

1924.
NEW ZEALAND.

TIMBER ROYALTIES COMMISSION

(REPORT OF THE).

Presented to both Houses of the General Assembly by Command of His Excellency

COMMISSION.

JELlicoe, Governor-General.

To all to whom these presents shall come, and to JOHN STRAUCHON, Esquire, of Wellington : Greeting.

IN pursuance and exercise of the powers and authorities vested in me by section forty of the Finance Act, 1921–22, and the Commissions of Inquiry Act, 1908, and of all other powers and authorities enabling me in this behalf, I, John Rushworth, Viscount Jellicoe, Governor-General of the Dominion of New Zealand, acting by and with the advice and consent of the Executive Council of the said Dominion, do hereby appoint you, the said

JOHN STRAUCHON,

to be a Commission 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 may come under your notice in the course of your inquiries and which you consider require to be investigated in connection therewith.

And you are hereby authorized to conduct any inquiries under these presents at such times and places as you deem expedient, with power to adjourn from time to time and place to place as you think fit, and to call before you and examine on oath or otherwise such persons as you think capable of affording you information as to the matters aforesaid, and to call for and examine all such books, papers, plans, writings, documents, or records as you deem likely to afford you information on any such matters.

And, using all due diligence, you are required to report to me under your hand and seal not later than the twenty-third day of July, one thousand nine hundred and twenty-three, your recommendation on the aforesaid matters.

And you are hereby strictly charged and directed that you shall not at any time publish or otherwise disclose save to me in pursuance of these presents or by my direction the contents or purport of any report so made or to be made by you.

And it is hereby declared that these presents shall continue in force although the inquiry is not regularly continued from time to time or from place to place.

And, lastly, it is hereby further declared that these presents are issued under and subject to the provisions of the Commissions of Inquiry Act, 1908.

Given under the hand of 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, and issued under the Seal of the said Dominion, this thirty-first day of May, in the year of our Lord, one thousand nine hundred and twenty-three.

R. HEATON RHODES,
Commissioner of State Forests.

Approved in Council.

F. D. THOMSON,
Clerk of the Executive Council.

EXTENSION OF TIME OF COMMISSION.

JELlicoe, Governor-General.

To all to whom these presents shall come, and to JOHN STRAUCHON, Esquire, of Wellington: Greeting.

WHEREAS by a Warrant dated the thirty-first day of May, one thousand nine hundred and twenty-three, and issued under my hand and the Public Seal of the Dominion, you were appointed a Commission to inquire into 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 may come under your notice in the course of your inquiries and which you consider require to be investigated in connection therewith:

And whereas you were required by the said Warrant to report under your hand and seal not later than the twenty-third day of July, one thousand nine hundred and twenty-three:

And whereas it is expedient that the said period should be extended as hereinafter provided:

Now, therefore, I, John Rushworth, Viscount Jellicoe, Governor-General of the Dominion of New Zealand, in exercise of the powers conferred by the Commissions of Inquiry Act, 1908, and of all other powers and authorities enabling me in that behalf, and acting by and with the advice and consent of the Executive Council of the said Dominion, do hereby declare and appoint that the time at or before which you shall present to me your report aforesaid is hereby extended to the twentieth day of August, one thousand nine hundred and twenty-three.

And with the like advice and consent, and in further pursuance of the said power and authority, I do hereby confirm the said Commission except as herein varied.

Given under the hand of 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, and issued under the Seal of the said Dominion, this sixteenth day of July, in the year of our Lord, one thousand nine hundred and twenty-three.

R. HEATON RHODES,
Commissioner of State Forests.

Approved in Council.

F. D. THOMSON,
Clerk of the Executive Council.

FURTHER EXTENSION OF TIME OF COMMISSION.

JELlicoe, Governor-General.

To all to whom these presents shall come, and to JOHN STRAUCHON, Esquire, of Wellington : Greeting.

WHEREAS by a Warrant, dated the thirty-first day of May, one thousand nine hundred and twenty-three, and issued under my hand and the Public Seal of the Dominion, you were appointed a Commission to inquire into 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 may come under your notice in the course of your inquiries and which you consider require to be investigated in connection therewith :

And whereas you were required by the said Warrant to report under your hand and seal not later than the twenty-third day of July, one thousand nine hundred and twenty-three :

And whereas by a Warrant, dated the sixteenth day of July, one thousand nine hundred and twenty-three, the time within which you were required to report was extended to the twentieth day of August, one thousand nine hundred and twenty-three :

And whereas it is expedient that the said period should be further extended as hereinafter provided :

Now, therefore, I, John Rushworth, Viscount Jellicoe, Governor-General of the Dominion of New Zealand, in exercise of the powers conferred by the Commissions of Inquiry Act, 1908, and of all other powers and authorities enabling me in that behalf, and acting by and with the advice and consent of the Executive Council of the said Dominion, do hereby declare and appoint that the time at or before which you shall present to me your report aforesaid is hereby extended to the thirty-first day of August, one thousand nine hundred and twenty-three.

And with the like advice and consent, and in further pursuance of the said power and authority, I do hereby confirm the said Commission except as herein varied.

Given under the hand of 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, and issued under the Seal of the said Dominion, this twentieth day of August, in the year of our Lord, one thousand nine hundred and twenty-three.

R. HEATON RHODES,
Commissioner of State Forests.

Approved in Council.

F. D. THOMSON,
Clerk of the Executive Council.

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

purposes may be withdrawn by Proclamation on the recommendation of the Minister of Lands, whilst in the case of the former the reservation cannot be uplifted save pursuant to a resolution in that behalf to be passed by both Houses of Parliament.

The bulk of the provisional State forests were set apart under the Act of 1918. These lands are now subject to the Forests Act, 1921–22, in addition to State forests and forest reserves set apart under the earlier enactments. For the purposes of this inquiry it is necessary to include the lands proclaimed under section 34 of the War Legislation and Statute Law Amendment Act, 1918, as well as the areas proclaimed under the Forests Act, 1921–22.

