

LOCAL GOVERNMENT.

MUNICIPAL INSTITUTIONS.

ONLY of recent years has the question of Local Government received the attention which its importance demands, the only States of the Commonwealth that have adopted general systems being Victoria, Queensland, South Australia, and Tasmania. New Zealand, however, has also for a number of years been divided into districts, with local governing powers. It will be noted, from the information given in the following pages, that the Acts controlling Local Government vary considerably, especially as regards the election of representatives and presiding officers, method of valuation, and rating powers; and the particulars available in regard to each State are not sufficiently exhaustive to admit of the making of any effective comparison between the systems of the different colonies.

The first portion of this chapter is devoted to an account of the local bodies operating under the various Municipal Acts, while the particulars relating to Boards and Trusts, for the establishment and control of which special Acts have in most cases been passed, will be found in the second part.

NEW SOUTH WALES.

The first Act providing for the establishment of a Local Council in this State was passed in 1842, when the City of Sydney was incorporated. In 1867, the Municipalities Act became law, but as that Act left it optional for any district to become constituted as a municipality, only a small proportion of the area of the Colony is incorporated.

Under the provisions of the original Acts, the aldermen were elected by the ratepayers (except in the City of Sydney, where both owners and occupiers voted), and the mayors were chosen by the aldermen. By legislation enacted in 1900 the franchise has been extended to tenants and lodgers.

The legislation of 1900 consists of two important measures, viz., the Sydney Corporation Amending Act and the Municipalities Amendment Bill. Under the provisions of the first-mentioned Act, the City of Sydney is divided into twelve wards, each returning two aldermen, instead of into eight wards, each represented by three aldermen, as heretofore. The mayor is still to be elected by the aldermen, as the proposal to provide for his election by the citizens was not carried. Other important amendments are those providing (1) for the abolition of auditors elected by citizens, with the substitution of Government inspectors to audit the accounts; and (2) for the resumption of land for the opening or enlarging of streets or public places. The rating powers

have not been altered, the general rate remaining at not more than 2s. in the £ of the annual value, but lighting and other special rates may also be imposed, if necessary.

The Municipalities Act of 1867 provided that the general rate should not exceed 1s. in the £ of the annual value, but that special rates could be levied, so long as the general and special rates together did not come to more than 2s. in the £. A further charge, limited to 6d. in the £, could be made for street watering, and an additional rate for water supply, where necessary, the amount not to exceed 1s. in the £. The amending Bill of 1900 proposes to give power to the councils to increase the general rate to as much as 2s. 8d. in the £ of the annual value if necessary, but the special rates still remain as quoted in the original Act. A most important alteration in the principles of municipal taxation is the authority to be conferred on the municipalities to levy their rates on the unimproved capital value of the land instead of on the annual value of all property, provided the ratepayers agree to the alteration by a special vote. The assessment of the unimproved value must not exceed 2d. in the £ of the assessed capital value.

New South Wales, as already indicated, is the most backward in regard to local government. The principle of self-government is on all sides recognised as a sound one, and various measures to secure its application have from time to time been placed before Parliament, but so far the Legislature has not succeeded in giving effect to the manifest wishes of the constituencies. The total area incorporated at the close of the municipal year 1898-9 was only 2,761 square miles, so that it will be seen that a large area still remains under the control of the central government in New South Wales; but for this some justification exists in the largeness of the territory and the sparseness of the population residing in the unincorporated areas. The total area still unincorporated in New South Wales amounts to 307,939 square miles.

The total capital value of all property in municipalities is returned as £121,213,800, and the annual value as £7,412,100, so that the annual return from property was about 6.11 per cent.

The annual and capital values of Sydney and suburbs since 1891 are shown below:—

Year.	Sydney and Suburbs.		Year.	Sydney and Suburbs.	
	Annual Value.	Capital Value.		Annual Value.	Capital Value.
	£	£		£	£
1891	5,851,589	99,224,810	1896	5,141,990	91,427,100
1892	6,013,697	106,891,100	1897	5,022,910	88,464,400
1893	6,067,882	110,061,000	1898	4,965,400	86,927,600
1894	5,686,197	108,951,000	1899	4,995,200	87,464,000
1895	5,352,920	96,692,200			

A reference to these figures will show the depreciation which has taken place in the value of real estate during the past few years, but it is satisfactory to note that the year 1899 shows a small increase compared with the previous year.

The values of five of the principal towns are given in the subjoined table, and for the purposes of comparison, the corresponding figures for 1891 are shown. With regard to Broken Hill, it should be remembered that the mines were not fully developed in 1891, and although the capital value has increased by about £364,000, as shown below, the values in the years 1894 and 1895 were stated to be £2,952,000, and £2,862,000 respectively, but for 1896-7 the figures declined to £1,232,600, which is practically the value in 1898-9 :—

Town.	1891.		1898-9.	
	Annual Value.	Capital Value.	Annual Value.	Capital Value.
	£	£	£	£
Bathurst	69,426	735,710	55,325	946,600
Broken Hill	136,217	865,580	206,290	1,229,400
Goulburn	88,200	930,000	61,675	945,600
Newcastle and suburbs ...	411,028	5,525,500	314,200	5,007,000
Parramatta	83,986	1,692,000	62,160	1,243,100

