

utilized. The extension, if undertaken, should be carried out by the company in terms of the Order in Council which it already holds authorizing the same. No further extension is recommended.

6. We do not think it would be in the public interest for the existing timber rights of the company to be acquired by the Crown at the prices that would be likely to be asked for them just now.

7. We think it advisable that the Native-owned timber-bearing land in the vicinity of the company's tramway, or of the projected extension of same to Oruanui Township, or lying between that point and Taupo, or adjacent to the shores of the lake, should be acquired by the Crown as soon as possible.

8. There is a large area of land—Crown, Native, and private—served by the tramway and its proposed and authorized extensions which is capable of profitable development. The first step to be taken would be to acquire the Native title. When that has been done the marketable timber on the land can either be sold on a royalty basis or it can be reserved for the present pending the construction of a Government railway to Taupo, and could then be handed over to the Forestry or other Government Department for milling for Government purposes. The land that is not timber-bearing, and the timber-bearing land when cleared, could be opened for selection as soon as there is any demand for settlement land in the district.

9. We do not advise the acquisition of any of the remaining rights of the company at the present time.

10. This opens up a very wide question on which a great deal might be said. We have stated that an immense territory is lying waste and undeveloped at present, and we think this calls for a remedy. The most potent remedial measures that can be adopted are :—

- (1.) For the Crown to acquire the Native land :
- (2.) To open up the area by means of a Government railway (the company's tramway and its proposed extension to Oruanui will assist to a certain extent, but it can never serve the area as a standard Government railway would do) :
- (3.) To mill all the indigenous timber :
- (4.) To largely increase and accelerate the planting of exotic timbers, and to continue planting in perpetuity so as to make the saw-milling industry permanent even after all the indigenous timbers have been cut out :
- (5.) To dispose of the available land on conditions that will ensure its being utilized to the best advantage.

#### UNANIMOUS FINDINGS.

We are pleased to be able to report to Your Excellency that all the findings in this report were arrived at unanimously.

#### CONCLUSION.

In concluding its report the Commission wishes to express its appreciation of the manner in which the several witnesses who appeared before it gave their testimony, particularly the several Government officials and the officers of the company, who were all most anxious to afford the Commission the fullest assistance in their power, and to impart the most complete information, so as to enable us to reach a just and equitable conclusion. We have also to thank both Mr. E. E. Vaile and Sir John Findlay for their carefully prepared and illuminating addresses.

Your Excellency's Commission is returned herewith.

We have the honour to be,  
Your Excellency's humble and obedient servants,

H. J. H. BLOW.  
F. W. FURKERT.  
H. BUXTON.  
G. H. M. MCCLURE.

Wellington, New Zealand, 15th December, 1920.