

present time of £21,000 due by the borough to the General Government. That represents a loan which they were fortunate enough to raise. Gentlemen, you laugh, but I may mention there were some special features about the matter, and there is certain special legislation which has enabled the Waihi Borough Council to raise that money. But that makes it all the more certain that they will not be able to raise any more. The £14,000 has to come from other sources, and the only available source at the present time is revenue. They cannot raise it from any other quarter. I have mentioned the addition to waterworks: I shall mention now one other very important factor, and one, I confess, which surprised me when I began to investigate the case on behalf of the Borough of Waihi. There is a population of six thousand, and at the present time absolutely no provision is made for the drainage of the borough. And the question of drainage will be an extremely difficult one there on account of the difficulties that arise regarding the outfall. They certainly cannot dispose of their sewage by putting it into the river. An estimate has been prepared by the Engineer of the Waihi Borough Council which shows that in order to complete a system of drainage for the borough a sum approximating £39,000 or thereabouts will be required. That is a liability they have to face—an imperative liability that cannot be delayed much longer, and one that can only be provided for by setting apart a portion of the revenue for the purpose of defraying the cost of establishing a drainage system. I stated a little while ago that a sum of £21,000 had been raised from the General Government for the construction of the existing waterworks scheme: I omitted to mention what was the security provided for the repayment of that loan. The security consisted of a special rate and the hypothecation to the General Government of the gold duty: so that duty is pledged at present for the purpose of securing the repayment of that loan of £21,000. There is another consideration which presses somewhat heavily on the Waihi people, and that is this: they have established a hospital there. In view of the nature of the community it was really necessary that there should be a hospital within the district, and it so happens that the hospital district is coterminous with the borough, so that practically one-half the cost of the maintenance and upkeep of that Hospital has been a charge on the borough revenue. I say "one-half" because the Government contributes pound for pound. That is what the Government does all over the Dominion. There is no special concession in that case. Now, the Hospital has been found to be quite too small to meet the requirements of the district. There was, unfortunately, an outbreak of infectious disease lately. It exists at the present time. No doubt that is due to the circumstance that the drainage of the borough is totally inadequate, and that up to the present time no proper sanitary methods have been adopted. About six weeks ago it was found necessary to send a deputation to one of the Ministers of the Crown who happened to be in Waihi—it was not the Minister of Public Health, but the Minister of Mines—and it was pointed out to him that the medical advisers connected with the Hospital had stated it was imperatively necessary that additions should be made, and that the sum required would be between £2,000 and £3,000. The Minister was not sympathetic. At all events, what he did say was that the Government would contribute pound for pound, and that one-half would have to be found by the hospital district—of course that means by the borough itself. These are some of the pressing works that Waihi has to undertake, and I will now come to the question of revenue. The present annual value, as fixed by a gentleman who undertakes valuations for the purposes of the Government Land Valuation Department, is, roughly speaking, £35,000. On that a rate of 6d. in the pound is levied and, as I understand, always very well collected. The mines contribute their gold duty. For the whole period that has existed since the borough was established the average contribution for gold duty has been about £17,700. There is another source of revenue that is rather too trifling to mention, and that is the revenue which arises from licenses and matters of that description. I merely mention it to show that it has not been ignored. I do not mean publicans' licenses, but dog and music-hall licenses, and so on. Now, in addition to that, there is the cost of the maintenance and upkeep of the existing roads and streets, and generally this absorbs the whole of the revenue which has been received in Waihi for some time past. As a matter of fact, the whole of the revenue has not been sufficient. The present liability to the bank is about £14,000, and the bank has been pressing for its repayment, and there is an understanding at the present time that it is reduced at the rate of £500 per month. These are the conditions existing in Waihi, and it is under these circumstances, with these conditions of a peculiar character, with these difficulties in the way of raising money, that the Waihi Borough Council has to carry on. I may mention that for the purpose of providing lighting for the inhabitants it had to construct its gasworks, and did construct them out of revenue. By setting apart revenue from time to time they were enabled to provide a system of lighting for the borough at a cost of £15,000. That system is paying its way. These are the special conditions affecting the Borough of Waihi—a borough, I will venture to say, that has conditions so extremely peculiar to itself, a borough that has so rapidly grown, that probably there is no parallel for it in New Zealand. Therefore the question of providing a proper and effectual system of finance for that borough is a very pressing and very important one. For these reasons we say that the vested right of every burgess to the revenue derived from gold duty—a right assured to every burgess at present under an Act of Parliament which expresses the public policy of the country for the last thirty-five years—ought not to be interfered with. It ought not to be any more interfered with than the vested right which is given to the mining companies to discharge their tailings into the sludge-channel. I know perfectly well that it is always the fashion to try and extract wealth from what is supposed to be a wealthy body. There is, unfortunately, an insatiable desire in the minds of many people to endeavour to do it. But what I do venture to say is that considerations of that kind ought not to influence us, and that the considerations which ought to be attended to are the circumstance that that is the system of revenue provided by the legislation of the Dominion, and that it ought not to be interfered with at the present time and under present conditions. It would require a special Act of Parliament to enable it to be done, and any special Act of Parliament would be one which would alter the whole policy of the