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The local authorities in the Clutha basin, on the grounds set out above, maintained strongly that Dunedin should be included in the Clutha catchment area. It was also apparent that the remainder of Otago excluded from the proposed Clutha Catchment District could claim Dunedin as its economic centre and hence could obtain the advantage of so much of the administrative rate for which the residents of the Dunedin metropolitan area were responsible. After a full and exhaustive inquiry it became evident that the administrative costs of treating the whole of Otago as one catchment district would be considerably less than dividing it into two districts, and, further, that the efficiency of the work would not suffer by creating such an Otago Catchment District. A provisional scheme providing for one catchment district comprising the whole area was accordingly issued.

No objections were received which had not been fully explored at the public hearing, and the Commission's final scheme providing for the setting-up of an Otago Catchment District was issued. The district was established by Order in Council dated 17th March, 1948.

## (2) Wellington Catchment District

For the southern portion of the North Island two catchment districts have already been established. These are the Manawatu and Wairarapa Catchment Districts. Neither of these districts covered the geographic counties of Hutt and Makara (although a small portion of the northern end of the Hutt County is included in the Manawatu Catchment District). The Soil Conservation and Rivers Control Council, in exercise of the jurisdiction vested in it by the Soil Conservation and Rivers Control Act, 1941, investigated the needs of the geographic counties of Hutt and Makara for catchment control, and came to the conclusion that in order to provide for an effective soil-conservation programme it was necessary to establish a catchment district covering these areas, and asked the Local Government Commission to agree to the setting-up of such a catchment district.

The proposal was considered at a public inquiry in Wellington which commenced on the 10th March, 1948. Witnesses on behalf of the Soil Conservation and Rivers Control Council gave evidence as to the needs of the district, including evidence as to the erosion which was taking place. With the exception of the Upper Hutt Borough Council, the local authorities in the Wellington region opposed the constitution of a separate catchment district on two grounds: first, they maintained that the incidence of erosion in the area was not sufficient to warrant the setting-up of a catchment district, and the only major river-control problem was being effectively dealt with by the Hutt River Board: secondly, they argued that since there was in existence a statutory body the Wellington City and Suburban Water Supply Board—charged, inter alia, with the maintenance of water-conservation reserves, this body should be given the powers of a Catchment Board over the whole area. Most of the local authorities in the vicinity of Wellington are members of this Water Supply Board, the only bodies not being members being Lower Hutt City Council and Petone Borough Council, but evidence was given that under certain conditions these bodies were prepared to rejoin the Water Supply Board.

The case really turned on whether the Wellington City and Suburban Water Supply Board could effectively carry out the work. Evidence was given that the administrative costs of the Water Supply Board were relatively small, since the Wellington City Council undertook most of the engineering and administrative work free of cost. In opposition, however, it was maintained that before the Wellington City and Suburban Water Supply Board could operate effectively as a Catchment Board it would have to have an existence independent of the Wellington City Council, and that the costs of such an independent Board would equal the costs of a separate Catchment Board. Further, it was maintained in opposition to this proposal that the Water Supply Board was not constitutionally fitted to deal with erosion problems, its main, and, in fact, its only, concern being water-supply from a specified small area; that the erosion problems, particularly those in the Makara County, were sufficiently serious to warrant the setting-up of a Catchment