

The Municipal Conference was held in Christchurch on the 21st and 22nd March, 1935, when several remits and resolutions were passed on various phases of the law and practice governing the activities of Borough Councils and Town Boards. The Department was again represented throughout the whole of the proceedings of the Conference.

Thames Borough: Questions relating to the administration of the Borough of Thames again continued to occupy the close attention of the Department. Four further quarterly reports concerning the administration of the borough were received from the Commissioner and necessary action taken thereon. The Commissioner visited Wellington on three occasions for the purpose of conferring with the Department and others on matters affecting the borough.

In accordance with the provisions of the Thames Borough Commissioner Act, 1932, the term of office of the Commissioner was due to expire in May, 1935. As it appeared that the time would not then have arrived when Thames should revert to normal administrative control, a conference was held in Wellington on the 24th and 25th July, 1934, for the purpose of discussing the situation. The conference was presided over by the Hon. Minister of Internal Affairs and was attended by the member for the district, the Borough Commissioner, and representatives of the Internal Affairs Department, Thames Borough Loans Creditors Committee, Thames Borough Advisory Committee, and certain Australian debenture-holders.

After a very full discussion of the whole situation, certain resolutions were unanimously passed providing for—

- (a) The extension of the term of administration of the borough by a Commissioner for three years:
- (b) The acceptance of the 1931-32 valuations, with certain modifications, as special valuations for rating for the next three years:
- (c) The reduction of instalments of interest and sinking fund by one-third for the period of three years ending on the 15th July, 1938:
- (d) The extension of the period in which the Council may convert its loans under the provisions of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33:
- (e) The distribution to debenture-holders on account of arrears of interest and to sinking funds of certain moneys amounting to approximately £4,700 which would be available as at the 31st March, 1935, and which would otherwise be applied to commitments maturing between April and July, 1935:
- (f) The acceptance by the debenture-holders of the total amount of interest paid to them at the close of the interest-year ending on the 15th July, 1935, in full satisfaction of the instalments of interest for the three years ending on that date:
- (g) The arrears of special rates levied during the three years ending 31st March, 1935, and collected after that date being used for payment of instalments of interest and sinking fund falling due after the 15th July, 1935.

The proposals contained in these resolutions were subsequently ratified by the Thames Borough Advisory Committee, a meeting of Thames business people, a public meeting of ratepayers of Thames, and practically all the Thames Borough debenture-holders, both in Australia and New Zealand.

Legislative effect was thereafter given to such proposals by means of the Thames Borough Commissioner Amendment Act, 1934. In addition, that Act contains provisions desired by the Commissioner for the purpose of assisting him in the administration of the borough.

An Assessment Court was subsequently appointed to hear and determine certain objections to the special valuations.

The adoption of the above-mentioned proposals will be an important factor in ultimately restoring Thames to normal financial conditions. It was gratifying to note the ready desire on the part of those affected to make the concessions necessary to secure agreement on all points.

Thames Harbour Board.—Further consideration was given to the question of the future administration of the Thames Harbour District, but no permanent arrangements were made. The Harbour Board was authorized to pay $4\frac{1}{4}$ per cent. interest on its loans for a further year. Certain legislative provisions were made regarding the Board's rates. The time within which persons were prevented from applying for a receiver in regard to the Board's loans was further extended on a number of occasions. Dates for holding the general election of members of the Board were fixed, but subsequently the term of office of the members of the Board was extended until May, 1938. The last-mentioned step had the effect of continuing in force the power to appoint a Thames Harbour Board Commissioner, and action to that end was under consideration at the close of the year.

Town Districts.—The boundaries of the Otorohanga Town District were altered by the inclusion therein of certain lands.

Road Districts.—The French Pass Road District, in the Sounds County, was constituted. A proposal to form the Kenepuru Road District in the same county was well advanced at the close of the year. The Counties Act is not in force in that county, and the necessity has arisen for a simple form of local government in some of the more closely settled portions of the county. The Road Board form of local government will be sufficient for the immediate requirements of the localities concerned.

River Districts.—A petition for the abolition of the Motueka River District was not granted. The powers of a Drainage Board were conferred on the Waipawa River Board. An extension of time was granted for holding the election of members of the Wairarapa South River Board. Members were appointed for the Inter-Wanganui River Board. Results of the election of members of several River Boards were gazetted in accordance with law.