2. THE ORDINARY WORK OF THE HEAD OFFICE DURING THE YEAR.

Despite the war the usual work of the Department, particularly in so far as it begins in the first place by correspondence from the general public, has not only suffered no diminution, but, except in one or two directions, has shown a steady increase.

Applications for naturalization have naturally declined as the Government's decision that

no letters are to be issued during the war has become known.

Two factors have contributed to a decline in the number of permits granted under the Race Meetings Act, 1909--the war and the fact that a number of clubs are now holding totalizator licenses under the Gaming Amendment Act, 1914. The recommendations of the Commission appointed under that Act have been given effect to.

(1.) Local Government.

The war has had comparatively little effect on matters affecting local government, except of

course that legislation is practically at a standstill.

Boroughs and Town Districts.—The inclusion of the Eden Terrace Road District in the City of Auckland adds another to the list of local bodies absorbed by the city. The extent of this movement towards the creation of a Greater Auckland is shown by the fact that in the last five years the boroughs of Grey Lynn and Parnell have united with the city, and the Arch Hill, Remuera, and Eden Terrace Road Districts have been included within its boundaries. Within the same period another of the adjoining road districts, Mount Albert, has become a borough, while across the harbour the constitution of the Borough of Takapuna has carried the sphere of municipal government further into Waitemata County. A petition was presented during the year for the constitution of a borough at Avondale, but the Commission's report being unfavourable the request was declined.

In Dunedin there has been very marked activity, the boroughs of Mornington and Maori Hill and the Bay Town District having been united with the city from the 1st January, 1916.

A petition for alteration of boundaries of the City of Christehurch by the inclusion of the Opawa Riding of the Heathcote County has been received and is now being dealt with.

No alteration of the City of Wellington boundaries has been made during the year.

Two new boroughs, Te Awamutu and Paeroa, came into existence during this year; the Borough of Napier and the Napier South Town District were united; and the boundaries of the boroughs of Pukekohe, Port Chalmers, and Gisborne were altered. A petition for alteration of the boundaries of Te Aroha Borough was declined.

In the minor sphere of municipal government—the town district—there has been a considerable amount of activity: four new districts have been constituted, and the boundaries of two (Morrins-ville and Mangapapa) altered. Two districts were declared not to form part of the county within the boundaries of which they are situated. Otorohanga, the only remaining township constituted under the Native Townships Act, is about to be made a town district, in order to secure the advantages of the better form of local Government.

Counties.—No new counties were created by Act either in 1914 or 1915, but there has been record activity among County Councils respecting alterations of county boundaries. The legislation of 1913 has much facilitated departmental dealings with this question. Prior to that year the only method of effecting an alteration (apart from legislation, of course) was by Order in Council upon presentation of an agreement between the Councils concerned. There was no provision to meet the case where these Councils disagreed. Under the Counties Amendment Act, 1913, the Governor in such a case appoints a Commission to inquire and report, and then alters the boundaries in accordance with the report.

During the year alterations of the boundaries of Manukau, Franklin, Masterton, Eketahuna, Opotiki, Waiapu, Waitotara, Castlepoint, Hawera, Eltham, Kairanga, and Horowhenua Counties have been proclaimed. Alterations of the boundaries of the counties of Taieri, Maniototo, and Waihemo, petitioned for by ratepayers of Maniototo and Waihemo Counties, were not made,

the Commissions' reports not being favourable.

The question of including portions of Taupo West County (in which the Act is not in force) in adjoining counties has occasioned a great deal of correspondence. Undoubtedly the most important proposal under section 3 of the Counties Amendment Act, 1913, that has yet come before the Department is that dealt with in petitions praying for alterations of the North Auckland counties of Hokianga, Hobson, Whangarei, Bay of Islands, and Mangonui. Commissions have been appointed.

Road Districts.—The merging of road districts in counties is proceeding gradually. One was merged during the year. There are now 117, as against 140 at the end of 1912.

Land Drainage and River Districts.—The increase of settlement and the consequent demand for land operate to make the number of both these bodies an ever-increasing quantity. One drainage district was constituted during the year, and the boundaries of two altered. are now fifty-three drainage districts and forty-nine river districts, as against forty-five and forty-three respectively at the end of 1912.

The provision in the Land Drainage Amendment Act, 1913, enabling a Drainage Board to petition for inclusion within the boundaries of its district of outside lands benefiting from its operations has been proved to be just and equitable. A number of petitions have been presented

under it, and in every case the Commission has reported favourably to the Board.

No river districts were constituted during the year, but two petitions on which action was not completed by the 1st April have since been disposed of, the district prayed for being constituted in each case. Certain powers of a Drainage Board were conferred on the Otanomomo River Board under the River Boards Amendment Act, 1913.