leases, and shall not include persons who mine by virtue of miners' rights only. 15 20 25 30

The last preceding two sections of this Act and this section, all other provisions hereof relating to mining districts, shall extend and apply to any gold-mining district constituted under "The Gold-mining Districts Act, 1873," or any part of any such districts as the case may be. 35

Penalty for evading payment of royalty.

39. Any person attempting to evade the payment of such royalty as aforesaid shall be liable to a penalty of *twenty* pounds, to be recovered in a summary way at the suit of any person authorized to collect or receive such royalty. 40

Money raised by loan, how to be applied.

40. The particular purposes for which any loan may be raised under the provisions of this Act, and to which any moneys paid over to any local body under section *five* of this Act shall be applied, shall be— 45

- (1.) The construction or renewal of any bridge:
- (2.) The construction of any new road or the widening of any existing road:

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(3.) The repair of any extraordinary damage done by flood, tempest, or accident to any bridge, road, or other work under the control of a local body :

5 (4.) For the drainage of land under the provisions of Part VIII. of "The Public Works Act, 1882 :"

10 (5.) For the purchase of land within the district of the local body, or a district near thereto, and the erection thereon of suitable dwellings, to be let, with or without a right of purchase, to and occupied by ordinary labourers in the manner and subject to the provisions set forth in the *third* Schedule to this Act ;

15 And the Governor, with the advice of the Executive Council, may grant to any local body land, to be used for the purposes of and in connection with dwellings to be let to ordinary labourers as aforesaid, but in no case shall the amount of land to be let with any such dwelling exceed ten acres in extent :

20 (6.) For the encouragement and assistance of gold-mining operations in any mining district within the district under the jurisdiction of any local body or local bodies uniting for the purpose ;

But no money shall be borrowed under this subclause except with the prior approval of the Minister of Mines for the time being :

25 (7.) For contributing towards the construction or extension of tramways, roads, bridges, or other works calculated to promote or increase the traffic upon any railway passing through the district or districts ;

30 And any such loan may be raised and applied in aid of a contribution for the like purpose previously agreed to be made by the Governor in Council out of moneys appropriated by Parliament, and signified in writing to the local body or local bodies concerned by the Minister for Public Works for the time being.

35 41. Whenever any local body, or any number of local bodies united for the purpose, shall present to the Governor a memorial setting forth that a poll of the ratepayers within the same, or within any definite part or parts of the same, has been taken in manner hereinbefore provided, and that the assent of the ratepayers therein has
40 been given to the construction of a railway through such district or districts or part or parts of a district or districts, such consent being the consent of not less than three-fifths of the ratepayers who shall vote at the poll so to be taken, and that such ratepayers have also
45 consented to provide by way of special rate for interest upon one-half of the cost of constructing such railway, including in such cost interest upon expenditure during construction, for a period of twenty years from the completion of the railway for traffic, then in case the General Assembly shall provide funds for the other half of the interest the Governor may, at the next session of the General Assembly,
50 submit to the said Assembly a proposal for the construction of such

Proposals for construction of district railways.

railway, and, in case the construction thereof shall be sanctioned by Parliament, may proceed to construct the same accordingly.

Fishing rights in lakes may be vested in County Councils.

42. The Governor may grant to the County Council of any county all such fishery and right of fishing as now is or may be vested in Her Majesty in any part of the waters of any lake, but nevertheless upon the express condition that a sum equal to twenty pounds per centum of all revenues derived from such fishery and right of fishing shall annually be divided amongst and paid over by the County Council to the governing bodies of all and every the for the time being incorporated towns or boroughs situated within a distance of five miles measured from any part of the boundaries of the said lake, in the proportions in which the ratepayers of each such incorporated town or borough bears to the ratepayers of the whole of such incorporated towns or boroughs. 5 10

Saving of rights of Acclimatization Societies.

43. Nothing contained in the last *foregoing* section shall prejudice or affect the rights now vested in any Acclimatization Society duly registered under the provisions of "The Animals Protection Act, 1880," or any other Act for the time being in force relating to the Acclimatization Society in connection with any such fishery or right of fishing as is mentioned in the *foregoing* section. 15 20

Town clerks to certify annually to County Council number of population of borough.