The table appended and numbered (1) shows the whole of the State forest lands classified in two divisions, viz.: (a) Lands proclaimed under the Acts of 1918 and 1921–22 (area, 5,432,211 acres), and (b) lands set apart under the earlier enactments (area, 1,732,562 acres); total area, 7,164,773 acres. The attached maps indicate the approximate position of these lands.

REVIEW OF LEGISLATION GOVERNING PAYMENT OF TIMBER AND FLAX ROYALTIES TO LOCAL BODIES.

It is now necessary for me to turn to the legislative provisions under which payments are made to local authorities of a portion of the royalties received by the Crown from timber and flax.

The statute governing the payment of what are commonly known as “halves” will be found in section 319 of the Land Act, 1908, which provides that—

“One-half of the revenue received by the Receiver of Land Revenue in respect of royalty under any license for cutting timber or flax, and payable into the Consolidated Fund, shall be payable to the local authority within whose district the timber or flax is obtained and the revenue was derived, and shall be applied by such local authority exclusively in constructing, repairing, and maintaining roads:

“Provided that any revenue received under the provisions of this section from any district where no local authority exists shall be placed in a separate account, and shall be applied for the purposes aforesaid under the direction of the Minister or of such person as he may appoint.”

The rights under section 319 were held to apply to national-endowment lands by section 262 of the Land Act, 1908, now superseded by section 17 of the Land Laws Amendment Act, 1912.

In the case of lands included within the special districts proclaimed or set apart under the Hauraki Plains Act, 1908, the Rangitaiki Land Drainage Act, 1910, and the Swamp Drainage Act, 1915, “halves” are not payable to local bodies, but are dealt with in the manner prescribed by those Acts under which special accounts are constituted.

Reference is now made to section 147 of the Mining Act, 1908, which provides for the setting-apart in mining districts of “Warden’s Timber Areas” and “Land Board’s Timber Areas.” Section 148 of that Act which deals with the application of rents, fees and royalties from those areas is as follows:—

“All rents, royalties, and fees received in respect of timber-cutting rights shall be deemed to be goldfields revenue in the case of rights granted within the Warden’s timber areas, and territorial revenue in the case of rights granted within the Land Board’s timber areas:

“Provided nevertheless as follows:—

“(a.) In the case of timber-cutting rights granted in respect of land which, pursuant to the contract between her late Majesty and the New Zealand Midland Railway Company (Limited), was set apart as reserves for mining purposes, the rents, royalties, and fees shall be deemed to be goldfields revenue, notwithstanding that the land may be within the Land Board’s timber areas.

“(b.) In every case where, under any provision of this Act or any other Act, any Harbour Board or person is entitled to the rents, royalties, and fees received for mining privileges in respect of any land, such Board or person shall also be entitled to the rents, royalties, and fees received for timber-cutting rights granted in respect of such land; and the same shall, in the prescribed manner, be paid over to such Board or person accordingly, and shall not be deemed to be territorial revenue.”

Goldfields
revenue.

Goldfields revenue is payable to local bodies under section 409 of the Mining Act, 1908, and subsections (1) and (2) of this section are as follows:—

“(1.) All fees, rents, royalties, and other moneys received under this Act or any former Mining Act in respect of Crown lands open for mining (not being moneys received for the sale of land or the leasing of land for agricultural purposes) shall be paid into the Public Account as goldfields revenue.

“(2.) All such goldfields revenue shall, subject to any lawful charges connected therewith other than the cost of collection, be paid by the Minister of Finance, in accordance with regulations, to the Council or Board of the county, borough, or town district in which the same accrued.”

From the foregoing it will be seen that, pursuant to the legislative provisions referred to, local bodies were entitled (subject to special exceptions referred to in paragraph (b) of section 148 of the Mining Act, 1908, and subsection (2) of section 409 of that Act) to the whole of the timber revenue from Warden's timber areas and Midland Railway Mining Reserves and to one-half of the royalties received from Land Board's timber areas and other licenses for the cutting of timber and flax on Crown lands or national-endowment lands and payable to territorial revenue (Consolidated Fund) or National Endowment Account.

Interpretation
of the word
“royalty.”

At this juncture it is necessary to refer to a special point in regard to section 319 of the Land Act, 1908. It will be observed that this section, which was originally enacted in the Timber and Flax Royalties Act, 1905, uses the word “royalty,” and the legal interpretation laid down for departmental guidance is to the effect that where standing timber is sold for a lump sum and not on a royalty basis local bodies are not entitled to “halves.”

It has been contended in the course of evidence before the Commission that this interpretation is open to doubt, and opposite opinions by legal counsel have been quoted in support of this contention.

It is not, however, for me to attempt to decide the issue. That is a matter for the Courts.

The interpretation of the law as indicated above has been accepted by the Government, and the Departments have acted in accordance therewith.

It is not a matter which has arisen consequent on the passing of the Forests Act, 1921-22, although it may be a factor in estimating actual or prospective loss to local bodies. For the purposes of this inquiry, however, I must accept the present interpretation of the law as laid down by the Law Officers of the Government.

“Halves” not
payable from
State forest
lands.

Whatever may have been the intention of the Legislature when passing the Timber and Flax Royalties Act, 1905, in regard to the basis to be adopted in computing “halves” of timber and flax royalties from licenses where moneys are payable into the Consolidated Fund, it is quite clear that it was never intended that any portion of the moneys accruing from the disposal of timber in State forests and payable to the State Forests Account was to be paid to local bodies.

The power to proclaim Crown lands as State forests was not a new departure brought into existence in 1918. It dates back to 1885, when the New Zealand State Forests Act of that year was passed, and under that Act and the State Forests Act, 1908, extensive reservations were made.

“Halves” a
contingent right.

The rights of local bodies to “halves,” which first came into existence in 1905, have, therefore, always been contingent rights liable to be seriously curtailed whenever the Crown in exercise of its discretionary powers chose to set apart timber-bearing Crown lands as State forests.

In confining the rights of local bodies to royalties payable to the Consolidated Fund the possibility of further reservations for State forests must have been recognized, and therefore the reservations which have been made by the State Forest Service, although extensive in nature, are not, in my opinion, opposed to the contingency provided for when the original Act was passed.