Taking the municipalities as a whole, the following particulars in regard to the number of municipalities, the area incorporated, and the annual and capital values of property assessed for municipal purposes, will not be without interest. The figures relate to all municipalities, and cover eleven years :—

Year.	No. of Municipalities.	Area Incorporated.	Annual Value.	Capital Value.
		acres.	£	£
1889	145	1,357,916	7,365,444	120,285,095
1890	158	1,527,772	7,792,350	127,212,046
1891	165	1,564,406	8,356,803	134,009,758
1892	168	1,637,046	8,697,503	144,277,400
1893	171	1,660,675	8,929,475	150,938,000
1894	175	1,683,990	8,460,674	151,226,000
1895	182	1,754,941	7,895,645	136,202,100
1896	183	1,767,079	7,603,735	127,499,700
1897	183	1,767,749	7,430,120	122,787,000
1898	184	1,768,500	7,379,350	120,625,600
1899	184	1,768,500	7,412,100	121,213,800

The revenues of municipalities are derived chiefly from rates, but under the Act of 1867 the Government allows an endowment for the

first fifteen years following incorporation, the scale being £ for £ of general rates received during the first five years, 10s. per £ during the next five years, and 5s. per £ for the remaining period. The Government also contributes grants in aid of roads and other works, and occasionally a special endowment is given. The following table shows the receipts during 1898-9, the Government endowments and grants being specified :—

Total receipts—	£		
Government.....	81,022		
Rates, &c.	707,221		
Total.....	<u>788,243</u>		
Receipts per inhabitant in incorporated area—	£	s.	d.
Government.....	0	2	0
Rates, &c.	0	17	10
Total	<u>0</u>	<u>19</u>	<u>10</u>
Receipts per square mile of incorporated area—			
Government.....	29	6	11
Rates, &c.	256	2	11
Total	<u>285</u>	<u>9</u>	<u>10</u>

The total expenditure for the same period amounted to £799,069, distributed as follows :—

	£
Public works, services, and improvements.....	444,715
Interest on loans and overdrafts	135,114
Repayments of loans	90,973
Salaries and office expenses	71,608
Payments to sinking funds.....	14,978
Other expenditure	41,681
	<u>£799,069</u>

The proportion of the expenditure incurred for interest on loans and overdrafts was about 17 per cent., while the average rate of interest payable on the liabilities was 4·61 per cent.

The amount of loans and secured overdrafts outstanding on the 6th February, 1899, was £2,736,703, of which £1,345,085 was raised in London, principally by the city of Sydney, while of the balance, £18,396 was floated in Victoria, and £1,373,222 in New South Wales. The unsecured overdrafts amounted to £192,310, so that the total liability on which interest was payable was £2,929,013. The interest charged ranged from 3½ to 7½ per cent. for the secured loans, and from 4 to 8½ per cent. on the unsecured overdrafts. Against the total liability, sinking funds have been established, the total amount at the credit of such funds being £298,385.

VICTORIA.

In Victoria a comprehensive system of local government has been in force for many years. In 1842 the Act of the Legislative Council of New South Wales, which incorporated Sydney, also constituted Melbourne a municipality, and in 1874 the general system was inaugurated. Under this system the State is divided into cities, towns, boroughs, and shires, and the total area under local control is 87,342 square miles, only 542 square miles remaining unincorporated.

The councillors are elected by the ratepayers, and the mayors of cities, towns, and boroughs, or presidents of shire councils, are elected by the councillors. A general rate of not more than 2s. 6d. or less than 6d. in the £ of the annual value may be imposed, but special rates may be levied, provided that general and special rates together do not exceed 2s. 6d. in the £. A further special rate, limited to 6d., may also be charged for works in particular parts of any district.

The total capital value of property assessed for municipal purposes in 1899 was £168,611,906, while the annual value was £10,152,500, the figures for Melbourne and suburbs being £60,626,915 and £3,973,357 respectively. The values for the metropolitan district since 1891 are given below, and it will again be noticed how great has been the decrease during the period under review, though, as in the case of New South Wales, the figures for 1899 show a small increase over those of the previous year:—

Year.	Melbourne and Suburbs.		Year.	Melbourne and Suburbs.	
	Annual Value.	Capital Value.		Annual Value.	Capital Value.
	£	£		£	£
1891	6,533,717	87,939,287	1896	4,299,515	60,962,705
1892	6,815,315	92,358,629	1897	4,168,182	60,352,040
1893	6,639,014	88,510,328	1898	3,968,888	60,404,877
1894	5,847,079	78,916,730	1899	3,973,357	60,626,915
1895	4,984,596	66,824,384			

The annual and capital values for the five principal provincial centres for 1891 and 1898-9 will be found in the following statement:—

City, Town, or Borough.	1891.		1898-9.	
	Annual Value.	Capital Value.	Annual Value.	Capital Value.
	£	£	£	£
Ballarat	171,484	2,572,260	156,790	2,351,830
Ballarat, East	78,264	782,640	78,340	1,175,100
Bendigo	167,305	1,673,050	188,850	2,266,200
Geelong	92,697	926,970	87,870	1,757,460
Geelong, West	28,317	339,804	26,140	365,900

The revenue of the local governing bodies is chiefly derived from taxation, under the headings of general and special rates, licenses, dog fees, market and weighbridge dues, &c. The total amount collected from all sources during the year ended September, 1898, was £1,115,754, of which £92,328 was contributed by the Government, either as endowment or special grant, while the amount of general rates, &c., received was £832,489, which represents the local taxation. The balance, £190,937, includes sanitary fees amounting to £54,344, and also £52,473 received as rents of municipal property. The receipts per inhabitant in incorporated areas amounted to 19s. 2d., and per square mile, £12 15s. 6d.

