

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 the Number of Local Authorities, with a View to securing a Reduction of Expenditure and a Greater Measure of Efficiency in Local Government. Title.

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2 *Local Government (Amalgamation Schemes)*

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, 1937.	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, Tramway Board, Transport Board, and such other 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:	20
	“ Minister ” means the Minister of Internal Affairs.	25
Matters to be provided for in amalgamation schemes.	3. (1) An amalgamation scheme under this Act may provide for one or more of the following matters:—	30
	(a) The union into one district of two or more adjoining districts, whether districts of the same kind or not:	
	(b) The merger of any district in any other district:	
	(c) The transfer of the functions of one local authority to any other local authority:	35
	(d) Any alteration of the boundaries of adjoining districts:	
	(e) The conversion of a district into a district of a different kind.	
	(2) An amalgamation scheme providing for any of the aforesaid matters may also provide for any other matters that may be declared by the Governor-General by Order in Council to be appropriate to such an amalgamation scheme and also for any matters incidental to the scheme.	40 45

4. The Governor-General may by Order in Council declare that any two or more districts shall be deemed to be adjoining districts for the purposes of this Act, notwithstanding that such districts may be separated by
5 a road, or by any river, harbour, arm of the sea, or other natural feature.

"Adjoining districts" defined.

5. (1) Any local authority in respect of its district, or any two or more local authorities in respect of their districts, may prepare and submit to the Minister an
10 amalgamation scheme.

Local authorities may prepare amalgamation schemes for their own districts.

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

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

7. (1) If the Minister is of opinion that a suitable
25 amalgamation scheme would tend to reduce expenditure or would otherwise be in the public interest, he may make an order requiring any local authority or any two or more local authorities to prepare and submit to him for consideration, within such time as is specified in the
30 order, an amalgamation scheme in respect of its district or of their districts, as the case may be.

Minister may require submission of amalgamation scheme.

(2) In any such order affecting more than one district the Minister shall name the principal local authority for the purposes of the scheme.

8. If an amalgamation scheme in accordance with the
35 *last preceding* section is not prepared and submitted to the Minister within the time specified by him, or within such extended time as he may allow in that behalf, the Minister may himself prepare an amalgamation scheme
40 in respect of the district or of any of the districts concerned.

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

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, consideration, and bringing into operation of an amalgamation scheme. 5

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 the principal local authority, as the case may be (in the case of any other amalgamation scheme), shall forthwith publish in one or more newspapers circulating in the district or districts to which the scheme relates a notice setting forth the nature of the proposals contained therein and stating that representations thereon may be made in writing to the Minister within one month from the first publication of the notice. 10 15

(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 any other newspaper having a general circulation in that district. 20

(3) If a scheme affects the districts of two or more local authorities, a copy of the scheme shall be sent by the Minister or by the principal local authority, as the case may be, to the local authority of every district affected thereby. 25

Minister
may refer
amalgamation
scheme to
Commission
for report.

11. After duly considering an amalgamation scheme submitted to or prepared by him, with any representations made to him thereon, the Minister, if no objections or no material objections to the scheme have been made, may determine that effect shall be given to the proposals contained in the scheme, without modification or without material modification, and in every other case, if in his opinion the scheme should be further considered, shall refer it 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 such inquiries and of making such 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

Constitution of
Commission.

13. (1) The Governor-General may from time to time appoint such persons as he thinks fit to be members of the Commission and may at any time remove any such member. 45

(2) One such person shall be appointed as the permanent Chairman of the Commission.

14. (1) Except as otherwise provided in this Act, the Commission shall, for the purposes of every inquiry held by it, consist of three persons as follows:—

Sittings of Commission.

(a) The permanent Chairman:

(b) One member, being an officer of the Public Service:

10 (c) One member, not being an officer of the Public Service, appointed for the purpose of acting at the inquiry or inquiries held in relation to any particular amalgamation scheme. Such person shall be appointed in accordance with a unanimous recommendation made to the
15 Minister by the local authorities whose districts are affected by that scheme, or, if those local authorities fail to make such recommendation, then on the recommendation of the
20 Minister. In making such recommendation the Minister shall have regard to the local knowledge which such person is reputed to possess of the district or districts affected by the scheme.

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

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

Acting members of Commission.

35 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.