LOSS OF REVENUE FROM ROYALTIES SO FAR AS LOCAL BODIES ARE CONCERNED.

Turning now to the first question referred to in Your Excellency's Warrant—viz., 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—it is necessary to take into consideration the status of the 5,432,211 acres referred to in division (a) of Table (1) prior to the issue of the Proclamations which brought the areas within the provisions of the Forests Act and placed them under the

administration of the State Forest Service, subject, however, to the statutory reservations protecting existing rights provided for in section 3 of the Forests Act, 1921-22.

The lands in question were partly under the administration of the Lands Department in terms of the Land Act, 1908, and partly under the Warden's administration in terms of the Mining Act, 1908, so far as concerns the granting of timber-cutting rights, and in order to determine to what extent this change of status and administration has already affected the revenue of local bodies from royalties, and to gauge the possible future effect, it is necessary to take into consideration the legislative provisions already referred to under which the rights of local bodies to a portion of those royalties have accrued and to see how those rights would possibly have operated had the timber remained under the jurisdiction of the Lands Department or Wardens in terms of the Land Act, 1908, and the Mining Act, 1908, respectively.

Table (2) shows the timber-cutting rights granted by the State Forest Service out of the lands set apart under section 34 of the War Legislation and Statute Law Amendment Act, 1918, and the Forests Act, 1921-22, with the amount of timber disposed of and the price realized. The table has been divided under three headings. Loss of revenue to local bodies from licenses already granted by State Forest Service.

- (a.) Timber which, if dealt with by the Warden under the Mining Act, would have carried the right to "halves" in favour of local bodies.
- (b.) Timber situated within Midland Railway Mining Reserves which would have carried the right of local bodies to the whole of the royalties under section 148 of the Mining Act, 1908.
- (c.) Timber which would have been dealt with by the Lands Department.

In regard to items (a) and (b) it will be seen from the table that the former covers 23,369,500 superficial feet of timber, disposed of for the sum of £5,916, and the latter covers 18,670,000 superficial feet, disposed of for £9,345. Assuming that the Warden's control under the Mining Act would have continued unaltered, a question to which I shall refer later, then the local bodies have lost the right to one-half the royalty value in respect of (a) and the whole of the royalty value in respect of (b), provided that in the case of the latter the State Forest Proclamation overrides the provisions of section 148 (a) of the Mining Act, dealing with the allocation of moneys received from the disposal of timber on Midland Railway Mining Reserves (a point upon which there appears to be considerable doubt).

It is probable that the total royalties based on the rates fixed by the Mining Regulations would represent a lesser sum than the price realized by the State Forest Service, but what royalty rate would have been fixed had the timber been disposed of under the Mining Act it is, of course, not possible for me to say.

In regard to item (c), which covers 72,252,131 superficial feet, sold for £106,057, I have received from the Under-Secretary for Lands the following statement in regard to the possible mode of disposal had the timber remained under the control of the Lands Department:—

"It is impossible to make a definite statement as to which districts would have dealt with the timber on lands set aside as provisional State forests on a royalty basis if Land Boards had disposed of same, but as the general practice of the Department was to sell wherever possible for a lump sum it is probable that sales on a royalty basis would have been very small and probably confined to the Southland District."

In view of these remarks I could not with any degree of certainty point to a loss of any definite sum. The table shows that in the counties of Clutha, Wallace, and Stewart Island fourteen licenses have been issued by the State Forest Service, covering 12,113,025 superficial feet of timber, which has been sold for the total sum of £8,089. It is possible that had this timber remained under the jurisdiction of the Lands Department some of it would have been disposed of on the royalty basis, in which case the local bodies affected would have participated in the periodical payments received as the timber was cut, but to reduce the result to a definite sum for each county is, of course, not possible in view of the surrounding circumstances.

Turning now to Table (3), it will be observed that this table shows the lands set apart under section 34 of the War Legislation and Statute Law Amendment Act, 1918, and the Forests Act, 1921-22, exclusive of all existing cutting licenses and reserved areas attached thereto. Loss local bodies may incur in the future from royalties.

The lands shown in Table (2) are therefore excluded, together with an approximate area of 67,000 acres covered by sawmill licenses and reservations in existence when the State forest Proclamations were issued. The rights under these sawmill licenses and reservations are protected by sections 3 and 35 of the Forests Act, 1921–22, so that the revenues of local bodies will not suffer in this respect except in cases where sawmilling licenses are forfeited or surrendered, in which case the State forest reservation fully operates, and any future moneys received from timber-cutting will become State forest revenue.

Table (3), it will be observed, has been framed to show the timber formerly under the jurisdiction of the Warden separate from the timber formerly under the control of the Lands Department, and to furnish any fair estimation of the prospective loss which can justly be attributed to the new forestry legislation is a matter of extreme difficulty.

In the first place, I think it is safe to assume that had the new forestry legislation never been passed, further reservations for State forests would have been made by the Lands Department under the State Forests Act, 1908, in the ordinary course of events.

The system adopted by the Government of selling timber for a lump sum in lieu of on a royalty basis must also be taken into consideration in view of the decision that “halves” are not payable in the case of the former.

The remarks embodied in the preceding paragraph apply more particularly to the timber which was formerly under the control of the Lands Department, but it cannot be overlooked that a similar contingency may have arisen at any time so far as the balance of the lands are concerned, even if the Forests Act had not been passed, in view of the fact that strong recommendations had been made by previous Commissions that the Warden’s control should be abolished and the administration of timber-cutting for commercial purposes placed under the jurisdiction of the Lands Department.

Prospective loss from timber formerly under administration of Lands Department.

So far as concerns the land included in column (3), which it is estimated contains 6,184,303,786 superficial feet of timber, valued at £5,825,792 calculated at current rates, as this timber was formerly under the control of the Lands Department, and having regard to the practice adopted by that Department in selling timber, I cannot place any prospective loss other than perhaps from small quantities of scattered timber which it might be found more convenient to deal with on a royalty basis.

Prospective loss from timber formerly under administration of Warden.

