

NATIONAL ROADS AMENDMENT BILL

EXPLANATORY NOTE

Clause 2: Under section 23 (1) (c) of the National Roads Act 1953, subsidies from the National Roads Fund are payable in the case of counties (including any town district that is part of a county) and road districts at the rate of 8s. for each pound of general rates (excluding rates levied for hospital purposes) and of separate and special rates for roading purposes levied by the local authority during the preceding financial year and actually collected before 30 June in the financial year in respect of which the subsidy is due. No subsidy is therefore payable in respect of rates which are in arrear and are collected subsequently.

Subclause (1) of this clause re-enacts the paragraph in an amended form, and provides that the subsidy payable in any financial year will be payable in respect of all rates actually collected during the immediately preceding financial year (including any arrears collected in respect of other years). The new paragraph also makes it clear that subsidy is not payable in respect of rates levied for other local authorities, e.g., rates levied on behalf of *ad hoc* local authorities.

Subclause (2): Section 23 (5) of the principal Act provides that the subsidy payable to any local authority under that section is not to be less than the total amount the local authority received in respect of the financial year ending 31 March 1954 by way of heavy traffic fees and subsidy under section 71 of the Municipal Corporations Act 1933 or under section 9 of the Appropriation Act 1915. The effect of this subclause is that allocations of the proceeds of motor spirits tax received by any Borough Council during that financial year are also to be taken into account in calculating the minimum subsidy payable to that Council under section 23 of the principal Act.

Clause 3: Section 25 (1) of the principal Act provides that subsidies received from the Fund by local authorities are to be kept in a separate account and shall be expended on the construction and maintenance of roads and cannot be used as security for any loan, but, if there is any surplus after the roads in its district have been constructed to a satisfactory standard and are adequately maintained, the surplus may, with the approval of the Board, be expended for works of benefit or advantage to users of motor vehicles or public safety in relation to motor vehicles.

This clause re-enacts the subsection in an amended form, and now provides that the subsidies must be kept in a separate roading account, and also makes it clear that the subsidies may be used to meet the annual charges on any existing or future loan raised for road construction purposes.

Hon. Mr Goosman

NATIONAL ROADS AMENDMENT

ANALYSIS

Title.	2. Amount of subsidies.
1. Short Title.	3. Application of subsidies.

A BILL INTITULED

AN ACT to amend the National Roads Act 1953.

Title.

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

1. This Act may be cited as the National Roads
Amendment Act 1954, and shall be read together with
and deemed part of the National Roads Act 1953
(hereinafter referred to as the principal Act).

Short Title.

1953, No. 118

10 2. (1) Section twenty-three of the principal Act is
hereby amended by repealing paragraph (c) of sub-
section one, and substituting the following paragraph:

Amount of
subsidies.

15 “(c) In the case of any county (including any town
district that is part of a county) or any road
district, the subsidy shall be at the rate of
eight shillings for each pound of general
rates (excluding money levied for hospital
20 purposes or for the purposes of any other
local authority) and of separate and special
rates for roading purposes that was levied by
the local authority for any preceding

1941, No. 4

financial year and has been actually collected by the local authority, or by another local authority as its agent under section thirty of the Finance Act 1941, during the financial year immediately preceding that in which the subsidy is due." 5

1949, No. 7

(2) Section twenty-three of the principal Act is hereby further amended by inserting in subsection five, after the words "that date", the words "and by way of apportionment under section sixty-four of the Transport Act 1949". 10

Application of subsidies.

3. Section twenty-five of the principal Act is hereby amended as from the commencement of that Act by repealing subsection one, and substituting the following subsection: 15

"(1) All money received by any local authority under this Act shall be kept in a separate roading account by the local authority, and shall be expended on the construction and maintenance of roads, or in meeting the annual charges on any loan raised by the local authority (whether before or after the commencement of this Act) for the construction of any road: 20

" Provided that, if in any financial year the roads in the district of the local authority have in the opinion of the Board been constructed to a satisfactory standard and are in that opinion adequately maintained, the local authority may, with the prior approval of the Board, apply surplus money from its subsidy from the Fund for that financial year to any works of benefit or advantage to users of motor vehicles or public safety in relation to motor vehicles." 25 30