

revenue payable to the Borough Council, and also to the fact that the rateable values of the borough were too low to enable the loss in gold revenue to be made up from rates levied. Further difficulties had arisen resulting from the costly maintenance necessary in a borough with such an extensive and scattered district, the annual loss which had been incurred for some years in maintaining the gasworks, and the lack of adequate plant and machinery to undertake essential public services. On the 4th April, 1949, the Minister of Internal Affairs requested the Commission to review and report upon several particular matters relating to the borough.

The staff of the Commission undertook a preliminary factual investigation at Waihi on the 29th June, and certain factual information was also obtained from the Ohinemuri County Council.

On the completion of this preliminary survey the Commission proceeded to Waihi on the 10th August, 1949, and an investigation was conducted at the Borough Council Chambers into the various matters to which the Commission's attention had been directed. The Mayor, Councillors, and executive officers of the Waihi Borough Council were present at the investigation, as well as the Chairmen and executive officers of the Ohinemuri County Council and the Thames Valley Electric-power Board. Evidence was obtained from the representatives and officers of the various local authorities as well as from a former town clerk of the Waihi Borough Council. An inspection of the borough, including the Waihi Beach area, was made in order to satisfy ourselves as to the physical difficulties under which the borough operated.

Considerable assistance in our investigation was rendered by the frank and realistic manner in which the various local authorities tendered their evidence. A careful analysis was made of all matters referred to us, and a report, with recommendations, was furnished to the Minister on the 21st October, 1949.

#### (8) KARAPIRO LAKE DOMAIN

In 1947 the Commission was requested to consider the question of the setting-up of a Domain Board to develop and control the area adjacent to Lake Karapiro as a public domain. A public inquiry was commenced at Hamilton on the 28th August, 1947, and all the local authorities in the environs were cited as parties. At the conclusion of the hearing, which continued for three days, it was evident that, with the exception of those local authorities whose districts were in the immediate vicinity of the lake, none of the local authorities in the Waikato were prepared to assume any responsibility for the development of the domain. The general objections to the proposal were two: first, that the lake and its environs could not be used for recreational and holiday purposes, and secondly, if they were so used, the responsibility was a national one.

The Commission suggested that a conference be convened by the Mayor of Hamilton to ascertain whether some agreement as to the relevant responsibilities as between the various local authorities in the environs could be reached. A conference was held on the 23rd September, 1947, but no agreement was reached. In June, 1948, the Commission discussed the question with the Minister of Internal Affairs and the Department of Lands and Survey, when it was considered that arrangements should be made to acquire a portion of the land on the south bank of the river near the dam-site, and for the Lands and Survey Department to discuss the matter with the local authorities in the immediate environs of Karapiro. Further negotiations ensued between the directly interested parties and the Government Departments concerned, and resulted in an area of approximately 44 acres on the southern bank of the Karapiro Lake being declared a reserve for recreational purposes. (*Gazette*, No. 58, 6th October, 1949, page 2409). Conferences from time to time were held by the local authorities whose districts were in the vicinity of Karapiro Lake, and these finally resulted in the appointment to the Board of two representatives of the Cambridge Borough Council, including the Mayor *ex officio*, a