In regard to the balance of the lands, the local bodies would have had reasonable grounds to look forward to receiving (subject to any deductions provided for in section 148 (b) of the Mining Act, 1908) one-half of the royalties derived from time to time from the disposal of the timber included in column (1)—viz., 5,747,374,000 superficial feet approximately, valued at £2,873,827, so long as the Warden’s control and the mining laws and regulations governing the disposal of timber remained unaltered.

As to the lands included in column (2), containing 861,151,000 superficial feet of timber, valued at £430,576, these are situated within Midland Railway mining reserves, and are subject to the special statutory provisions embodied in section 148 (a) of the Mining Act, 1908, which provides that the rents, royalties, and fees from timber-cutting rights shall be deemed to be goldfields revenue. Local bodies were, therefore, entitled to look forward to receiving the whole of the royalties subject to any deductions provided for in section 409 (2) of the Mining Act, 1908.

Royalties from timber-cutting for strictly mining purposes.

In regard to the question of royalties from timber-cutting rights granted in State forests by the Warden for strictly mining purposes pursuant to section 35 of the Forests Act, 1921–22, it would appear from the wording of section 37 (c) of that Act that any moneys received under this head will be State forest revenues.

Since the Act was passed, however, I find that only one right has been granted by the Warden within provisional State forests, the revenue received being £18.

I do not forecast any appreciable loss of revenue to local bodies from this source.

Effect of Regulations made under section 34, War Legislation and Statute Law Amendment Act, 1918.

Turning now to the regulations made pursuant to section 34 of the War Legislation and Statute Law Amendment Act, 1918, I find that these deal with the imposing of conditions on the sale of standing timber and on the grant of licenses to cut standing timber other than for mining purposes under the Mining Act, 1908, or for coal-mining purposes under the Coal-mines Act, 1908.

These regulations do not apply to the crown or to the exercise by officers of the Crown of statutory rights of selling or granting licenses to cut timber on Crown lands. Although section 34 also provides power for the issue of regulations limiting the export of timber from New Zealand, I find that this section has not been specifically used in this respect. The regulations governing the export of timber from New Zealand are administered by the Department of Industries and Commerce, and were made under the Customs Act and other statutes.

In my opinion, therefore, the regulations made under section 34 of the War Legislation and Statute Law Amendment Act, 1918, do not affect the position so far as concerns the scope of my inquiries.

PROVISION WHICH SHOULD BE MADE IN FAVOUR OF LOCAL AUTHORITIES OUT OF REVENUES FROM STATE FORESTS OR OTHERWISE.

With reference to the question as to the provision which should be made in favour of local authorities out of the revenues of the State Forest Service or otherwise to make up any loss of revenue from royalties consequent on the passing of the Forests Act, I have carefully considered this aspect of the matter, and, having due regard to the nature of the legislation governing payment of royalties, I cannot point to any case of actual loss up to the present which in my opinion would justify the making of special grants to any local body or any group of local bodies out of the State forest revenues or otherwise.

As to the provision which should be made to meet the probable reduction of revenue from royalties in the future, I am firmly of the opinion that the case is not one for the grant of any fixed rate or charge in respect of moneys received from the sale of State forest timber. Fixed charge on State forest timber not recommended.

The table appended and numbered (4) shows for each county the amount which the Lands Department has paid out of timber and flax royalties since the passing of the Timber and Flax Royalties Act, 1905, the total sum being £164,829, including adjustments. The bulk of this revenue is from timber. In addition to this, timber rents and royalties have also figured in the amounts paid to local bodies through the medium of goldfields revenue, as will be seen from Table (5), which shows that since 1913 a sum of £32,781 has accrued to this account from State timber. Amounts paid by Lands and Mines Departments to local bodies by way of timber royalties.

Consideration of these figures leads me to the conclusion that the existing system has imposed a heavy tax on the Dominion's timber revenue, and has brought about a very inequitable distribution of State moneys in this respect, a position which is most unsatisfactory from the point of view of the local authorities as well as the State. I could not recommend that the "halves" system should now be extended to cover State forest lands, as such a step would merely intensify the present position of affairs, and, in addition, would place a crippling and unjust burden on the funds required for State-forest development. In fact, in my opinion the time has arrived for a review of the whole position. Present system unsatisfactory.

Under section 319 of the Land Act, 1908, "halves" paid to local bodies must be expended in the construction and maintenance of roads, but in the case of timber royalties paid through the medium of goldfields revenue they are available for general purposes of the local authority.

The question is, however, mainly a roading problem, particularly in the larger counties containing undeveloped land. Question mainly a roading problem.

The original idea of granting "halves" when the Timber and Flax Royalties Act was passed in 1905, was, no doubt, primarily to assist in making good the damage to public roads occasioned by the transport of timber and flax, but the fixing of an arbitrary sum of one-half of the royalty payable to the Consolidated Fund was not in any case an equitable basis to adopt.

From the point of view of the local authority, so far as concerns damage to public highways, it makes no difference whether the timber comes from the State forest lands or ordinary Crown lands, or whether the timber is being paid for on a royalty basis or by way of block sale. It is all liable to cause damage if carted over county roads. Thus in the past one county may have been drawing large sums of money merely because the timber was situated on ordinary Crown lands and was being cut on a royalty basis, whilst other counties, where the timber happened to be covered by State forest reservation or was sold for a lump sum, received not a penny from the timber revenues.

Furthermore, timber which yields revenue to the local bodies may not come over the roads at all, but may be brought to the centre of distribution by tram-line or water carriage, whilst in other districts timber yielding no revenue to local bodies, on account of the circumstances mentioned above, may be transported over county roads.

The whole system, therefore, is based on a wrong foundation.

Heavy traffic
should be taxed.

If any particular industry is causing extraordinary damage to public highways, the burden of making good that damage should be a charge on the industry and not a charge on public revenues, and in providing State aid for the repair of roads each case requires careful consideration on its merits after ascertaining to what extent private interests should be called upon to contribute.

Heavy-traffic
by-laws.

