

Hon. Mr. Parry.

LOCAL GOVERNMENT (AMALGAMATION
SCHEMES).

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A BILL INTITULED

AN ACT to provide a Plan for effecting a Reduction in Title.
the Number of Local Authorities, with a View to
securing a Reduction of Expenditure and a Greater
Measure of Efficiency in Local Government.

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

- Short Title. **1.** This Act may be cited as the Local Government (Amalgamation Schemes) Act, 1936. 5
- Interpretation. **2.** In this Act, unless the context otherwise requires:—
- “ Amalgamation scheme ” or “ scheme ” means an amalgamation scheme as provided for in this Act: 10
- “ Commission ” means the Local Government (Amalgamation Schemes) Commission appointed in accordance with the provisions of this Act:
- “ District ” means the district of a local authority: 15
- “ Local authority ” means a County Council, Borough Council, Town Board, Road Board, River Board, Drainage Board, Electric-power Board, Water-supply Board, Rabbit Board, Fire Board, Harbour Board, and such other 20 local authorities or public bodies as are from time to time declared by the Governor-General by Order in Council to be local authorities for the purposes of this Act:
- “ Minister ” means the Minister of Internal 25 Affairs.
- 3.** (1) An amalgamation scheme under this Act may provide for all or any of the following matters:—
- (a) The union of two or more adjoining districts, whether districts of a like status or con- 30 stitution or not, into one district;
- (b) The merger of any district;
- (c) The transfer of functions from one local authority to another;
- (d) An adjustment or alteration of boundaries of 35 districts;
- (e) The conversion of a district into a district of a different status or constitution;
- (f) Any matter incidental to the foregoing; and
- (g) Such other matters as may from time to time 40 be declared for the purpose by the Governor-General by Order in Council.

Matters to be provided for in amalgamation schemes.

(2) For the purposes of this section the terms “ district ” and “ local authority ” mean respectively a district or local authority in existence at the time of the preparation of an amalgamation scheme in relation
5 thereto, or a district or local authority proposed to be formed pursuant to that or any other amalgamation scheme.

4. The Governor-General may by Order in Council declare that any two or more districts shall be deemed
10 to be adjoining districts for the purposes of this Act, notwithstanding that such districts may be separated by a river, harbour, arm of the sea, or other natural feature, if, in his opinion, those districts have a community of interest with each other.

“ Adjoining districts ” defined.

15 5. (1) Any local authority in respect of its district, or any two or more local authorities in respect of their districts, may, without further proceeding, prepare and submit to the Minister an amalgamation scheme.

Local authorities may prepare amalgamation schemes for their own districts.

(2) Thereupon the Governor-General may, in manner
20 prescribed by this Act, give effect to the proposals contained in that scheme with or without modifications.

6. (1) Any one or more local authorities may prepare and submit to the Minister an amalgamation scheme in respect of the district or districts of such
25 local authority or local authorities and such other districts as, in its or their opinion, have a community of interest with the first-mentioned district or districts.

Amalgamation schemes affecting other districts.

(2) If such scheme is prepared and submitted by more than one local authority the scheme shall name
30 the principal local authority for the purposes thereof.

7. (1) If the Minister is of the opinion that it would tend to diminish expense or would otherwise be of public or local advantage to do so, he may make an order requiring any two or more local authorities to prepare
35 and submit to him for consideration, within such time as is specified in the order, an amalgamation scheme in respect of their districts.

Minister may require submission of amalgamation scheme.

(2) In such order the Minister may name the principal local authority for the purposes of the scheme.

40 8. If the local authorities required to prepare and submit to the Minister an amalgamation scheme fail to do so within the time specified by him, or within such extended time as he may allow in that behalf, the Minister, after consultation with such of the local

Minister may prepare amalgamation scheme if local authorities concerned make default.

authorities as appear to him to be interested and such other authorities or persons as may be interested, may himself prepare an amalgamation scheme in respect of the districts of the first-mentioned local authorities.

Functions of
"principal
local
authorities".

9. The functions of a principal local authority shall be to convene such meetings, publish such notices, conduct such correspondence, and generally do such things as may be necessary or as may be required of it by the Minister in the preparation and submission to the Minister of an amalgamation scheme. 5 10

Notices to be
given of
amalgamation
schemes.

