

In order to secure the measure of relief which your Commissioners consider necessary and advisable, they have divided into the three following classes the whole of the lands in the original Borough area :

Class A: Building-land—*i.e.*, land suitable for building purposes and having a frontage to a road or street.

Class B: Potential building-land—*i.e.*, land having a potential building-value, and other than the land included in Class A.

Class C: Farm Land—*i.e.*, land used for farm purposes and not suitable for building purposes.

The whole of the borough rates—*viz.*, general rates, street-lighting rate, Hospital Board rate, antecedent-liability loan rate, bridges and culverts loan rate, as well as the special rates in respect of sewerage and water, and the special rates over special areas—should, in the opinion of your Commissioners, be levied in the proportions set out in the following scale—Class A,  $\frac{1}{2}\frac{0}{5}\frac{0}{5}$ ; Class B,  $\frac{2}{2}\frac{8}{5}\frac{5}{5}$ ; Class C,  $\frac{7}{2}\frac{0}{5}\frac{5}{5}$ ; which is to say that for every £100 levied on land in Class A £85 shall be levied on land of equal unimproved value in Class B and £70 on land of equal unimproved value in Class C.

Your Commissioners have inspected the whole of the lands within the original borough area, and have classified them in accordance with the foregoing recommendations. A plan is attached (Schedule F) showing full details of such classification.

Your Commissioners recommend that a classification list shall be prepared from the rate-book of the borough by the Town Clerk in accordance with the plan (Schedule F) for signature by the Commissioners; that thereafter the Borough Council should cause to be given public notice of such classification and of the place where the list may be inspected during office hours for a period of twenty-one days; that any owner or occupier who thinks himself aggrieved by such classification should have the right to appeal against the same, on the ground that the land owned or occupied by him has not been fairly classified according to the classes hereinbefore defined by your Commissioners, in such manner and to such person or persons as may be determined by Your Excellency; and that the Borough Council may in like manner and to like person or persons appeal on the ground that any land has not been fairly classified according to the said classes.

Such legislation as is necessary to give effect to the foregoing recommendation is also recommended by your Commissioners. Any such legislation should contain provisions—

- (a) That the adjustment of the incidence of rating and classification hereinbefore recommended shall not in any way affect the security of the lender;
- (b) That any reclassification hereunder, either generally or for any special purpose, shall be carried out as and when necessary by such person or persons and in such manner as Your Excellency may from time to time determine;
- (c) That, in reference to classification, the maximum rate prescribed by the Municipal Corporations Act, 1920, shall not be deemed to be exceeded if the proceeds from the rates levied would not exceed the proceeds derivable from the maximum rate on a uniform scale levied on all the rateable property in the borough, notwithstanding that the rate actually levied on the lands comprised in any class may exceed the prescribed maximum rate.

Reverting to the particular references to your Commissioners—

- (1) “Whether the area now comprising the Borough of Otaki is suitable for municipal control, or whether it is desirable that the borough be abolished.”

For the reasons above stated, your Commissioners consider that the area now comprising the Borough of Otaki (together with all lands formerly in the borough and now excluded therefrom) is suitable for municipal control. The population of Otaki and its area are not in contravention of statutory requirement (*vide* section 3, Municipal Corporations Act, 1920), and the population of the borough is steadily,