44. It shall be the duty of the clerk to the governing body of any incorporated town or borough which shall claim any portion of the percentage of revenues divisible as mentioned in section of this Act, annually to deliver to the clerk to the County Council liable to divide and pay over the same a certificate stating as nearly as may be the actual number of the ratepayers of such incorporated town or borough, and every such certificate shall be conclusive evidence of such number for the purposes of the annual division to which the same is intended to apply, and any clerk to the governing body of any such incorporated town or borough who shall wilfully misstate in any such certificate as aforesaid with a view fraudulently to obtain a larger proportion of such percentage than such incorporated town or borough would be entitled to upon a correct statement of the ratepayers thereof shall be guilty of an offence and liable on conviction thereof before any Justice of the Peace to a penalty of not less than *twenty* pounds nor more than *one hundred* pounds, or to imprisonment for not more than *six* months. 25 30 35

Governor in Council may delegate power to local body to expend money for gold-mining operations.

45. The Governor may, by Order in Council, delegate to any local body, or to any number of local bodies to be united for the purpose, the expenditure of moneys appropriated by the General Assembly for expenditure in encouraging and assisting the prospecting for gold or gold-mining operations in any mining district or part of any mining district within the district or districts under the jurisdiction of any local body or local bodies united for the purpose; but such local body or local bodies shall, in the expenditure of the same, conform to all such conditions and regulations as shall be prescribed in that behalf by the General Assembly or by the Governor in such delegation; and, when any such delegation shall have been made, the Treasurer may pay over to the delegated local body or local bodies the amount payable in pursuance thereof. 40 45 50

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46. The Governor may, by Order in Council, vest in any local body, or in any number of local bodies united for that purpose, any water-race vested in the Crown, with all the revenues and other rights and benefits accruing from or annexed to the same; but so that every such water-race shall continue to be liable to all conditions as to uses and otherwise howsoever as shall be declared and directed in that behalf by such Order.
47. The Governor may by Order in Council agree with any local body, or with any number of local bodies united for the purpose, for the execution by such local body or by such united local bodies of any public work within the district or districts under the jurisdiction of such local body or united local bodies, and about to be undertaken for opening up and developing lands of the Crown recently sold or about to be sold within such district or districts; but so, nevertheless, that the total amount which the Governor may agree to expend in respect of any such public work shall not exceed one-fourth of the revenue derived or to be derived from the Crown lands so sold as aforesaid: and after any such agreement shall have been made the Treasurer may pay over to such local body or local bodies (if more than one) the amount so agreed to be paid.
48. The Governor may, by Order in Council, from time to time delegate to any local body or to any number of local bodies united for the purpose, and may from time to time resume, any powers or authorities vested in him in relation to the construction or control of any public works within the district or districts under the jurisdiction of such local body or united local bodies, upon such terms and conditions as shall be expressed in such order.
49. Every local body shall after the thirty-first day of March, one thousand eight hundred and eighty-six, contribute the sum of *twenty* pounds per annum towards the general police expenditure of the colony in respect of each and every policeman who shall be stationed and acting within the district under the jurisdiction of such local body, and such sum shall be deducted by the Treasurer from any moneys payable to a local body under this Act.
50. Whenever, under the provisions of this Act, any contract or agreement is to be entered into between the Governor, or the Governor in Council, and any local body or local bodies, or any security is to be given to the Governor, the same shall be deemed to have been duly entered into or given if made with, or taken by, the Minister for Public Works for the time being on behalf of the Governor or the Governor in Council.
51. Nothing herein contained shall authorize any local body to interfere with any public works carried on within the district under the control of such local body by the Government of the colony, or under the control of such Government, without the consent in writing of the Minister for Public Works for the time being; and nothing in this Act shall prejudice or affect any power or authority vested in Her Majesty or in the Governor, or the Governor in Council, or any other person on behalf of Her Majesty or the Governor, or the Governor

Water-races may be vested in local bodies.

Governor in Council may agree with local body to open up Crown lands recently sold.

Governor in Council may delegate or resume power to local body to construct public works.

Contribution by local body to general police expenditure.

Minister of Public Works to have powers of Governor in entering into contracts, &c.

Local body not to interfere with works carried on by Government.

in Council, under any Acts of the General Assembly authorizing the erection, construction, or maintenance of any such public works.

Governor in Council may make, &c., regulations.

52. In all cases in which no provision or no sufficient provision is, in the opinion of the Governor, made by this Act for the purpose of carrying any of its provisions into effect, the Governor may from time to time, by Order in Council, make and prescribe all such regulations and orders, either general or applicable to particular cases only, as he shall think fit, and such regulations and orders from time to time revoke or alter, as to the Governor in Council shall appear to be requisite. All such regulations and orders shall be published in the *Gazette*, and, being so published, shall be read as part of this Act. 5 10

Joint and several liability of members of local body for moneys improperly spent.