The total expenditure for the year was £1,173,039, of which £696,786 were spent on public works, &c., while the amount paid for interest was £166,545. The payments to sinking funds were £37,499, and the repayments of loans from revenue, £12,250, the principal items in the balance being—salaries, £132,757, and printing, &c., £20,955. The proportion paid as interest on loans and overdrafts was about 14 per cent. of the total, while the average interest payable on loans and overdrafts amounted to about £4 1s. 4d. per cent.

The municipal loans outstanding were £3,985,314, and the bank overdrafts amounted to £108,781, giving a total interest-bearing liability of £4,094,095. The total liabilities were £4,745,896, the principal items being—arrears due to sinking funds, £312,954; overdue interest on loans, £171,258; and amounts due on contracts, £47,206. The assets totalled £3,774,326, the chief items being—municipal property, £2,216,152; sinking funds, £917,467; outstanding rates, £231,726; and bank balances and cash in hand, £39,676.

The number of municipalities with the annual and capital values of property assessed for local purposes for the ten years ending with 1899, were as follows :—

Year.	No. of Municipalities.	Annual Value.	Capital Value.
		£	£
1890	192	12,931,526	187,558,511
1891	197	13,265,543	194,313,646
1892	198	13,733,770	203,351,360
1893	201	13,605,990	197,366,940
1894	203	12,779,600	189,461,350
1895	207	11,676,079	174,984,851
1896	208	10,641,200	167,197,780
1897	208	10,393,000	168,427,700
1898	208	10,345,535	171,253,984
1899	208	10,152,500	168,611,906

QUEENSLAND.

The beginning of local government in Queensland was the proclamation constituting Brisbane a municipality, the date of which was the 6th September, 1859, or about three months prior to the separation of the colony from New South Wales. A general system of government by local authorities was inaugurated in 1878, when the colony was divided into boroughs, shires, and divisions.

The aldermen, councillors, and members are elected by ratepayers in boroughs, shires, and divisions respectively, while mayors of boroughs and chairmen of shires and divisions are chosen by the representatives.

Under the provisions of the original Act, the rates were levied on the annual value, and the maximum general rate was 1s. in the £ for boroughs, shires, and divisions, but the minimum was 6d. per £ for boroughs and shires, and 4d. per £ in divisions. Special rates could also be imposed for sewerage, drainage, lighting, street-watering, or particular works. By an amending Act passed in December, 1890, the rates are now charged on the unimproved capital value of the land, the maximum being 2d. in the £ for boroughs and shires, and 1½d. in the £ for divisions, while the minimum is ½d. in both cases. The separate rates may still be charged, and if waterworks have been established a further rate may be imposed for that service.

The total area controlled by local bodies is 668,252 square miles, leaving only 245 square miles unincorporated. The total capital value at the end of 1898 was estimated to be £41,486,971, and the annual value £2,792,600. The annual and capital values of Brisbane and some of the other large boroughs are given below for 1891 and 1898-9 :—

Municipality.	1891.		1898-9.	
	Annual Value.	Capital Value.	Annual Value.	Capital Value.
	£	£	£	£
Brisbane	880,035	8,800,350	575,574	5,755,740
South Brisbane	260,584	2,605,840	140,418	1,404,180
Rockhampton	132,360	1,323,600	105,983	1,059,830
North Rockhampton	19,050	190,500	15,493	154,930
Townsville	159,000	1,590,000	78,778	787,780
Toowoomba	71,142	711,420	59,223	592,280

North Rockhampton has been included, as it is a suburb of Rockhampton.

The receipts for the year 1898-9 amounted to £487,227, the chief sources being—Government endowments, grants, and loans, £116,030, and rates, £239,391, leaving £131,806 derived from other sources.

The expenditure for the same period was £506,137, the amount spent on public works being £338,028, while repayments of loans and interest amounted to £41,344, salaries and office expenses to £47,484, and all other disbursements £79,281.

The outstanding loans, including overdue instalments payable to the Government, amounted to £984,739, the whole of which, with the exception of the loans of the city of Brisbane and part of the indebtedness of South Brisbane, is due to the Government, as no local body, except the two mentioned, is allowed to borrow from outside sources.

The total assets on the same date were given as £1,305,123, the only item specified being outstanding rates, which amounted to £110,725.

The following table shows the assessed value of unimproved land upon which the rates are struck, and the annual value of properties in all the local government districts of Queensland :—

Year.	Assessed Value of Unimproved Land.	Annual Value.
	£	£
1892	44,188,698	2,974,460
1893	43,427,923	2,923,250
1894	41,772,975	2,811,850
1895	40,821,733	2,747,820
1896	40,810,384	2,747,060
1897	41,009,739	2,760,480
1898	41,486,971	2,792,600

SOUTH AUSTRALIA.