10. (1) The Minister (in the case of an amalgamation scheme prepared by him), or the local authority or principal local authority, as the case may be (in the case of an amalgamation scheme submitted to the Minister otherwise than under section *five* of this Act), shall send a copy of the proposals contained in that scheme to the local authority of every district affected thereby, and shall forthwith publish in one or more newspapers circulating in the districts to which the scheme relates a notice setting forth the proposals contained in the scheme and stating that it has been so submitted or prepared, as the case may be, and that representations thereon may be made to the Minister within one month from the first publication of the notice. 15 20

(2) Any local authority whose district is affected by an amalgamation scheme may, if it so desires, publish at its own expense a similar notice in a newspaper having more particular circulation in that district. 25

Minister
may refer
amalgamation
scheme to
Commission
for report.

11. After duly considering an amalgamation scheme submitted to or prepared by him, as the case may be, and any representations made to him thereon within the period prescribed for same, the Minister may determine that effect shall be given to the proposals contained in that scheme, with or without modifications, or he may direct that the scheme be referred to the Commission for inquiry and report in manner hereinafter in this Act provided. 30 35

Appointment
of Commission.

12. For the purpose of holding all such inquiries or further inquiries, and making all such reports or further reports as are necessary under the provisions of this Act, there shall be appointed a Commission to be called "The Local Government (Amalgamation Schemes) Commission". 40

13. (1) The Governor-General may from time to time appoint such persons as he thinks fit to be members of the Commission.

Constitution of Commission.

5 (2) One such person shall be appointed by the Governor-General to be the permanent Chairman of the Commission and, subject to the provisions of section *twenty-eight* hereof, that person shall act on the Commission at all its inquiries.

10 14. (1) At each inquiry held by it the Commission shall consist of three persons as follows:—

Sittings of Commission.

(a) The permanent Chairman:

15 (b) One person, being an officer of the Public Service, appointed for the purpose of acting at all inquiries held by the Commission or at such inquiry or inquiries as are specified by the Minister:

20 (c) One person, not being a member of the Public Service, appointed for the purpose of acting at the inquiry held in relation to any particular amalgamation scheme. Such person shall be appointed on the recommendation of the majority of the local authorities whose districts are affected by that scheme, or, if the majority of those local authorities do not agree, then on the recommendation of the Minister. In making such recommendation the Minister shall have regard to the local knowledge which such person possesses of the district or districts affected by the scheme.

30 (2) Any person may be appointed to act concurrently for the purposes of the inquiries necessary in respect of two or more amalgamation schemes.

35 (3) The validity of the appointment of any person as a member of the Commission or the right of any person to act on the Commission at any inquiry held by it shall not be called in question by reason of the fact that any other person has subsequently been appointed a member of the Commission.

40 15. In the event of the sickness or other incapacity of the permanent Chairman or any other member of the Commission the Governor-General may appoint any other person to act in the place of the Chairman or such other member during the incapacity.

Acting members of Commission.

6 *Local Government (Amalgamation Schemes)*

General powers of Commission.

16. The Commission shall within the scope of its jurisdiction be deemed to be a Commission under the Commissions of Inquiry Act, 1908, and all the provisions of that Act shall apply thereto accordingly.

Functions of Commission.

17. The functions of the Commission shall be— 5

(a) To hold an inquiry, or further inquiry if necessary, in respect of every amalgamation scheme directed by the Minister to be referred to it or, as the case may be, referred back to it, and to report to the Minister within such time or times as are fixed in that behalf whether or not effect should be given to the proposals contained in the amalgamation scheme, or to any of those proposals, or whether effect should be given thereto subject to any modifications which may be considered desirable; or what other provision should be made in the circumstances: 10

(b) To hold such other inquiries and make reports thereon in relation to such other matters affecting local government as may from time to time be referred to it by the Minister. 15 20

Objections to amalgamation scheme.

18. At every inquiry held by the Commission in relation to an amalgamation scheme the onus of proving that the proposed amalgamation would not tend to diminish expense or would not be of public or local advantage or otherwise be desirable for the scheme or any of the proposals contained therein to be carried into effect shall be on any local authority or person objecting to the scheme or to any such proposal. 25 30

Notification of report of Commission.

