

any county, borough, or Town Board except upon the union, merger, or abolition of the district of such local governing authority. On the other hand, there is authority to adjust the districts of Power Supply Authorities by incorporation of any part of their areas in the electric-supply district of a municipality.

In certain cases where alterations of boundaries have been effected there has been some disparity in the rates charged by the two Supply Authorities. In the case of Power Boards this position is due to the lack of density of population and to the much greater area of supply. In such power-supply districts, particularly where urbanization to any large extent has taken place adjacent to a municipal supply district, the area often forms a very remunerative portion of the Board's supply, and it would result in higher charges in the balance of the district should such area be excluded from the Board's district. On the other hand, the problem presents itself that, upon such an area being incorporated in an urban local authority's district, there is a natural tendency for the people to expect the supply of electricity to be provided by the local governing authority. As instancing the extent of this problem, we would mention that it has arisen in the following cases :—

- (i) The inclusion of the Town District of Tahunanui, and certain other areas of the Waimea County, in the City of Nelson :
- (ii) The inclusion of the Town District of Kamo in the Borough of Whangarei :
- (iii) The inclusion of areas of the Kairanga County in the City of Palmerston North :
- (iv) The inclusion of areas in the Waipa and Waikato Counties in the City of Hamilton :
- (v) The inclusion of areas in the Tauranga County within the Borough of Tauranga :
- (vi) The inclusion of portion of the Heathcote County in the City of Christchurch ; and also the inclusion of portion of the Paparua County in the City of Christchurch.

In so far as the supply of electricity in Christchurch is concerned, the anomalous position arose that the Heathcote County Council maintained a licence over a comparatively small area on the Cashmere Hills, and although this area was incorporated, territorially, in the City of Christchurch the electricity-supply still remained under the control of the County Council. A much greater difficulty arose in regard to the Sockburn area, forming part of the County of Paparua, which was incorporated in the city. The Springs-Ellesmere Electric-power Board deposed, during the course of the inquiry in Christchurch, that the area proposed for incorporation in the city, which was a very small portion of its district, represented more than one-third of its load, and was largely of an industrial and residential character. The cost of power in the Board's district, due to the scattered nature of its supply in the rural areas, is higher than in Christchurch. Although it was considered desirable, from the point of view of municipal government, that this area should be incorporated in the City of Christchurch, the Commission decided not to disturb the *status quo* in regard to power supply, for the present. It seems inevitable, however, that, sooner or later, there will be a demand by the people in the area for supply by the City Council, and should it be decided, after full investigation, to exclude the area from the Springs-Ellesmere Electric-power Board it would appear that the electricity charges in the Board's district will have to be very considerably increased to meet the loss resulting from the transfer of this area.

The adjacent Power Boards of Banks Peninsula and Malvern are in an insecure financial position. The amalgamation of the districts of these Boards with the Springs-Ellesmere Electric-power District would not materially improve the position of any one of the Boards, and even if no alteration were made in the Springs-Ellesmere Electric-power District in relation to Christchurch such amalgamation would possibly result in the creation of one large unfinancial Board.