Town Districts.—The Mount Maunganui Town District was declared not to be part of the County of Tauranga. Authority to fix water charges according to quantity consumed was conferred on two Town Boards.

River Districts.—Results of the election of members of several River Boards were gazetted in accordance with law.

Hawke's Bay Rivers District: The most important event during the year in relation to river districts was an investigation into certain matters affecting the Hawke's Bay Rivers District. The present Hawke's Bay Rivers District was constituted by the Hawke's Bay Rivers Act, 1919, which Act set out in careful detail various matters relating to the then future administrative control of the Rivers District. That Act was based on the report of a Commission of inquiry which had previously held an exhaustive investigation into the question of river-control in this portion of Hawke's Bay. Since that Act was passed the whole position had changed very considerably on account of the 1931 earthquakes, the effects of the river-protective works carried out by the Board over a number of years, and general economic conditions. Accordingly there was a feeling in the district that a review should be made of several of the administrative matters and of the incidence of rating. As a result of representations made to this end by the Hawke's Bay Rivers Board, a departmental committee consisting of Messrs. A. J. Baker, Public Works Department (Chairman); W. Stewart, Valuer-General; and A. G. Harper, Internal Affairs Department, was set up to investigate the several matters in dispute. The committee held an inqury in the month of June, 1936, and after hearing a good deal of evidence and inspecting the district furnished a report on all the points submitted to it for investigation. This report involved changes being made in—

- (a) The boundaries of the Hawke's Bay Rivers District:
- (b) The boundaries of certain of the wards of the district:
- (c) The allocation of the cost of the Board's works amongst the various wards of the district.

But, in respect of the various other matters brought before it, the committee recommended that no change be made. The committee's recommendations were carried into effect by the Hawke's Bay Rivers Amendment Act, 1936. The subsequent issue by this Department of a redefinition notice under that Act relating to the boundaries of the Rivers District and of the wards therein concluded the matter.

Land Drainage Districts.—The boundaries of three drainage districts were altered by the inclusion therein of certain areas of land. A Special Order was passed by the Hauraki Plains West Drainage Board fixing the representation therefor. The results of the election of members of several drainage boards were gazetted in accordance with law.

Rating Act.—The time was extended for the preparation of a valuation roll for the rating of mining property in the Grey County.

By section 32 of the Finance Act, 1936, the provision authorizing local authorities to remit the 10-per-cent. penalty on unpaid rates was again enacted for the rating year 1935–36. This provision was first enacted in the early stages of the depression and it was intended as a temporary measure only. It has been retained on the statute-book for a longer period than was originally intended, and the time has now arrived when normal conditions should again prevail as regards the 10-per-cent. penalty.

The Rating Act, 1925, was prominently before the Department. Ratepayers who thought their rates excessive or who were otherwise aggrieved on account of some action or other of local authorities concerning rates, consistently complained to or sought the help of the Government, and the Department was called upon to investigate a large number of these cases. It should be explained here that, within the limits prescribed by law, the question of the amount of rates levied by a local authority, or the steps taken by a local authority to recover its rates, and other questions incidental thereto, are domestic ones within the jurisdiction of the particular local authority concerned and it is not the general policy of the Government to interfere in them. The large number of cases which came up for review were investigated from the standpoint of this broad policy.

Native Rating.—Over a number of years the problems arising out of the persistent failure of the Natives to pay their rates have given rise to deep concern. Although the matter comes under the administration of the Native Department, this Department is concerned because of the reactions of the non-payment of these rates on Local Government in general and of other rates in particular. During the year the Department came in contact with the problem to a greater extent than usual. Perhape this is accounted for by the fact that a more concerted move is now being made to find an adequate solution to the problem, particularly on account of the greater extent to which the Native population is using the facilities provided by the local bodies.

In connection with the Matakaoa County, referred to elsewhere, especially did the Department have to give serious consideration to the question, and it is pleasing to be able to record the highly successful efforts of the Matakaoa County Commissioner in the collections of Native rates in the Matakaoa County. On the more general application of the question the Department, as a result of its experiences, submitted certain proposals aimed at finding a solution to this vexed problem.

Urban Farm-land Rating.—One Assessment Court was set up and an adjustment made in the membership of one Assessment Court. Here again the scope and effect of the Urban Farm Land Rating Act, 1932, was prominently before the Department during the year as the result of consideration of more than the usual amount of correspondence concerning it, based on the desire of certain people to find avenues for a reduction in their rating liabilities.

Local Elections and Polls.—The time for closing polls was extended in two cases.

By-laws of Local Bodies.—The by-laws of two local authorities were confirmed under the By-laws Act, 1910.