53. If any local body which has obtained any part of the money payable under sections *three, four, and five* of this Act applies or suffers such money, or any part thereof, to be applied to any purpose other than in accordance with this Act, all moneys so improperly applied shall be deemed to be a debt jointly and severally due to the Crown from each and all of the members of the local body who shall have actually joined in or consented to the improper application of such moneys, and may be recovered from such members, or any one or more of them, in any Court of competent jurisdiction, in accordance with the provisions of "The Crown Suits Act, 1881," without prejudice, nevertheless, to all other rights and remedies of debenture-holders and others under the provisions of this Act. 15 20

For the purposes of this section a member absent from the meeting of the local body at which any such improper application of moneys shall take place, or who, being present at the meeting, shall have caused his vote against such application to be recorded in the minutes, shall be deemed not to have joined in or consented to the same. 25

Penalty for obtaining from Treasurer larger amount than local body entitled to.

54. If all or any of the members of any local body, or any officer or servant of such local body, shall, by means of false accounts or false representations of any kind, obtain from the Treasurer a larger amount or part of the said sum of three hundred thousand pounds than the local body would be entitled to under the provisions of this Act according to the scale and in manner provided in the *First Schedule*, every such member and every officer or servant who shall join or be concerned in the making of any such false account or false representation shall be guilty of a misdemeanour, and shall, on conviction thereof, be liable to fine or imprisonment, at the discretion of the Court, the fine to be imposed upon each person not to exceed *two hundred and fifty* pounds, or the imprisonment to exceed *six* months. 30 35 40

General power to Governor in Council to delegate.

55. In addition to the powers of delegation hereinbefore given to the Governor, he (the Governor) may by Order in Council delegate to any local body for any period, and subject to any regulations, restrictions, or stipulations which may be specified in such Order, all or any of the powers vested in him by this Act, and all or any of the powers vested in him by any other Act, which he has power to delegate, and which in his opinion it may be expedient to delegate, under 45

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this provision ; and every such delegation may from time to time alter or revoke : Provided that any such alteration or revocation shall not affect the validity of instruments completed or acts done during the existence of such delegation.

- 5 56. All the provisions of "The Rating Act, 1876," and of "The Rating Act, 1882," so far as each of them may be in force within the district under the jurisdiction of any local body, and not inconsistent with this Act, shall as far as applicable apply to any special rate to be made and levied under this Act. "The Rating Act, 1876," and "The Rating Act, 1882," to apply to rates levied under this Act.
- 10 57. "The Roads and Bridges Construction Act, 1882," and any Acts amending the same, are hereby repealed, but shall notwithstanding remain in full force so far as relates to any thing done, appointment or instrument made, right or privilege accrued, work authorized, offence committed, forfeiture penalty or liability incurred, Repeal.
- 15 action prosecution or proceeding commenced, under the authority of or against the provisions of the said Acts before the passing of this Act.

SCHEDULES.

Schedules.

FIRST SCHEDULE.

ANNUAL SUBSIDIES PAYABLE TO LOCAL BODIES.

DURING each financial year, in respect of all sums actually collected and received by way of general rates during the year ending on the thirty-first day of March previous thereto (exclusive of all general rates collected in respect of Crown lands and Native lands by virtue of "The Crown and Native Lands Rating Act, 1882," and "The Crown and Native Lands Rating Act 1882 Amendment Act, 1883,") but not exceeding the amount so recoverable on a rate of three farthings in the pound on the capital value, and one shilling in the pound on the annual value, the sums following :—

- (A.) To each Borough Council and Town Board—
- (1.) When the general rates actually collected shall not exceed a total sum of £750, then a sum equal to £1 for every £1 of such rates, and no more.
 - (2.) When the general rates so collected shall exceed a total sum of £750, then a sum equal to 10s. for £1 of such rates, and no more. Provided that no lesser sum than £750 nor greater than £1,500 shall be paid in any one year under this subsection (2) to any such Council or Board.
- (B.) To each Council of a county wherein there are no road districts—
- (1.) When the general rates so collected by the County Council shall not exceed a total sum of £1,000, then a sum equal to £2 for every £1 of such rates, and no more.
 - (2.) When the general rates so collected shall exceed a total sum of £1,000, then a sum equal to £1 for every £1 of such rates, and no more. Provided that no lesser sum than £2,000 nor greater sum than £10,000 shall be paid in any one year under this subsection (2) to any such Council.
- (c.) In respect of counties when there are road districts—
- (a.) To each Road Board in such county—
 - (1.) When the general rates actually collected by the Road Board in the road district shall not exceed a total sum of £500, then a sum equal to £2 for every £1 of such rates, and no more.
 - (2.) When the general rates so collected shall exceed a total sum of £500, then a sum equal to £1 for every £1 of such rates, and no more. Provided that no lesser sum than £1,000 nor greater than £2,000 shall be paid in any one year under this subsection (2) to any such Road Board.