19. (1) As soon as practicable after the receipt of the report of the Commission the Minister shall—

(a) Send a copy of the report to the local authority of every district affected by the amalgamation scheme; and 35

(b) Publish in one or more newspapers circulating in those districts a notice setting forth clearly the recommendations made by the Commission,—

and shall give those local authorities and any other authorities or persons affected an opportunity, within such time as he specifies in that behalf, of laying before him, in writing, their views on the recommendations of the Commission. 40

(2) Any objections to the amalgamation scheme shall be based on the following grounds and no others:—

5 (a) That the Commission has failed to consider any specified matter the consideration of which might otherwise have materially affected its recommendations concerning the amalgamation scheme; or

10 (b) That the Commission has not given sufficiently full consideration to any specified matter referred to in the scheme or in its recommendations or brought before it during the course of its inquiries, and that a further review of such matter might materially affect the recommendations,—

15 and the Minister shall not have regard to any objections based on any grounds other than the foregoing.

(3) The Minister shall consider any such objections laid before him, and if, as a result thereof, he is of the opinion that the Commission has or might have failed to consider or to give sufficiently full consideration to any matter as aforesaid he shall direct that the amalgamation scheme and the report of the Commission thereon be referred back to the Commission, together with any such objections, for further inquiry and report.

20 20. The Commission shall, within the time fixed in that behalf,—

(a) Make to the Minister an alternative report, in which case the original report shall be deemed to be cancelled and the alternative report be the final report of the Commission; or

30 (b) Make to the Minister a supplementary report which shall thereupon be deemed to be incorporated in the original report, and they shall together become the final report of the Commission; or

35 (c) Advise the Minister that it has no further recommendations to add to its original report, in which case the original report shall be deemed to be the final report of the Commission.

40 21. If, after considering any objections laid before him as aforesaid, the Minister is of the opinion that the Commission has fully considered all the matters referred to therein he shall determine that the report shall be deemed to be the final report of the Commission on the amalgamation scheme to which it relates.

Commission may make a revised or supplementary report.

Minister may dispose of objections without reference to Commission.

Notice of
Commission's
final report.

22. When the Commission has, or is deemed to have, made its final report on an amalgamation scheme the Minister shall notify all the local authorities affected of the terms of the Commission's recommendations, and thereupon effect shall be given to those recommendations in manner hereinafter in this Act provided. 5

Mode of
giving effect
to Commission's
report.

23. Effect may be given to the proposals contained in an amalgamation scheme, or to the recommendations of the Commission thereon, in all or any of the following ways:— 10

(a) In the case of the union of districts of a like status or constitution, by the issue of such instrument and in such manner as is prescribed by any Act for the time being in force relating to the union of such districts: 15

(b) In the case of the merger of a district, by the issue of such instrument and in such manner as is prescribed by any Act for the time being in force relating to the merger of such a district: 20

(c) In the case of an adjustment or alteration of the boundaries of a district, by the issue of such instrument and in such manner as is prescribed by any Act for the time being in force relating to the adjustment or alteration of boundaries of districts: 25

(d) In the case of the conversion of a district into a district of a different status or constitution, by the issue of such instrument and in such manner as is prescribed by any Act for the time being in force relating to the constitution of districts of the status or constitution proposed or the conversion of districts into districts of a different status: 30

(e) By the issue of such Proclamation as is necessary to that end in respect of any particular matter contained in the amalgamation scheme, whether or not there is power in any other Act to issue an instrument effecting such matter. 35

Supplementary
provisions
for giving
effect to
amalgamation
scheme.

24. (1) For the purpose of giving full effect to any provisions of an amalgamation scheme or to the recommendations of the Commission thereon, the Governor-General in the instrument giving effect to the same or in a subsequent similar instrument may, subject to the provisions of this Act, make such provisions as he deems 40 45

necessary for the purposes of the district thereby created or altered or for the discharging of the functions of the local authority of such district, or for any other matter rendered necessary through the carrying into effect of
5 such provisions. In particular he may—

- (a) Determine what status or constitution any new district or any new local authority shall be deemed to have or possess:
- 10 (b) Declare that the union, merger, constitution, or alteration of boundaries of any district or districts shall be deemed to have been effected under any existing Act that he specifies in that behalf:
- 15 (c) Determine the qualifications for electors or ratepayers of a new district or local authority if different qualifications were previously in force in the respective districts comprising the new district:
- 20 (d) Make such provisions as are necessary with respect to the first or any election of councillors or members of any local authority affected by the amalgamation scheme or recommendations:
- 25 (e) Make provision for the apportionment or disposition of the assets and liabilities of all or any of the local authorities affected by the amalgamation scheme or recommendations.

