

## REPORT.

To His Excellency the Right Honourable John Rushworth, Viscount Jellicoe, Admiral of the Fleet, Knight Grand Cross of the Most Honourable Order of the Bath, Member of the Order of Merit, Knight Grand Cross of the Royal Victorian Order, Governor-General and Commander-in-Chief in and over His Majesty's Dominion of New Zealand and its dependencies.

MAY IT PLEASE YOUR EXCELLENCY,—

WHEREAS by Warrant under the hand of Your Excellency, dated the 31st day of May, 1923, I was directed to inquire and report upon the extent to which local authorities may have incurred or may incur loss of revenue from royalties consequent on the passing of the Forests Act, 1921–22, and upon the provision which should consequently be made from the revenues of the State Forest Service or otherwise, and generally to inquire into and report upon such other matters relating thereto as came under my notice in the course of the inquiry and which I considered required to be investigated in connection therewith: And whereas I was directed by the said Warrant to report to Your Excellency my recommendations in the aforesaid matters on or before the 23rd day of July, 1923: And whereas by further Warrants, dated the 16th day of July, 1923, and the 20th day of August, 1923, the period within which I was required to report was extended to the 31st day of August, 1923: And whereas I have made due inquiry as directed:

Now, therefore, I have the honour to report to Your Excellency as follows:—

### ITINERARY AND HEARING OF EVIDENCE.

I took up my duties on the 1st day of June, 1923, and some little time was occupied in perusing the relevant Acts and regulations and gathering the necessary preliminary data. For the purposes of the itinerary plans were prepared by the State Forest Service showing the location of the lands affected, and on the 13th day of June I left for Invercargill to commence the hearing of evidence.

Places at which  
sittings of  
Commission  
were held.

To afford the various local bodies every facility for placing their views before me sittings were held in the following centres: *South Island*—Invercargill, Balclutha, Dunedin, Christchurch, Hokitika, Greymouth, Reefton, Westport, Murchison, Nelson, and Blenheim. *North Island*—Auckland, Thames, Rotorua, Taumarunui, Marton, and Wellington.

The evidence produced at the sittings, duly corrected and initialled by the persons who gave it, together with any written statements forwarded, is attached hereto. (*Note.—The evidence has not been printed.*)

In all, written or verbal evidence was given on behalf of thirty local bodies, and, in addition to verbal evidence, memoranda or statistics were received from the following Government Departments: State Forest Service, Lands Department, Public Works Department, Mines Department, Valuation Department, and Department of Industries and Commerce.

### REVIEW OF RECENT FOREST LEGISLATION.

In considering the questions set forth in the Warrant it is necessary to refer to section 34 of the War Legislation and Statute Law Amendment Act, 1918, which contained the first statutory provisions for the proclamation of provisional State forests.

At the date of the passing of this Act the State Forests Act, 1908, was then on the statute-book which contained the power to set apart forest lands of the Crown as and for State forests.

The 1918 legislation referred to herein was, however, the starting-point of the new forest policy, followed shortly afterwards by the creation of a separate Department to control State forest lands.

The Forests Act, 1921–22, which came into force on the 1st day of April, 1922, was a consolidation and revision of the forest laws of the Dominion, and included within its provisions are now the powers to constitute both provisional State forests and permanent State forests.

The essential point of difference between a permanent State forest and a provisional State forest is that, in the case of the latter, areas required for settlement