Section 139 of the Public Works Act authorizes the making of by-laws regulating heavy traffic on roads, and for the fixing of charges. From the evidence tendered in regard to this matter it would appear that local bodies in many cases are not availing themselves of these powers to the fullest extent. Instances have been cited where roads hitherto in good repair have been cut to pieces by heavy traffic, particularly in connection with timber, while those responsible have escaped the costs, leaving the burden to be borne by the local ratepayers. There is a tendency on the part of some local bodies to regard the revenue from State timber-sales as the source from which funds should come to make good this damage, but in my opinion the expense should be borne by the industry as part of the cost of production.

The control of public roads is vested in the local authorities, a trust which should be jealously guarded in the public interests, and the utmost vigilance is necessary to prevent operators and transport contractors from escaping the costs of repairing damage brought about by their operations.

Frequent reference has been made to the difficulties arising in connection with the application of heavy traffic by-laws, and I would therefore suggest that if the powers under the Act are considered to be defective or insufficient, then the local bodies should confer and submit proposals to the Government for amending legislation.

The advent of the motor-vehicle is proving a serious problem so far as concerns road maintenance, and if this mode of transport in respect of timber is to be brought into serious competition with transport by tram-line, then the sooner the whole question is reviewed the better.

Tram-lines
should be
encouraged.
Common carrier.

It may not be out of place to mention that the diversion of timber traffic from the road to the tram-line should, in my opinion, be encouraged, and to bring the tram-line to its fullest utility value the question of introducing measures to create important lines "common carriers" for goods wherever possible is a subject which is deserving of serious consideration. Valuable suggestions in regard to this question will be found in the evidence submitted by the State Forest Service and the Public Works Department, and I would suggest that the matter be taken up by these Departments as early as possible.

Why tax timber
sales for upkeep
of roads?

The question of better roads in country districts is a matter of vital importance as having a direct effect on the paramount industry of New Zealand—viz., farming—and the efforts of local bodies to provide better ways for internal communication are deserving of every encouragement and assistance which lies within the power of the General Government. At the same time, however, I cannot see any logical reason why State timber-sales should be singled out as a special source of revenue for the upkeep of county roads.

Abolition of
present system,
and substitute
proposed.

My recommendations in regard to this phase of the matter are that the present system of handing over a portion of the timber revenues to local bodies should be wholly abolished by legislation, and that for the future State aid for roads and other works should be by way of direct grant out of the Consolidated Fund or Public Works Fund, as the case may require.

Local rates on
timber.

It has been argued that State forest lands are in the main non-revenue producing so far as local rates are concerned, and in this respect are in a better position than private forests, where rates are payable on both the land and timber values.

Suggested
alteration to
basis of annual
rate subsidy.

This argument applies to all unalienated Crown property. When milling-timber on Crown forests is sold the licensee is liable for rates on the timber, and if he pays a rental for the land he is liable for rates on the value of the land also. To even up the position, however, the area of unalienated State land, including

commercial forests not held under cutting rights, should be one of the factors to be taken into consideration in allocating the annual rate subsidy provided by the Crown. Reserves made for purely local advantage should, of course, be excluded.

If it is decided that no change will be made in regard to the payment of timber royalties as provided for in the existing legislation, then I would suggest that the amount each local authority is likely to receive under this head should be taken into consideration when the annual rate subsidy is being allotted so as to ensure that counties receiving these revenues are not securing an unfair advantage over counties where there is no timber revenue.

OTHER QUESTIONS WHICH HAVE ARISEN IN THE COURSE OF THE INQUIRY.

In regard to other questions which have arisen relating to the matters specially mentioned in Your Excellency's Warrant, I beg to refer to a somewhat extraordinary position of affairs which has been brought about by the passing of section 35 of the Forests Act, 1921-22.

This section takes away the powers of the Warden to grant timber-cutting licenses for other than mining purposes outside of reservation areas attached to current grants.

A large portion of the West Coast was formerly under the Warden's jurisdiction so far as timber-cutting rights were concerned, in terms of section 147 to 152 of the Mining Act, 1908, and Regulation 117 made thereunder. Clause (3) of the regulation mentioned, which follows clause (c) of section 149 of the Mining Act, prohibits the Land Board from granting timber-cutting rights within the lands affected, and consequently, now that the Warden's powers have ceased, it would appear that at the present time no one is authorized to issue timber-cutting rights for other than mining purposes outside of State forest reservations.

The Mining Amendment Act, 1922, has not apparently overcome this difficulty.

What effect this may have on future revenues so far as local bodies are concerned if the existing legislation in regard to the payment of "halves," &c., is to remain, depends upon the question as to whether the power of disposal in regard to the timber is ultimately vested in the Warden under the present mining laws, the Lands Department under the Land Act, 1908, or whether the areas are proclaimed State forests under the Forests Act, 1921-22. The total area of timbered land involved under this head is approximately 365,000 acres, which is estimated to contain about 1,993,327,500 superficial feet of timber. It must, however, be mentioned that these figures are based upon forest reconnaissance for inventory purposes, and should therefore be taken as estimates only.

In regard to prospective revenues from flax and oil which have been mentioned in evidence before me, I find that in the case of the former there is very little of commercial value situated on the State forest lands affected.

As to the possibilities of oil within State forest lands I have no expert knowledge, but from the information I have been able to gather I must conclude that the matter is altogether too uncertain to form any idea of prospective loss.

I do not therefore regard flax and oil as serious factors for the purposes of this inquiry.

A further matter referred to by some of the local bodies when tendering evidence before the Commission relates to the question as to whether they have received all the timber royalties they are entitled to through the medium of "halves" and goldfields revenue. This subject, and also the question of "halves" from timber-sales in past years, which have not been paid by the Lands Department owing to the legal interpretation of the word "royalty" in section 319 of the Land Act, 1908, are, I consider, outside the scope of my inquiries, and consequently the local bodies should submit any representations they may wish to make in this behalf direct to the Government.

In any case such matters do not appear to call for investigation by a Commission. In regard to the allocation of revenues, this is entirely governed by statute, and, if there should be any doubt as to whether the Receivers have correctly allocated to the various accounts moneys arising from the disposal of timber, the matter is one for departmental investigation and audit.