(2) In exercising the powers conferred by the *last preceding* subsection the Governor-General may apply for the purpose, with such modifications as may be
30 necessary or desirable, the provisions of any Act for the time being in force relating to the particular matter.

25. (1) An instrument may be issued under the authority of this Act, or of any Act applied for the purpose, giving effect to any proposal contained in an
35 amalgamation scheme or in the recommendations of the Commission thereon, notwithstanding that the requirements of any Act, other than this Act, as to the particular matter in relation to which the instrument is issued have not been complied with.

40 (2) Any such instrument shall, for all purposes not inconsistent with the provisions of this Act, be deemed to have been issued under the authority of such other Act as is named therein as fully and effectually as if the provisions of that Act precedent to the issue of the
45 instrument had been fully complied with.

Exercise of powers conferred by this Act not affected by provisions of other Act.

Powers of local authority on which jurisdiction conferred for purposes of amalgamation scheme.

26. In any case where, pursuant to an amalgamation scheme or the recommendations of the Commission thereon,—

- (a) Two or more districts of a different status or constitution are united: 5
- (b) A district is merged:
- (c) The functions of a local authority are transferred to another local authority,—

the local authority that, pursuant to the scheme or recommendations, assumes jurisdiction over an area 10 formerly comprising a separate district, or takes over the functions of a previous local authority, shall have and may exercise, subject to any provisions which the Governor-General makes to the contrary, all the powers which were previously exercised by the controlling local 15 authority or would have been so exercised by it if it had remained in existence or in control of the area, and shall be subject to the same duties, obligations, and liabilities as were or would similarly have been imposed on such controlling local authority. 20

Apportionment of costs incurred by principal local authority in relation to amalgamation scheme.

27. (1) The costs incurred by a principal local authority in carrying out its functions under this Act shall, if so directed by the Minister, be borne by all the local authorities specified in the Minister's order to such extent as is agreed upon by them; and if they are 25 unable to agree as to the manner in which the costs are to be apportioned among them, then in such manner as the Minister determines.

(2) The amount to be paid by any local authority other than the principal local authority in accordance 30 with such apportionment or determination shall be recoverable as a debt due to the principal local authority.

Special provisions as to merger of separate districts in county.

28. (1) A County Council may, at any time, after conferences with representatives of the local authorities of any districts wholly within the county, review the 35 circumstances of any such districts and consider whether it is desirable that such districts should be merged and the functions of the local authority thereof transferred to the County Council.

(2) Forthwith after the review is completed as 40 respects the whole or any part of the county, the County Council shall send to the Minister a report of the review, together with proposals as to the changes (if any) which it considers desirable.

(3) If, after consultation with such local authorities as appear to him to be interested, the Minister is of opinion that there is a *prima facie* case for any changes as aforesaid, and that the County Council has failed to
5 make proposals for the purpose, the Minister may make an order requiring the County Council to review the circumstances of the districts within the county, and submit proposals to him within such time as is specified in the order.

10 (4) If a County Council required to prepare and submit proposals to the Minister fails to do so within the time specified in the Minister's order, or within such extended time as he may allow in that behalf, the
15 Minister, after consultation with such local authorities as appear to him to be interested, may himself prepare proposals in respect of the districts within the county.

(5) Thereafter the proposals shall be dealt with in all respects as if they were an amalgamation scheme within the meaning of this Act, and the provisions of
20 this Act relating to amalgamation schemes shall apply thereto accordingly:

Provided that if the proposals are referred to the Commission for inquiry and report, the Commission, in lieu of consisting of three persons, shall, for the purposes
25 of such inquiry and report, consist of such one or more persons as the Minister specifies in that behalf.

(6) For the purposes of this section, a borough or a town district which is situated within the geographical boundaries of a county shall be deemed to be wholly
30 within that county.

29. The Governor-General may from time to time, Regulations.
by Order in Council, make all such regulations as may in his opinion be necessary for giving full effect to the intent and purpose of this Act.