1).—6.

(b.) To report what area or areas of land should be constituted a district in respect of which a rate may be levied to secure and pay the interest on and provide a fund for the repayment of any loan that may be raised to carry out any river-improvement works which you may recommend should be undertaken.

Your Commissioners are of opinion that the cost of the works should be a charge against the various interests concerned, in the following proportions:—

New Zealand Government Railways

Department Four-tenths.

Land injuriously affected .. One-tenth.

General Government .. Two-tenths.

Should the total cost of the works exceed the £18,000 indicated above, then any further sum should be paid by the five interests represented above, in the same proportions.

For the purposes of this allocation we consider—

(i.) Lands injuriously affected.—All the land bounded on the north by the Waitaki River, on the south by the foot of the hills which approximately parallel the main road and the Kurow Branch Railway, on the east by a line running at right angles to the Kurow Branch Railway from the above-mentioned terraces to the Waitaki River and running through Black Point Railway-station, and on the west by a line extending similarly from the centre of the Duntroon Railway-station to the river and at right angles to the railway-line (but excluding any land held by the Railway Department, or by the Oamaru Borough Council within these limits for the purpose of its water-race), should be the district in respect of which a rate may be levied to secure and pay the interest on and provide a fund for the repayment of one-tenth of the total cost of the works above mentioned.

The Commission contemplates rating on a graduated scale, the Classification Commissioners classifying in a non-ratepaying class all such lands within the above limits which are considered as deriving no benefit from the proposed works.

- (ii.) Waitaki County Council.—The whole of the Waitaki County should be the district in respect of which a rate may be levied to secure and pay the interest on and provide a fund for the repayment of twelve one-hundredths of the cost of the works above mentioned.
- (iii.) Oamaru Borough Council.—The whole of the Borough of Oamaru should be the district in respect of which a rate may be levied to secure and pay the interest on and provide a fund for the repayment of eighteen one-hundredths of the total cost of the works above mentioned.
 - (c.) To report your opinion as to what matters, if any, should be adjusted by legislation.

Your Commissioners consider that the whole of their findings, as set forth in this report, should be enacted in special legislation, to be called the Maerewhenua River Improvement Act.

(d.) Generally, to report your opinion on all matters arising out of or touching the premises, including the question as to whether or not one or more competent authorities shall be appointed to control the whole or any portion of the said river, and what statutory powers should be possessed by such authority.

Your Commissioners beg to submit the following recommendations under this

heading:—
(i.) All the land on which the stop-banks are erected, and all the land between the stop-banks from a point 20 chains above the proposed new road-and-railway bridge down to the junction of the Maerewhenua and Waitaki Rivers, with the exception of the new railway reserve, should be vested in the Waitaki County Council, which should be constituted a River Board, as the controlling authority for the maintenance of the works.