I return attached hereto the Warrants with which Your Excellency was pleased to entrust me, together with the other enclosures referred to in my report.

Given under my hand and seal, at Wellington, this 23rd day of August, 1923.

JOHN STRAUCHON, Commissioner.

Effect of section 35 of Forests Act, 1921-22, on timber formerly under Warden's control.

Royalties from oil and flax.

Question as to whether "halves" and goldfields revenue have been correctly allocated.

APPENDIX.

TABLE (1).—RETURN SHOWING THE TOTAL AREA OF LAND IN THE DOMINION SUBJECT TO THE FORESTS ACT, 1921-22, COMPILED AS AT THE 30TH JUNE, 1923.

County.	(a.) Areas set apart under Section 34 of the War Legislation and Statute Law Amendment Act, 1918, and the Forests Act, 1921-22.				(b.) Areas set apart under Prior Enactments.				Totals.			Grand Total.
	Commercial Forests.	Protection Forests.	Cut-over and Open Lands.	Total.	Commercial Forests.	Protection Forests.	Cut-over and Open Lands.	Total.	Commercial Forests.	Protection Forests.	Cut-over and Open Lands.	
Amuri ..	..	..	..	Acres. ..	Acres. 4,170	Acres. 5,600	Acres. 7,299	Acres. 17,069	Acres. 4,170	Acres. 5,600	Acres. 7,299	Acres. 17,069
Ashburton ..	..	..	..	..	2,155	20,337	9,924	32,416	2,155	20,337	9,924	32,416
Ashley ..	140	..	..	140	8,020	15,821	..	23,841	8,160	15,821	..	23,981
Awatere ..	..	..	..	..	..	172	901	1,073	..	172	901	1,073
Bay of Islands ..	4,958	1,150	260	6,368	200	743	..	943	5,158	1,893	260	7,311
Buller* ..	92,870	434,634	64,926	592,430	1,562	..	148	1,710	94,432	434,634	65,074	594,140*
Clifton ..	..	19,856	..	19,856	..	18,649	11,567	30,216	..	38,505	11,567	50,072
Clutha ..	58,073	1,592	9,500	69,165	565	..	63	628	58,638	1,592	9,563	69,793
Collingwood ..	18,665	138,842	72,620	230,127	4,258	9,910	1,492	15,660	22,923	148,752	74,112	245,787
Cook ..	..	..	..	..	..	208	1,202	1,410	..	208	1,202	1,410
Coromandel ..	1,591	15,514	3,087	20,192	260	2,460	..	2,720	1,851	17,974	3,087	22,912
Dannevirke ..	..	..	..	..	982	14,667	..	15,649	982	14,667	..	15,649
Eketahuna ..	..	..	..	..	..	25,965	89	26,054	..	25,965	89	26,054
Eltham ..	..	..	..	..	..	..	86	86	..	..	86	86
Featherston ..	..	..	..	..	885	74,725	6,479	82,089	885	74,725	6,479	82,089
Fiord ..	88,200	50,000	60,000	198,200	..	..	..	..	88,200	50,000	60,000	198,200
Franklin ..	..	..	..	..	..	500	..	500	..	500	..	500
Geraldine ..	..	..	..	..	..	..	12	12	..	..	12	12
Grey ..	275,736	34,170	114,350	424,256	..	..	..	..	275,736	34,170	114,350	424,256
Hauraki Plains ..	..	..	..	..	..	815	..	815	..	815	..	815
Hawera... ..	..	350	..	350	..	..	..	..	..	350	..	350
Hawke's Bay ..	..	2,000	3,100	5,100	..	8,883	1,648	10,531	..	10,883	4,748	15,631
Hobson... ..	4,268	1,608	2,424	8,300	2,277	5,894	500	8,671	6,545	7,502	2,924	16,971
Hokianga ..	1,704	2,002	5,528	9,234	31,404	20,577	7,020	59,001	33,108	22,579	12,548	68,235
Horowhenua ..	..	270	810	1,080	..	106,327	295	106,622	..	106,597	1,105	107,702
Hutt ..	..	..	..	..	..	41,129	1,362	42,491	..	41,129	1,362	42,491
Inangahua ..	24,000	235,630	57,300	316,930	489	775	..	1,264	24,489	236,405	57,300	318,194
Kaikoura ..	..	..	..	..	..	3,475	700	4,175	..	3,475	700	4,175
Kaitieke ..	10,035	7,472	..	17,507	5,246	51,082	27,321	83,649	15,281	58,554	27,321	101,156

* Excludes an area 82,978 acres, Westport Harbour Board Endowment erroneously proclaimed.