Adelaide, the capital of South Australia, was proclaimed a municipality as far back as 1840, and was thus the first local body established in Australasia. The present general system of corporations and district councils was instituted in 1887.

In all cases the councillors and mayors are elected by the citizens, the representatives not being empowered to choose their presiding officer. The rates are assessed on the annual value, and the general rate must not exceed 1s. in the £; while lighting rates are limited to 4d., and park improvement rates to 3d. Water rates may also be imposed where necessary, and special rates for works in particular portions of municipalities.

The total area incorporated at the close of the last municipal year was 41,851 square miles, leaving 338,219 square miles still under the control of the central government. The large extent still unincorporated consists chiefly of the unsettled portion of the Colony, as the populous centres have all been brought under municipal government. The figures in this chapter relating to South Australia are in all cases exclusive of the Northern Territory.

The capital value of the incorporated districts is estimated at £39,663,150, and the annual value at £2,553,415. Adelaide, Port Adelaide, and Unley are the three largest corporations, and the following were their values for 1898-9, compared with those for 1891 :—

Corporation.	1891.		1898-9.	
	Annual Value.	Capital Value.	Annual Value.	Capital Value.
	£	£	£	£
Adelaide	392,819	3,928,190	425,826	4,258,260
Port Adelaide	78,177	781,770	101,003	1,010,030
Unley	79,061	790,610	109,792	1,097,720

The total receipts for 1898-9 were £336,540, the amount contributed by the Government as subsidy and grants being £101,727, while the rates collected were £136,185, leaving £98,628 from other sources. The expenditure was £336,408, the amount spent on works being £189,457, while salaries and office expenses absorbed £28,465, and miscellaneous services, £118,486.

The loans outstanding at the close of 1898-9 amounted to only £76,900. These loans were floated by the Adelaide City Council. The interest payable ranges from 3½ to 6 per cent., the average being 4·53 per cent.

The annual and capital values of all the incorporated districts for the past ten years are as shown in the following table :—

Year.	Annual Value.	Capital Value.
	£	£
1890	2,535,714	39,388,200
1891	2,543,526	39,509,540
1892	2,538,094	39,425,160
1893	2,561,806	39,793,490
1894	2,552,820	39,653,900
1895	2,494,326	38,745,300
1896	2,463,564	38,267,460
1897	2,485,995	38,615,890
1898	2,518,688	39,123,720
1899	2,553,415	39,663,150

WESTERN AUSTRALIA.

The great resources of this State have only been made manifest during recent years, and the limited population, compared with the vast area of the colony, has prevented any great extension of local government.

The first Municipalities Act was passed in 1871, but only a few districts were incorporated under it, and, in 1895, the existing Act became law, and a considerable increase in the area locally controlled has resulted from its provisions. The local bodies are termed Municipalities, Road Boards, and Health Boards.

The Municipal Act provides for the election of both councillors and Mayors by the ratepayers. With regard to Road Boards, however, the members are elected by the ratepayers, and the chairmen by the members.

The general rate imposed in municipalities must not exceed 1s. 6d. in the £ of annual value, and a special rate of 3d. in the £ may be levied under the Health Act. In the City of Perth, however, an additional rate is charged for water-supply; this rate must not exceed 1s. in the £ of annual value. In the Road Board districts the general rate is limited to 1s. in the £ of annual value.

The total area of municipalities is only 64 square miles. The remainder of the State comprises 975,856 square miles, a large proportion of which is still under the central government. The Road Board districts occupy a considerable area, but as the general government exercises a certain amount of control over the expenditure, these districts cannot be said to be endowed with full local government.

The capital value for the latest available year was estimated at £9,702,000, and the annual value at £924,198. The corresponding figures for some of the most important towns are given below. The particulars for 1891 are not available, but it may be said generally that since 1895, the earliest year for which figures are obtainable, there has been a considerable increase both in the annual and capital values, as an inspection of the table will show:—

Municipality.	1895.		1898-9.	
	Annual Value.	Capital Value.	Annual Value.	Capital Value.
	£	£	£	£
Perth	95,852	798,767	268,972	2,241,430
Albany	26,013	225,791	28,674	249,340
Fremantle	71,579	550,608	} 149,006	1,146,200
" North .....	*	.....	
Coolgardie	21,570	269,625	101,083	550,500
Kalgoorlie	o	.....	117,464	1,174,640

* Not incorporated.

The total receipts for 1898 amounted to £245,299, included in which is the sum of £95,569 given by the Central Government as subsidy and special allowances. The general rates received were £73,917, while the remainder, £75,813, represents collections from rents, license fees, &c., and proceeds of loans. The disbursements in the same year came to £275,993, of which the large proportion of £203,661 was spent on

works and improvements. The other important items are :—Salaries, £14,219 ; and interest on loans and overdrafts, £8,982 ; leaving £49,131 expended on other services, including £4,000 for the repayment of loans.

