

to us that, despite the former difficulties, and although a satisfactory water-supply is still lacking, there was no doubt that the area was self-supporting, and the settlers were in a position to assume some responsibility for their own territorial local government.

Two local-governing authorities had been established in the district in previous years—a Drainage Board and a Rabbit Board. The Rotorua County Council expressed the opinion that it would experience difficulty in administering the area owing to the future rating potential and its present shortage of plant. Endeavours were being made by the County, however, to obtain an increase in its over-all rate levies to cope with the general work in the county. The Commission's decision provided for the inclusion of the Reporoa Settlement in the Rotorua County.

In so far as the Ngakuru Settlement was concerned, approximately half the settlement was in the Rotorua County, and there were a number of settlers to the south of the arbitrary line which formed the boundary between Rotorua and Taupo Counties. There appeared to be no real justification for these settlers being exempted from rates, although it was pointed out that they had agreed to maintain their own roads. With adequate plant facilities, the Rotorua County Council could accept responsibility for the area. It was accordingly found that this area should be incorporated within the latter authority's district.

As to the large area on the eastern side of that portion of the Taupo County which was under consideration, the Lands and Survey Department is at present developing this, and as it was evident that there would eventually be subdivision it was considered that the settlers should in future share the burden of costs in so far as the county was concerned. At present the area would produce no revenue for the county, but roads were being constructed and maintained by the Department, and in view of the Government's policy to make grants in lieu of rates where areas were farmed and produced profits there was justification for the inclusion of the area. There was little doubt that the district, when settled, would support a very large increase in population, and it was considered desirable that the area should come under the control of a local authority which could exercise suitable control in the interim period. Although the application of the Rotorua County Council was for an extension southward as far as the junction of the Waihou Stream and the Waikato River, investigations revealed that the adjacent private Kaingaroa Forest No. 2 area, in private ownership, was being farmed, and we therefore considered that this area of 13,126 acres, approximately, should be included in the county.

(5) NELSON CITY : WAIMEA COUNTY

At the same time as the question of the merger of the Tahumanui Town District in Nelson City was under consideration at the public inquiry held in Nelson on 3rd August, 1948, a proposal to include in the city a portion of the Stoke Riding in the Waimea County, and a small area known as Wakapuaka Road, to the east of the city, was considered. The inquiry arose as a result of an application by the Nelson City Council for the preparation of a reorganization scheme in respect of the city and its neighbouring districts.

The area in the Stoke Riding extended from the Nelson City boundary to that of the Borough of Richmond. The Stoke area comprised some portions which were urbanized, but which were, in general, occupied principally for fruitgrowing and small farms. Between the city boundary and the first substantial urbanized area there was a distance of approximately one and a half miles of purely rural land, which evidence revealed would not be developed for urban purposes for a considerable period. It was evident that the Waimea County Council was adequately administering the local government of the area, and an extra urban plan was submitted showing the purposes