Kawhia...	1,983	2,904	90	4,977	..	2,600	2,600	1,983	5,504	90	7,577
Kiwitea...	..	803	..	803	..	203	918	..	1,003	715	1,721
Lake ..	60,339	126,869	..	187,208	1,950	4,600	7,514	62,289	131,469	964	194,722
Mackenzie	..	..	..	1	2,205	7,800	17,505	2,206	7,800	7,500	17,506
Mangonui	2,500	1,500	741	4,741	2,475	12,655	15,130	4,975	14,155	741	19,871
Maniototo	..	..	..	..	2,239	..	6,495	2,239	..	4,256	6,495
Marlborough	19,500	85,821	5,130	110,451	10,217	51,408	78,305	29,717	137,229	21,810	188,756
Masterton	1,217	8,519	1,436	9,736	..	30,049	30,049	1,217	38,568	..	39,785
Matamata	1,930	..	1,213	3,366	..	1,436	1,436	1,930	1,436	1,436	4,802
Mauriceville	..	3,651	50,502	4,864	..	1,619	1,619	..	5,270	1,213	6,483
Murchison	13,035	326,183	50,502	389,720	1,400	4,696	6,696	14,435	330,879	51,102	396,416
Ohinemuri	2,672	17,823	8,557	29,052	..	4,024	4,024	2,672	21,847	8,557	33,076
Ohura ..	1,137	18,871	..	20,008	..	6,435	6,435	1,137	25,306	..	26,443
Opotiki..	..	150,964	..	150,964	..	..	..	..	150,964	..	150,964
Oroua ..	..	..	..	..	..	250	250	..	250	..	250
Otamatea	..	..	..	..	200	1,400	2,000	.. 200	1,400	400	2,000
Otorohanga	18,829	3,993	22,124	44,946	..	..	..	18,829	3,993	22,124	44,946
Oxford ..	114	..	..	114	4,886	18,000	22,886	5,000	18,000	..	23,000
Pahiatua	..	..	..	..	..	1,323	1,903	..	1,323	580	1,903
Patea ..	..	..	..	..	..	43,328	48,914	..	43,328	5,586	48,914
Piako ..	..	300	275	575	..	2,534	2,900	..	2,834	641	3,475
Pohangina	..	5,232	586	5,818	1,964	20,317	22,281	1,964	25,549	586	28,099
Raglan ..	3,636	2,124	..	5,760	..	5,548	5,808	3,636	7,672	260	11,568
Rangitikei	4,194	48,700	7,900	60,794	..	..	123	4,194	48,700	8,023	60,917
Rodney..	..	..	..	..	707	3,678	4,985	707	3,678	600	4,985
Rotorua	33,234	3,623	950	37,807	..	..	..	33,234	3,623	950	37,807
Selwyn ..	..	..	..	..	4,990	54,030	59,020	4,990	54,030	..	59,020
Sounds ..	300	8,300	580	9,180	250	6,147	7,035	550	14,447	1,218	16,215
Southland	22,210	6,070	..	28,280	8,250	4,442	19,252	30,460	10,512	6,560	47,532
Stratford	..	..	..	..	..	10,317	17,144	..	10,317	6,827	17,144
Stewart Island	54,264	49,300	3,000	106,564	..	..	..	54,264	49,300	3,000	106,564
Taieri ..	..	..	..	..	..	..	383	..	..	383	383
Takaka ..	30,015	58,000	47,146	135,161	..	..	..	30,015	58,000	47,146	135,161
Taranaki	..	..	..	..	..	64	115	..	64	51	115
Tames...	6,120	9,439	42,795	58,354	..	2,628	7,850	6,120	12,067	48,017	66,204
Taurarunui	46,486	5,685	..	52,171	..	..	..	46,486	5,685	..	52,171
Taupo ..	146,869	1,756	900	149,525	..	20,695	62,839	146,869	22,451	43,044	212,364
Tauranga	16,897	6,294	1,492	24,683	4,634	4,924	12,044	21,531	11,218	3,978	36,727
Tawera ..	224	..	..	224	15,176	98,540	113,716	15,400	98,540	..	113,940
Tuapeka	..	..	..	..	17,490	21,243	42,455	17,490	21,243	3,722	42,455
Vincent..	120	..	..	120	9,862	12,900	23,284	9,982	12,900	522	23,404
Waipau ..	..	3,000	1,602	4,602	..	65,990	87,987	..	68,990	23,599	92,589

TABLE (1).—RETURN SHOWING THE TOTAL AREA OF LAND IN THE DOMINION SUBJECT TO THE FORESTS ACT, 1921-22, COMPILED AS AT THE 30TH JUNE, 1924—continued.

County.	(a.) Areas set apart under Section 34 of the War Legislation and Statute Law Amendment Act, 1918, and the Forests Act, 1921-22.				(b.) Areas set apart under Prior Enactments.				Totals.			Grand Total.
	Commercial Forests.	Protective Forests.	Cut-over and Open Lands.	Total.	Commercial Forests.	Protection Forests.	Cut-over and Open Lands.	Total.	Commercial Forests.	Protection Forests.	Cut-over and Open Lands.	
Waikato	976	688	297	Acres. 1,961	680	Acres. ..	Acres. 1,000	Acres. 1,680	1,656	688	Acres. 1,297	Acres. 3,641
Waikohu	..	33,271	..	33,271	..	2,150	2,972	5,122	..	35,421	2,972	38,393
Waikouaiti	..	..	..	..	908	..	..	908	908	..	..	908
Waimarino	28,701	7,975	1,143	37,819	2,288	7,318	39,375	48,981	30,989	15,293	40,518	86,800
Waimate	..	..	..	..	355	..	329	884	355	..	529	884
Waimea	4,037	169,260	35,790	209,087	578	3,845	250	4,673	4,615	173,105	36,040	213,760
Waipawa	..	1,500	..	1,500	..	35,402	..	35,402	..	36,902	..	36,902
Waipara	..	..	..	..	..	26,600	..	26,600	..	26,600	..	26,600
Wairarapa South	..	..	..	..	..	28,112	1,350	29,462	..	28,112	1,350	29,462
Wairoa ..	..	11,650	..	11,650	..	5,278	600	5,878	..	16,928	600	17,528
Waitaki	..	..	..	..	2	111,500	..	111,502	2	111,500	..	111,502
Waitemata	..	..	..	..	..	54	175	229	..	54	175	229
Waitomo	16,825	7,380	5,418	29,623	2,329	3,479	129	5,937	19,154	10,859	5,547	35,560
Wallace	133,593	102,174	12,428	248,195	52,093	43,193	21,382	116,668	185,686	145,367	33,810	364,863
Wanganui	..	..	..	..	..	344	186	530	..	344	186	530
Westland	663,471	318,585	304,000	1,286,056	1,825	98	376	2,299	665,296	318,683	304,376	1,288,355
Whakatane	..	3,629	1,000	4,629	..	..	..	..	..	3,629	1,000	4,629
Whangamomona ..	..	..	..	..	..	6,635	230	6,865	..	6,635	230	6,865
Whangarei	..	..	569	569	1,193	3,430	2,960	7,583	1,193	3,430	3,529	8,152
Whangaroa	7,227	820	..	8,047	400	1,400	312	2,112	7,627	2,220	312	10,159
Woodville	..	..	..	..	..	6,052	..	6,052	..	6,052	..	6,052
Totals ..	1,922,896	2,557,746	951,569	5,432,211	214,019	1,239,427	279,116	1,732,562	2,136,915	3,797,173	1,230,685	7,164,773

I hereby certify that this table has been compiled from returns furnished by the Conservators of Forests for the respective forest-conservation regions from the Forest Inventory, and that these areas contain no flux of commercial value.