The total liabilities at the close of the year were £313,371, which include the loan of £80,000 floated by Perth, but not brought to account at date of closing. The principal item is outstanding loans, which amounted to £261,100 (inclusive of the £80,000 referred to above). The unsecured overdrafts amounted to £5,796, the balance £46,475, being due for amounts owing on contracts, outstanding accounts, &c. Against the loan indebtedness, however, must be placed the accumulated sinking fund, which amounts to £22,973.

The assets on the same date were estimated at £269,944. The largest proportion of this amount is accounted for by the value of landed property, plant, and furniture, which was stated to be £189,367. The outstanding rates amounted to £16,298 ; while other important items were :—Bank and cash balances, £34,290, and sinking fund, £22,973, leaving £7,016 for other assets.

TASMANIA.

In this State, the city of Hobart was incorporated by a special Act in 1852, and in 1858 the Rural Municipalities Act was passed which provided for the establishment of corporations throughout the Colony. The whole area is not under the provisions of this Act alone, as there are other bodies, notably Town Boards and Road Trusts, which are authorised to control outlying districts.

In the urban municipalities—Hobart and Launceston—the aldermen are elected by the ratepayers, and the mayors by the aldermen. The ratepayers in the rural districts also elect their representatives, who are termed councillors, and the latter have the privilege of choosing their presiding officer, who is called warden.

The general rate in each class of corporation is limited to 1s. 6d. in the £ of the annual value, but special rates may be levied in rural districts, provided that the general and special rates together do not exceed 1s. 6d. in the £. Police and road rates may also be imposed in addition to municipal rates.

The area of municipal districts may be set down as 9,535 square miles, leaving 16,680 square miles under the control of the other local bodies, or of the central government. The total capital value at the close of 1898 was estimated at £28,332,000, and the annual value at £1,356,782. These figures may be somewhat over-stated, as the same property may be rated by more than one of the local authorities. The values of the two principal municipalities will be found below, and a reference to the corresponding particulars for 1891 will show that

Tasmania has not been very much affected by the depreciation of property, which was so severely felt in the Australian States :—

Municipality.	1891.		1898-9.	
	Annual Value.	Capital Value.	Annual Value.	Capital Value.
	£	£	£	£
Hobart.....	174,950	2,915,833	175,485	2,924,750
Launceston....	135,168	2,252,800	125,498	2,091,630

The total receipts of Municipalities, Town Boards, and Road Trusts for 1898 were £146,792, the proportion contributed by the central government being only £12,281. The bulk of the collections consisted of rates, the amount of which was £89,225 ; and the remainder, £45,286, was accounted for by fees, licenses, proceeds of loans, &c. The total expenditure for the same year amounted to £147,012, but no details relating to this sum are available.

The total loans outstanding at the close of 1898 for the local bodies under review amounted to £512,402, and in the majority of cases sinking funds have been established for the extinction of the debts, the total amount accumulated at the end of 1898 being £46,290.

NEW ZEALAND.

In New Zealand an Act was passed in 1852 which divided the colony into six provinces, the local administration being vested in provincial councils. This system continued till 1876, when the provincial system was abolished, and the whole colony, except the area within the forty-one boroughs then existing, was subdivided into counties, each county having full control of its local affairs.

The provisions for election differ in the boroughs and counties ; as in the former bodies both the councillors and mayors are elected by "burgesses," but in counties, the councillors are elected by the "county electors," and the chairmen by the councillors. The rating powers are also different. In boroughs, the rates are in most cases levied on the annual value, and the general rate is limited to 1s. 3d. in the £. Special rates may also be imposed, but general and special rates together must not exceed 1s. 3d. in the £. In counties, and in a few of the boroughs (the latter having taken advantage of the "Rating on Unimproved Value Act of 1896"), the rates are charged on the capital value, and the general rate must not exceed three farthings in the £ in counties or boroughs where road boards or town districts exist, and six farthings

in other local areas. Separate rates may also be levied, provided the general and special rates do not exceed three farthings and six farthings in the £ respectively; and extra rates for special works, for interest and sinking funds on loans, and, where necessary for hospitals and charitable aid, may be charged.

In addition to the boroughs and counties, road districts and town districts have been proclaimed. The total area locally governed may be set down at 104,050 square miles, only 4,218 square miles being outside the incorporated area.

The capital value for 1898-9 was estimated at £138,591,347, and the annual value at £6,427,000. The remarks with regard to the overstatement of the values in Tasmania may also be applied to New Zealand, as the boundaries of the various districts may overlap in some cases.

The distribution of the population of New Zealand differs from that of the other colonies. In the Australian States, especially those in the eastern portion of the continent, the great majority of the people are centred in the metropolitan areas, and consequently the capital and annual values are proportionately great in the chief cities and suburbs. In New Zealand, however, there are four large centres of population, and the values of the assessed properties are shown below. The figures for 1891 are also shown, and it will be noticed that the values have not varied to any great extent, as New Zealand, like Tasmania, did not experience the great depreciation which took place in some of the other States after the Bank reconstructions in 1893:—

Borough.	1891.		1898-9.	
	Annual Value.	Capital Value.	Annual Value.	Capital Value.
	£	£	£	£
Wellington	315,709	5,261,816	415,970	6,932,830
Auckland	297,468	4,956,800	319,200	5,320,000
Dunedin	251,870	4,197,833	235,024	3,917,066
Christchurch	195,251	3,254,183	206,826	3,447,100

The total receipts for 1898-9 amounted to £1,343,996, the Government contributions being £292,746, inclusive of loans. The collections from rates were £618,221, and from other sources £433,029, represented chiefly by fees for licenses and rents. The expenditure for the same period was £1,260,199, the amount spent on works being £682,680; on hospitals and charitable aid, £74,744; on management, £118,870; and on other services, £383,905. The contributions to sinking funds, and repayments of loans are not included in the total expenditure, and the amounts disbursed under these heads are not available.

