2. THE ORDINARY WORK OF THE HEAD OFFICE.

The ordinary work of the Department has considerably increased during the past year in all directions.

(1.) Local Government.

The year was one of marked activity in several spheres of local government.

Boroughs and Town Districts .- The boundaries of the Cities of Auckland and Christchurch were altered during the year. The Christchurch municipal elections in April, 1917, were noteworthy as being the first in the Dominion to be held under a system of proportional representation. Mr. Hogben, late Director of Education, was specially engaged to supervise the elections, and at the request of this Department he furnished a report on the working of the Local Elections (Proportional Representation) Act. 1914. This was printed as a parliamentary paper (II.-42) and presented last session. Numerous requests for copies of it have been received from England and Australia. To meet further demands it was reprinted. Mr. Hogben made several valuable suggestions, which have been noted for consideration when the Act is being amended. The report of the Proportional Representation Society (London) for 1916-18 contains the following remarks on this election: "Sixteen Councillors were elected. This is the largest number of representatives ever elected at one time by a single constituency under the system of the single transferable vote.

The boundaries of the following boroughs were altered during the year: Ashburton, Marton,

Onchunga, Richmond, Gisborne, and Ohakune.

Three new boroughs—Featherston, Shannon, and Whakatane were constituted. Though the boundaries of Wellington City were not altered, the metropolitan spirit is not sleeping in the capital. The City Council is busy investigating the needs of the areas surrounding, and in at least two suburban boroughs movements in favour of amalgamation with the city are on foot.

One new town district -Ohura-was constituted, and petitions in respect of two others-Nightcaps and Henderson-were under consideration at the end of the year. Matamata Town District was declared not to form part of Matamata County.

Counties .- The boundaries of the following counties were altered: Eltham and Stratford; Horowhenua, Masterton, Mauriceville, and Eketahuna; Hawke's Bay, Wairoa, and Taupe East; Paparua and Malvern; Patangata and Waipukurau; Rangiora, Oxford, Kowai, and Ashley; Whakatane and Wairoa.

It was found that the alterations recommended by the Commissioners appointed to inquire into proposed alterations of the boundaries of the Counties of Hokianga and Hobson (petition of Hobson County Council). Hokianga, Hobson, Bay of Islands, and Whangarei Counties (petition of Whangarei County Council) could not be effected on account of the petitions not having been duly signed. To obviate the necessity for fresh petitions legislation, section 110 of the Reserves and other Lands Disposal and Public Bodies Empowering Act, 1917, was passed, enabling the Governor-General to set up a Commission to inquire and report respecting necessary or desirable alterations of these counties and the Counties of Whangaroa and Mongonui. The Commission, consisting of a Stipendiary Magistrate (Mr. E. Page), Mr. W. C. Kensington (late Under-Secretary of Lands and Survey), and Mr. W. F. Thompson, District Valuer, Whangarei, accomplished its work most satisfactorily. The report, which, inter alia, recommended the inclusion within county boundaries of certain islands adjacent to the mainland, was given effect to shortly after the close of the year.

The wide field to be covered by this Commission attracted the attention of other County Councils, and strong representations were made for a similar commission to adjust the boundaries of counties adjoining West Taupo County. It was pointed out in reply, however, that there were special circumstances attending the case of the northern counties, and that any adjustment on a large scale of other county boundaries would have to wait for the present at any rate. When, however, the time is apportune for the consideration of this question, the positions of islands adjacent to counties should also be considered. Most of these are at present subject to no form of local government, though, as the report of the Northern Counties Commission shows, the inhabit-

ants of them make considerable use of the county roads on the mainland.

An important feature of the law relating both to counties and to road districts is that contained in section 18 of the Statute Law Amendment Act, 1917, which provides that petitions under the Counties and Road Boards Acts must not be signed by persons who have made default

in payment of rates.

The ratepayer who is but a rate-ower has been for years the greatest obstacle to progress in country districts. In every matter in which the first step is a petition of ratepayers he is invariably the one whose signature is wanting. The new legislation effectively disposes of him in this direction, but a further amendment (or, rather, a re-enactment of the law relating to defaulters voting at elections) is required. The defaulters list was abolished by the Counties Amendment Act, 1915. Nothing is clearer at the present moment than that this was a great mistake. The question is bound up with that of Native rates. The defaulters list certainly did not have a direct effect in making Natives pay their rates, but by preventing them from voting at county elections while their rates were unpaid it ensured that they would have but little voice in the direction of county affairs. Now, in certain counties in the North Island county elections are practically controlled by Natives, a very large number of whom may be called ratepayers by courtesy only. The devising of some satisfactory means of obtaining rates from them seems to be as far off as ever, though the need for it is vital. County securities for loans are prejudicially affected in that lenders take into consideration the amount of Native land in proposed specialrating areas, with the result that these areas, in order that sufficient really rateable lands to give reasonable security for loans may be included therein, are often of necessity so extended as to embrace properties which benefit but slightly from the works for which the loans are being raised. Pending the devising of the means referred to. I am strongly of opinion that the present intolerable condition of things should be ameliorated by reinstating the defaulters list. It is possible that a number of the Natives who have tasted the sweets of electioneering, and who take a great and by no means unintelligent interest in county elections, will pay their rates sooner than suffer disfranchisement.