General powers of Commission. See Reprint of Statutes, Vol. I, p. 1036

40 17. The functions of the Commission shall be to hold an inquiry or such inquiries as may be necessary in respect of every amalgamation scheme referred to it by the Minister, and to report to the Minister within
45 such time or times as are fixed in that behalf whether or not, in its opinion, 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 (if any) should be made in the circumstances.

Functions of Commission.

Objections to amalgamation scheme.

18. At every inquiry held by the Commission in respect of an amalgamation scheme any local authority or person objecting to the scheme or to any proposal contained therein on the ground that the scheme, if brought into operation, would not tend to reduce expenditure or would otherwise not be in the public interest, shall be required to produce to the Commission evidence in support of that contention.

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Notification of report of Commission.

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

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

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

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and shall give to 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.

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(2) Objections to the recommendations of the Commission may be based only on one or both of the following grounds, namely:—

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(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:

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(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,—

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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 submitted to him, and thereupon may, if he thinks fit, 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.

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

Commission may make a revised or supplementary report.

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

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

15 (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.

20 21. If, after considering any objections submitted to him in accordance with section *nineteen* hereof, the Minister is of 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.

Minister may dispose of objections without reference to Commission.

25 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.

Notice of Commission's final report.

30 23. Effect may be given to an amalgamation scheme and to the recommendations (if any) of the Commission thereon, in such one of the following ways as is appropriate, namely:—

Mode of giving effect to amalgamation scheme.

35 (a) In the case of the union of districts of the same kind, in such manner as is prescribed by any Act for the time being in force relating to the union of such districts:

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

- (c) In the case of the alteration of the boundaries of a district, in such manner as is prescribed by any Act for the time being in force relating to the alteration of boundaries of such districts: 5
- (d) In the case of the conversion of a district into a district of a different kind, in such manner as is prescribed by any Act for the time being in force relating to the constitution of districts of the kind proposed: 10
- (e) In any case not provided for in the foregoing provisions of this section, in such manner as the Governor-General may by Proclamation determine. 10

Supplementary provisions for giving effect to amalgamation scheme.

24. (1) For the purpose of giving full effect to any provisions of an amalgamation scheme and the recommendations (if any) of the Commission thereon, the Governor-General in any 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 necessary for the purposes of the district thereby created or altered or for the discharge of the functions of the local authority of such district, or for any other matter rendered necessary through the carrying into effect of such provisions. In particular he may— 20

- (a) Determine the nature or constitution of any new district or any new local authority: 25
- (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: 30
- (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: 35
- (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: 40

(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.

5 (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 necessary or desirable, the provisions of any Act for the time being in force which in his opinion are
10 appropriate to the particular matter.

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

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

(2) Any such instrument shall, for all purposes not
20 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 instrument had been fully complied with.

25 26. In any case where, pursuant to an amalgamation scheme,—

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

(a) Two or more districts of a different kind are united; or

(b) A district is merged in another district; or

30 (c) The functions of any local authority are transferred to another local authority,—

the local authority that, pursuant to the scheme, assumes jurisdiction over an area formerly comprising a separate district, or takes over the functions of a previous local
35 authority, shall have and may exercise, subject to any provisions which the Governor-General may make to the contrary, all the powers which were previously exercised by the controlling local authority or would have been so exercised by it if it had remained in existence or in
40 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.

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 and the costs incurred by the Minister in relation to any amalgamation scheme prepared by him shall, if so directed by an order under the hand of 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 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.

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(2) The amount to be paid by any local authority to the principal local authority in accordance with any 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 and from time to time, after conferring with representatives of the local authorities of any districts situated wholly within the county, review the 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.

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(2) Forthwith after the review is completed 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.

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(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 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.

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(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 Minister, after consultation with such local authorities as appear to him to be interested, may himself prepare proposals in respect of the districts or any of the districts within the county.

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(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 this Act relating to amalgamation schemes shall apply
5 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 of such inquiry and report, consist of such one or more
10 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 within that county.

15 **29.** Nothing in the foregoing provisions of this Act shall be construed to affect the authority of the Governor-General in Council to appoint any Commission under the Commissions of Inquiry Act, 1908, and he may at any time, if he thinks fit, appoint a Commission under
20 that Act to hold an inquiry and make a report in relation to any matter affecting local government.

Power to appoint a special Commission of Inquiry. See Reprint of Statutes, Vol. I, p. 1036

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

Regulations.