legal and justifiable, and in view of the fact that your Commissioners recommend the reinclusion of these lands within the borough. As has been stated, your Commissioners do not consider that any lands should be excluded from the borough in future.

(12) "Whether, notwithstanding the provisions of the Rating Act, 1925, as to the adoption of any particular system of rating in any district, it is desirable that any system of rating other than that now in force in the borough should be in force therein, and, if so, what system and by what means it should be adopted."

Your Commissioners do not consider that it is desirable that any system of rating other than that now in force in the Borough of Otaki should be in force therein, but they do consider that there should be an adjustment of the incidence of rating and classification as hereinbefore recommended under the system of rating now in force. The fact that there is grazing and agricultural land in the borough, and no prospect of extension of building-land into the area occupied by such grazing and agricultural land, necessitates the adjustment and classification hereinbefore recommended by your Commissioners.

(13) "In the event of your reporting under the last preceding paragraph hereof that a system of rating other than that now in force in the borough should be adopted, what provision, if any, should be made for the future altering of the system so to be adopted."

As your Commissioners do not recommend that any alteration in the system of rating now in force in the borough should be made, no further provision is necessary, or should be made, for the future altering of the system.

(14) "Such other matters affecting or incidental to the Borough of Otaki, and the administration thereof by the Otaki Borough Council, as may come under your notice in the course of your inquiries and as you may think it necessary and desirable to consider."

Your Commissioners finally desire to point out that, while certain features of the adjustment of the incidence of rating and classification set out in this report may be found upon investigation to be applicable and necessary in the case of other boroughs in the Dominion, they consider that the adjustment and classification adopted by this report is essential in the case of the Borough of Otaki.

Your Commissioners further enclose (Schedule H) originals of four letters, and documents therein referred to, from persons having an interest in the inquiry and resident in the Boroughs of Thames, Woodville, and Foxton, and the Town District of Havelock North.

Your Commissioners have the honour to return herewith the Commission with which Your Excellency was pleased to favour them, together with all documents and plans forwarded to them in connection with such Commission. They also enclose newspaper advertisements of the Commission.

And this our report, which has been unanimously adopted, we have the honour respectfully to submit for the consideration of Your Excellency in obedience to the Commission addressed to us.

Given under our hands and seals this sixteenth day of June, nineteen hundred and twenty-eight.

[L.S.] R. M. Watson, Chairman.[L.S.] W. T. STRAND[L.S.] W. NASHMembers.

Note.—With the exception of Schedule F above, it has been deemed unnecessary to print the various papers referred to in the report. These papers may, if desired, be inspected at the Department of Internal Affairs, Government Buildings, Wellington.

Approximate Cost of Paper.—Preparation, not given; printing (600 copies, including plan), £35-