The total loans outstanding at the close of 1898-9 for the bodies referred to amounted to £3,685,512, and the sinking fund was £335,739,

the net indebtedness, therefore, being £3,349,773. The annual charge for interest and sinking fund is approximately £220,733, the rates of interest ranging from 4 to 7 per cent.

Estimated by the annual value of its ratable property, Sydney is, and has been for many years, the second city of the British Empire; next comes Glasgow, and then Melbourne. None of the other Australasian cities ranks high on the list, but the extreme value of property in relation to population in the Australasian population centres as compared with the principal British cities, will be seen from the following table:—

Cities and Towns.	Population.	Annual Value.	
		Total.	Per Inhabitant.
Australasia—		£	£ s. d.
Sydney.....	438,300	4,995,200	11 7 11
Newcastle and suburbs.....	48,340	314,200	6 10 0
Melbourne.....	451,594	3,973,357	8 16 0
Ballarat and Ballarat East.....	38,448	235,130	6 2 4
Brisbane.....	110,950	1,061,109	9 11 4
Adelaide.....	149,672	1,149,328	7 13 7
Perth.....	34,610	321,606	9 5 10
Hobart.....	41,585	175,485	4 4 5
Wellington.....	47,862	449,355	9 7 9
United Kingdom—			
London (County).....	4,232,118	36,574,812	8 12 10
Glasgow.....	731,675	4,352,181	5 19 0
Manchester (including Salford).....	752,269	3,907,845	5 3 11
Liverpool.....	668,645	3,839,479	5 14 10
Edinburgh.....	261,225	2,555,756	9 15 8
Birmingham.....	510,343	2,297,543	4 10 0
Leeds.....	416,618	1,522,092	3 13 1
Bristol.....	320,000	1,461,419	4 11 4
Sheffield.....	356,478	1,268,893	3 11 2
Bradford.....	235,000	1,149,735	4 17 10
Newcastle-on-Tyne.....	223,021	1,129,743	5 1 4
Belfast.....	330,000	1,064,000	3 4 6
Nottingham.....	236,137	918,000	3 17 9
Hull.....	229,887	876,811	3 16 3

BOARDS AND TRUSTS IN NEW SOUTH WALES.

In addition to the municipalities, there are bodies known as Boards or Trusts whose function it is to construct and supervise certain works which have been established for the benefit of districts usually comprising one or more of the ordinary municipalities. These bodies are usually composed of members representing respectively the central government, the municipalities affected, and other persons directly

interested in the particular undertakings ; and as a rule they raise the funds necessary for carrying out the works they control, by means of rates on the assessed value of the properties benefited, just as is the case in regard to municipalities.

In New South Wales there are the Metropolitan Board of Water Supply and Sewerage, having charge of the water supply, which it assumed in 1888, and of the sewerage system, which it has controlled since 1889, and the Hunter River District Board of Water Supply and Sewerage, formed in 1892. The Wollongong Harbour Trust, which was instituted in 1889, was the only one of the kind in the colony up to the year 1900—the works connected with shipping, and the improvements to navigation, at Sydney, Newcastle, and other ports, having always been carried out at the expense and under the supervision of the central Government. The Wollongong Trust, however, failed, and its powers have been assumed by the Government. During the year 1900, an Act was passed for the establishment of a Harbour Trust for the port of Sydney, and in the same year the Wharfs Resumption Act became law, which enabled the Government to acquire certain wharf properties in Darling Harbour ; these wharfs, and others, originally the property of the Government, will be controlled by the Harbour Trust. There is a Metropolitan Fire Brigades Board, on which the municipalities within the metropolitan area are represented, and towards the annual expenses of which they contribute one-third. The fire insurance companies and the State are also represented, and contribute equally with the municipalities in maintaining the Fire Brigade Board. Thirty-two country boards have also been established under the Fire Brigades Act of 1884, three of which are, however, within the area administered by the Metropolitan Board, and contribute to its funds. There are Irrigation Trusts at Hay and Balranald. A similar trust at Wentworth has been taken over by the Government, and the dissolution of the Balranald trust is under consideration.

