

(8.) *Te Aroha Borough.*

When the navigation of the river to Te Aroha is improved so that traffic to that point can be carried on regularly and advantageously, considerable benefit therefrom will accrue to the Te Aroha Borough, and in a lesser degree to the lands in the Matamata County. Moreover, the borough discharges crude sewerage into the river, and for this privilege it should make some payment. A substantial contribution towards the expense of the scheme should therefore be made by the borough.

WAIHI BOROUGH FINANCES.

The declining gold duty is having a serious effect on the Waihi Borough finances, and in view of probable increased demands on such duty to meet the interest and sinking fund on the loans for the river-improvement works the effect promises to be more serious still. At present the borough can only be charged in respect of the first £150,000, but if the Act is amended to extend their responsibility to the second £150,000, and also to the further £325,000 which will ultimately be necessary, it is clear that the whole amount of the gold duty will be absorbed, so that the borough would obtain no income at all from this source.

The Commission is, however, advising an amendment of the law in this respect, and if the suggestion made is approved and legislation passed to give effect to it the entire absorption of the duty will be obviated for some time, but the revenue of the borough from this source will be smaller than it has been in bygone years, though not a great deal less than for the current year.

It is clear, however, that the Borough Council must give the matter of municipal finance early and careful consideration. The municipal estimates for the current year, which were laid before the Commission, show that the year may be expected to close with a deficiency of over £5,000; but the estimated receipts from general rates for the year are set down at £2,250 only, which seems a small sum for a borough with a population of over 3,500 and an annual rating value of £29,319. Even £2,250 is a large increase on any previous year, the amount collected during 1920–21 having been £803 only. Then again, the hospital rate (as referred to in another paragraph) is estimated to produce only £1,400, whereas the Charitable Aid Board's levy is estimated at £2,750. Clearly the rate is too small and should be increased.

The estimates also include such exceptional items as—Expenses of Compensation Court, £500; expenses of Rivers Commission, £800; reduction of overdraft, £1,500; repairing decayed culverts, £1,000; renovating Council Chambers, £500: total, £4,300. These are mostly non-recurrent items; and, excluding these, and with a larger hospital rate sufficient to meet the expenses, it would seem that the ordinary revenue should be nearly sufficient to meet the ordinary expenditure.

RENTALS FOR MINING PRIVILEGES.

Your Excellency's Commissioners, for the reasons mentioned before, consider it would be desirable to amend the Mining Act to provide for more reasonable rentals being paid on all future licenses for business and residence sites. As the revenue derivable from this source reaches the local authorities eventually, the income of the Waihi Borough would be augmented by whatever increase is made in the scale of rentals.

WAIHI HOSPITAL.

When visiting Waihi a very brief inspection of the Hospital was made by your Commissioners, and during the inquiry the Hospital accounts and expenses came slightly under review, inasmuch as the contributions of the borough to the institution were shown to amount to £2,750 per annum, whereas the special hospital rate produces £1,400 only. Evidently the special rate ought to be increased so as to avoid this drain of £1,350 per annum on the general revenue.

It was stated that quite a number of patients come from outside the district, owing to the Hospital having a first-class local reputation. This feature would be an admirable one and quite satisfactory if payment at an adequate rate was made for non-resident patients, but we understand that only 2s. per diem is recovered for impecunious patients from other districts for their maintenance. This inadequate rate calls for an early increase.