Provided that, whenever any road district becomes divided into two or more road districts, these road districts shall each share under the last subsection, if the road district at the time of division would by a rate of $\frac{3}{4}$ d. in the pound on the capital value have levied more than £500.

(b.) To the County Council—

- (1.) When the general rates actually collected by the County Council in the outlying districts of such county shall not exceed a total sum of £500, then a sum equal to £2 for every £1 of such rates, and no more.
- (2.) When the general rates so collected shall exceed a total sum of £500, then a sum equal to £1 for every £1 of such rates, and no more. Provided that no lesser sum than £1,000 nor greater than £2,000 shall be paid in any one year under this subsection (2) to any such Council.

Provided that, whenever one or more Road Boards or parts of Road Boards merge in a county and become a riding or part of a riding, the same rate of subsidy shall be paid to the County Council on account of such riding or part of riding as would have been payable had the riding or part of riding continued a Road Board or Road Boards or parts of Road Boards.

Provided that no greater sum in all than £10,000 shall be paid in any one year in respect of the total amount of general rates levied and collected altogether by the Road Boards in the road districts and by the County Council in the outlying districts in any county, and in the ridings by the last proviso: and when the total amount of subsidy that would be payable in respect of the total amount of general rates collected as last aforesaid shall exceed £10,000, then the total amount of subsidy to be payable to the Road Boards and County Council shall be apportioned *pro rata* according to the amount of general rates collected as aforesaid by such Road Boards and the County Council respectively.

In addition to the amounts payable as aforesaid, there shall in respect to the following counties be paid for five and a half years the sums respectively stated, but for the first half-year only half the amount:—

	£
Thames	2,000
Coromandel	2,000
Collingwood	2,000
Buller	2,000
Inangahua	2,000
Grey	2,000
Westland	2,000
Maniototo	2,000
Tuapeka	2,000
Vincent	2,000
Lake	2,000

SECOND SCHEDULE.

FORM OF VOTING-PAPER FOR SPECIAL RATE.

“The Local Bodies' Finance and Powers Act, 1885.”

PROPOSAL to levy a special rate, upon which a poll will be taken on the day of _____, 18____. [Insert the notice referred to in the _____ section of this Act.]

1. I vote for the above proposal.
2. I vote against the proposal.

THIRD SCHEDULE.

EVERY letting under the provisions of subsection *six* of section *forty* of the foregoing Act shall be effected in the following manner:—

1. Every public body acquiring land, either by purchase or by grant from the Crown, and erecting thereon any dwellings for the purposes mentioned in subsection *six* of section *forty* of the foregoing Act, may let and demise the same upon such terms and conditions as shall from time to time be prescribed by such local body in that behalf; but no such terms or conditions shall be of any force or effect until the same shall have been approved by the Governor in Council.

2. Such terms and conditions may prescribe that any such letting may be made with or without a right for the tenant to purchase the demised premises within or immediately before the expiration of the term to be granted, and that in any case where a right of purchase shall be given, the purchase money may be made payable either in one sum or by instalments or by means of an addition to the ordinary annual rent, so as to provide by way of terminable annuity for the payment thereof.

3. In addition to any other terms and conditions prescribed in that behalf, every letting shall be upon the express condition that the tenant shall not be at liberty to assign, underlet, or part with the possession or occupation of the same or of any part of the land let therewith without the consent of the lessors, or even with such consent to any person other than an ordinary labourer, and so that the assignee or under tenant shall not pay or give to the transferor or mesne landlord any consideration for the transfer or underlease thereof, either in a lump sum or by way of increased rent, except in respect of the net value of any improvements effected upon the premises with the approbation of the lessors.

4. It shall also be a term and condition of every such demise that, notwithstanding the tenant shall become bankrupt or insolvent within the meaning of any law for the time being in force in New Zealand relating to bankruptcy or insolvency, the term thereby granted shall remain vested in the tenant free from his debts and liabilities, and that the demised premises shall not be subject to be taken in execution under any process or execution issued out of any Court in the colony.