The Country Towns Water Supply and Sewerage Act of New South Wales was passed in 1880. Under the provisions of this measure municipalities outside the area under the control of the Metropolitan and Hunter District Water Supply and Sewerage Boards were entitled to construct, or to have constructed for them by the Government, works for water supply and sewerage, provided the construction of the same were approved by the Governor-in-Council, and the municipalities agreed to pay back the original cost of the works, with interest at the rate of 4 per cent. per annum. The Government were to pay the certified cost of the works, and the municipalities were to repay the Government by instalments extending over a period of sixty years. Under the operations of this Act twenty-one water-supply works have been carried out by the Government (exclusive of Richmond, now administered by the Metropolitan Board of Water Supply and Sewerage), and three by municipal councils, while works in nine other places were in course of construction on the 30th June, 1899, including additions to existing

works. The amount advanced by the Government to local bodies under the Act to the end of 1892 was £370,549, and instalments to the amount of £85,886 were then overdue. It was found that the liability of some of the municipal councils was too heavy for their resources, and in 1894 an amending Act was passed distributing the payments over 100 years and reducing the interest to 3½ per cent. On the 30th June, 1899, the total amount expended by Government, inclusive of interest, stood at £723,775, viz. : £538,008 for works completed under Government control; £27,344 for works carried out under the supervision of municipal councils; and £158,423 for works still in course of construction. Of the total amount of £565,352 due on account of completed works to the 30th June, 1899, £19,031 had been repaid, and £76,698 had been remitted by Government, leaving the debt at £469,623, which is repayable by annual instalments of £17,037.

BOARDS AND TRUSTS IN VICTORIA.

In Victoria the port of Melbourne is under the control of a Harbour Trust, which was established as far back as 1877. A Tramway Trust, representing twelve of the metropolitan municipalities, has been formed under the provisions of an Act passed in 1883. This body was entrusted with power to construct tramways through the streets of the municipalities interested, the requisite funds being raised by loans on the security of the tramways and the revenues of the municipal bodies connected with the undertaking. The trustees had the option either of working the tramways themselves or of leasing them to a private company. They adopted the latter alternative, and the tramways are being worked on a thirty-two years' lease, commencing from 1884. In 1891 the Melbourne and Metropolitan Board of Works was established for the purpose of constructing and supervising all works connected with water supply, sewerage, and drainage in Melbourne and suburbs. The Government is not directly represented on this Board, although to the Metropolitan Board of Water Supply in Sydney three members are nominated by the State. The reason for this difference is that in New South Wales the Government constructed the works and is responsible for the debt incurred in doing so, while in Victoria the Board carries out the work of construction, in addition to the maintenance and management to which the operations of the Sydney Board are confined. Throughout Victoria there are Water Works Trusts and Irrigation and Water Supply Trusts. During 1898-9 there were seventy-two Water Works Trusts and thirty-one Irrigation and Water Supply Trusts. The Government authorised an advance of £1,201,574 for the former service, and for the latter £1,440,080, and the amounts outstanding in June, 1899, were £852,885 and £1,093,128 respectively. As in New South Wales, the municipal bodies are represented on the Fire Brigade Boards, and bear a proportionate share of the expenses.

The Government of Victoria, prior to the establishment of the Trusts for Water Works, Irrigation, and Water Supply, advanced money from the Public Loans Account to local bodies requiring assistance to construct these works. The amount advanced for the development of the services to June, 1899, including arrears of interest capitalised, was £397,871, which has to be repaid into a sinking fund, or by annual instalments. The amount so repaid is £74,396. The figures just given are exclusive of the advances to the city of Ballarat for the water supply works, as these are now under a special commission. The outstanding debt of the Ballarat Water Commission on the 30th June, 1899, was £281,439. Under a special Act the Government have power to advance funds to shires for the construction of tramways, and £60,811 had been so advanced up to June, 1899. The Government, under two different Acts, can also make advances to shires for the purchase of rabbit-proof fencing. The amount so advanced to June, 1899, was £192,370, of which £57,656 was outstanding on that date.

BOARDS AND TRUSTS IN OTHER COLONIES.

In Queensland the water supply service forms part of the local government system; the works are proposed by the municipal bodies, but the Government constructs and supervises them, and when completed hands them over to the local authorities with their attendant liabilities. The latter form a debt to the State which is repaid in instalments. The total cost of construction to 31st December, 1898, was £1,050,099, and the amount due to the Government on the same date was £788,611.

In South Australia there are no Boards or Trusts of any importance beyond the municipal bodies already mentioned; extensive municipal powers exist, however, for the construction of important local works.

In Western Australia there are Road Boards, Local Boards of Health, and a Metropolitan Water Works Board.

In Tasmania seven Marine Boards, forming part of the local government system, have been established in different parts of the colony, and there are twelve Water Trusts in connection with municipal bodies. The rural police come under the local government system, the ratepayers who enjoy the benefits of police protection being obliged to bear the cost of administration. The control of the police is, however, under officers appointed by the central government.

In New Zealand there are, in addition to the ordinary forms of municipal government, River and Harbour Boards, which are established throughout the colony. The number of these at the end of 1898 was respectively twenty-eight and twenty-six. There is a Drainage Board at Christchurch, while there are twelve Land Drainage Boards and Water Supply Boards at Waimakariri and Manukau.

