

As required by law, the triennial general election of County Councils throughout the Dominion was held on the 12th May, 1926.

Two sets of regulations under the Counties Act were issued. One related to the provisions of the Act authorizing County Councils to assist workers in the erection of dwellings, and fixed the amount of principal and interest payable in respect of advances for the erection of workers' dwellings. The other related to the balance-sheets of County Councils, and simplified the printing of the rate statements, and required the printing only of the total amounts, instead of detailed statements, in respect of each class of rate. These regulations also provide for the deposit of balance-sheets for public inspection at public places in a riding where there is no post-office in that riding.

The Counties Conference met in Wellington during the year, and passed a number of resolutions asking for amendment of the law relating to county government. These resolutions are under consideration.

The Dannevirke, Hauraki Plains, Kaitieke, Kowai, Ohura, Patea, Stewart Island, Waitemata, and Waitomo County Councils passed special orders altering riding boundaries and adjusting representation. The Patangata and Cook Counties adopted the system of rating on the unimproved value.

*Boroughs.*—No new boroughs were constituted; but the boundaries of the City of Wanganui and the Boroughs of Orehunga, Otaki, Waihi, and Waipawa were altered, necessitating the setting-up of Commissions of inquiry in several cases. The costs of conducting the inquiries by these Commissions were subsequently allocated among the local authorities concerned. The Te Awamutu Borough adopted the system of rating on the unimproved value. The incidence of rating has considerable bearing on the question of borough boundaries, and it is found that where the system of rating is changed in a borough it is invariably followed by petitions from ratepayers whose rates are increased thereby for the exclusion of their lands from the borough.

The Masterton Borough Council passed a special order abolishing the wards in the Masterton Borough.

The Brunner Borough Abolition Act, 1925, made provision for the abolition of the Borough of Brunner. Following on the passing of that Act, a petition was received for the abolition of the borough, and a Commission was set up to inquire into the proposed abolition. That Commission, as a result of its inquiry, found that the Borough of Brunner had passed through its lean years and was distinctly on the up grade. It was estimated that the revenue of the borough would increase greatly within the next few years, and the Commission accordingly reported against taking any further steps towards abolition. The matter was therefore not proceeded with.

Several regulations were issued under the Municipal Corporations Act. One set dealt with the repayment of principal and interest in respect of loans for the erection of workers' dwellings, similar to that referred to under the heading "Counties"; others made better provision for the investment of renewal funds and reserve funds held in connection with trading undertakings of City and Borough Councils, by providing a wider range of investment for these funds.

The Municipal Conference met in Palmerston North during the year, and passed a number of resolutions asking for amendment of the law relating to boroughs and town districts. These resolutions are under consideration.

*Town Districts.*—There were no alterations of boundaries of town districts. One town district—namely, Putaruru—was constituted; the Amberley Town District was merged in the County of Kowai; and the Kaikohe and Kamo Town Districts were declared not to form part of the counties of Bay of Islands and Whangarei respectively. The Putaruru Town District adopted the system of rating on the unimproved value.

The triennial election of members of Town Boards was held during the year in accordance with the Act, and the time for closing polling in connection with this election was extended in the case of four town districts.

*Road Districts.*—No Road Boards were merged during the year, although questions relating to the merging of several of them came before the Department from various aspects. It has for long been generally recognized that there is no longer any necessity for the continuation of Road Boards in districts where there is existing County Council control, and it is possible that in the near future opportunity will be taken by those concerned to merge most of the remaining Road Boards.

*River Districts.*—Only one new district—namely, Elephant Hill—was constituted, and the Upper Dipton and Waikato River Districts were abolished. The triennial election of members of River Boards was held during the year.

The most important matter in connection with river-district control during the year was in relation to the Manawatu-Oroua River District. Arising out of the Manawatu-Oroua River District Amendment Act, 1925, three Commissions were set up to inquire into matters relating to a comprehensive scheme of river-control proposed by the Manawatu-Oroua River Board in respect of the Manawatu and Oroua Rivers. It was found that the cost of the scheme was more than the district could bear, and the object of the Commissions' inquiries was to find other sources from which assistance could be obtained. One Commission was set up under the provisions of the Commissions of Inquiry Act, 1908, and related to the question whether the Government should contribute towards the cost of carrying out the scheme. This aspect of the matter was dealt with primarily by the Public Works Department. The second Commission related to the question whether the local authorities in the River Board's district should bear a proportion of the cost of the scheme. The third Commission related to the question whether any of the works of the Makerua Drainage Board would be of benefit to the River Board, and, if the Board took them over, what it