Complete returns of the Boards and Trusts in each colony are not readily obtainable; the following table, however, gives important details in connection with some of these bodies:—

Board or Trust.	Receipts.			Expenditure.	Out-standing Loans.
	Government.	Other.	Total.		
New South Wales—	£	£	£	£	£
Metropolitan Board of Water Supply and Sewerage .....	...	300,267	300,267	309,080	6,448,058
*Hunter District Water Supply and Sewerage .....	...	26,478	26,478	30,380	477,890
Victoria—					
Melbourne Harbour Trust .....	...	132,948	132,948	137,909	2,000,000
Melbourne and Metropolitan Board of Works .....	...	168,553	168,553	281,421	6,252,737
Melbourne Tramways Trust.....	...	426,234	426,234	369,068	1,650,000
Fire Brigade Boards	18,498	28,908	47,406	44,265	130,000
Water Works Trusts .....	...	...	...	...	852,885
Irrigation and Water Supply Trusts .....	...	...	...	...	1,093,128
Ballarat Water Commission .....	...	...	...	...	281,439
Queensland—					
Water Works	10,860	102,365	113,225	120,294	788,611
Western Australia—					
Road Boards.....	44,185	4,970	49,155	50,702	.....
Boards of Health.....	4,768	31,721	36,489	34,299	.....
Metropolitan Water Works Board.	14,708	19,097	33,805	37,322	367,829
Tasmania—					
Marine Boards	12,361	27,170	39,531	33,114	44,139
Light-houses	2,000	76,841	8,841	10,605	.....
Water Trusts .....	...	5,345	5,345	4,680	51,700
Road Trusts	5,045	17,111	22,156	22,129	1,500
Town Boards.....	7,005	11,244	18,249	16,371	12,800
New Zealand—					
River Boards .....	...	17,724	17,724	14,825	42,320
Harbour Boards	6,342	493,902	500,244	471,576	3,804,187
Drainage Boards	90	25,061	25,151	26,119	200,000
Water Supply Boards.....	...	4,749	4,749	5,855	21,200

* Water supply only.

† Including £1,284 from other Governments.

The amounts shown in the foregoing table under Road Trusts and Town Boards in Tasmania are included in the figures given on page 627. The outstanding loans for Tasmania are gross, sinking funds amounting to £6,340, £1,829, £302, and £1,340 respectively being established in connection with the debts of Marine Boards, Water Trusts, Road Trusts, and Town Boards. In New Zealand, also, sinking funds amounting to £8,063, £276,960, and £28,101 respectively exist in connection with the liabilities of River, Harbour, and Drainage Boards.

The outstanding loans of the Boards and Trusts of New South Wales constitute part of the public debt. This is true also with regard to the amounts for Victoria, except the loans of the Tramway Trust and

the Melbourne Harbour Trust, the Fire Brigades Boards, and part of the loans of the Melbourne and Metropolitan Board of Works, which are not guaranteed. The liabilities shown for Queensland and Western Australia also form part of the public debt of those colonies; but the amounts given for New Zealand are not advanced from the General Loan Account. In the foregoing table the advances made by the Governments to the borrowing bodies are included.

The total revenue of all local bodies is shown in the following table, the receipts from the various Governments being distinguished from the ordinary receipts:—

State.	Receipts from Government.	Other Receipts.	Total.
	£	£	£
New South Wales	81,022	1,033,966	1,114,988
Victoria	110,826	1,780,069	1,890,895
Queensland	126,890	473,562	600,452
South Australia	101,727	234,813	336,540
Western Australia	159,230	205,518	364,748
Tasmania	38,692	202,222	240,914
Commonwealth	618,387	3,930,150	4,548,537
New Zealand	299,178	1,592,686	1,891,864
Australasia	917,565	5,522,836	6,440,401

INDEBTEDNESS OF LOCAL BODIES.

The following table shows the total indebtedness of local bodies in each of the colonies for which returns are available. The figures include the liabilities to the Government. It must also be explained that the liabilities of Road Trusts and Town Boards in Tasmania have been included with municipalities:—

State.	Outstanding Loans.		
	Municipalities.	Boards, Trusts, &c.	Total for local purposes.
	£	£	£
New South Wales	2,736,703	6,925,948	9,662,651
Victoria	3,985,314	12,260,189	16,245,503
Queensland	984,739	788,611	1,773,350
South Australia	76,900	.....	76,900
Western Australia	261,100	367,829	628,929
Tasmania	512,402	110,139	622,541
Commonwealth	8,557,158	20,452,716	29,009,874
New Zealand	3,685,512	4,067,707	7,753,219
Australasia	12,242,670	24,520,423	36,763,093

For the amounts that have just been given the local bodies are responsible directly to their creditors in part, and the general governments hold themselves directly liable for the balance. In the following table is given a division of the indebtedness of local bodies into the sum due to the State and that due to the public. It may be mentioned that the amount owing to the State is included with the general debt of the colonies; and in order to estimate the total State and municipal indebtedness the figures in the second column only have to be added to those on page 798:—

State.	Amount of Corporation Indebtedness included in the Public Debt.	Loans of Local Bodies floated in open market.	Total Indebte
	£	£	£
New South Wales	6,925,948	2,736,703	9,662,651
Victoria	5,035,659	11,209,844	16,245,503
Queensland	1,468,350	305,000	1,773,350
South Australia .....	.....	76,900	76,900
Western Australia.....	367,829	261,100	628,929
Tasmania	108,489	514,052	622,541
Commonwealth	13,906,275	15,103,599	29,009,874
New Zealand	789,965	6,963,254	7,753,219
Australasia	14,696,240	22,066,853	36,763,093