22nd August, 1923.
E. PHILLIPS TURNER,
Secretary of Forestry.

TABLE (2).—RETURN SHOWING TIMBER-CUTTING LICENSES GRANTED BY THE STATE FOREST SERVICE OUT OF THE LANDS SET APART UNDER SECTION 34 OF THE WAR LEGISLATION AND STATUTE LAW AMENDMENT ACT, 1918, AND THE FORESTS ACT, 1921-22, FROM WHICH NO PORTION OF THE REVENUE WILL ACCRUE TO LOCAL BODIES, COMPILED AS AT THE 30TH JUNE, 1923.

County.	Number of Licenses.	Total Area.	Total Amount of Timber.	Total Price.	Average Rate of Cutting per Annum.
(a.) <i>Timber which if dealt with by the Warden under the Mining Act would have carried the Right to "Halves" in Favour of Local Bodies.</i>					
Inangahua	2	Acres. 36	Sup. ft. 89,500	£ 96	Sup. ft. 500,000
Grey	7	1,484	14,600,000	3,650	4,420,000
Westland	6	576	8,680,000	2,170	4,334,000
Totals	15	2,096	23,369,500	5,916	..

(b.) <i>Timber situated within Midland Railway Mining Reserves which would have carried the Right of Local Bodies to the Whole of the Royalties under Section 148 of the Mining Act, 1908.</i>					
Grey	4	Acres. 1,506	Sup. ft. 15,500,000	£ 7,750	Sup. ft. 2,700,000
Westland	2	375	3,170,000	1,595	800,000
Totals	6	1,881	18,670,000	9,345	..

(c.) *Timber which would have been dealt with by the Lands Department.*

Coromandel	3	Acres. 1,470	Sup. ft. 1,025,251	£ 1,782	Sup. ft. *
Thames	1	660	621,725	2,190	400,000
Waikato	1	400	338,482	510	200,000
Taumarunui	1	150	2,211,078	4,500	500,000
Rotorua	3	2,601	24,814,900	35,759	12,000,000
Waimarino	3	456	9,040,130	16,103	2,968,100
Kaitieke	8	1,394	15,122,884	28,233	3,936,225
Rangitikei	2	217	2,327,900	4,371	626,975
Collingwood	5	71	245,756	216	..
Waimea	1	191	1,030,000	1,064	†
Marlborough	3	393	3,361,000	3,240	1,000,000
Clutha	6	711	7,962,513	5,224	5,225,000
Stewart Island	4	926	2,414,206	1,371	1,225,000
Wallace	4	400	1,736,306	1,494	1,600,000
Totals	45	10,040	72,252,131	106,057	..
Grand totals	66	14,017	114,291,631	121,318	..

* Cutting practically completed.

† Cutting to commence July, 1924.

I hereby certify that this return has been compiled from information supplied by the Conservators of Forests for the respective forest-conservation regions.

E. PHILLIPS TURNER,
Secretary of Forestry.

TABLE (4).—STATEMENT OF "HALVES" PAID TO LOCAL BODIES BY LANDS AND SURVEY DEPARTMENT UP TO 31ST MARCH, 1923.

District.	Timber.	Flax.	Total.
Auckland—	£ s. d.	£ s. d.	£ s. d.
Hobson County	7,677 0 1	..	7,677 0 1
Katikati Road Board	2,995 17 6	..	2,995 17 6
Thames County	10,712 10 2	44 12 6	10,757 2 8
East Taupo County	51 1 6	40 10 0	91 11 6
Hokianga County	20,833 14 8	103 10 0	20,936 14 8
Whangarei County	1,165 19 4	43 6 0	1,209 5 4
Whakatane County	32 13 9	75 16 10	108 10 7
Otamatea County	2,455 14 7	114 0 0	2,569 14 7
Kaukapakapa Road Board	3 11 3	..	3 11 3
Ohinemuri County	1,180 10 11	331 8 3	1,511 19 2
Bay of Islands County	1,365 11 2	8 12 3	1,374 3 5
Hikurangi Road Board	4 12 0	..	4 12 0
Kirikiriroa Road Board	7 10 0	..	7 10 0
West Taupo County	3,094 4 7	..	3,094 4 7
Waipu Road Board	47 1 3	..	47 1 3
Mangonui County	5,048 14 10	44 17 7	5,093 12 5
Tauranga County	872 12 7	20 9 3	893 1 10
Mercer Road Board	18 5 7	..	18 5 7
Rotorua County	1,442 11 4	0 5 0	1,442 16 4
Coromandel County	1,954 2 8	..	1,954 2 8
Huntly Road Board	2 12 6	17 11 0	20 3 6
Marua Road Board	519 3 3	..	519 3 3
Whangamarino Road Board	36 2 0	17 10 0	53 12 0
Whangaroa Road Board	600 0 8	..	600 0 8
Raglan County	61 5 6	16 19 3	78 4 9
Maunu Road Board .. .. .	..	3 7 6	3 7 6
Maraetai Road Board .. .. .	..	0 7 6	0 7 6
Matakohe Road Board .. .. .	..	1 11 6	1 11 6
Rodney County .. .. .	..	8 0 0	8 0 0
Awhitu Road Board .. .. .	..	4 12 3	4 12 3
Manukau County .. .. .	..	11 10 0	11 10 0
Pollock Road Board .. .. .	..	2 14 0	2 14 0
Waitemata County .. .. .	..	14 0 0	14 0 0
Pokeno Road Board .. .. .	..	1 0 0	1 0 0
Waipipi Road Board .. .. .	..	61 10 0	61 10 0
Totals	62,182 13 8	988 0 8	63,170 14 4
Hawke's Bay*—			
Waikohu County	26 11 9	..	26 11 9
Wairoa County	19 1 9	..	19 1 9
Opotiki County	2 10 0	..	2 10 0
Dannevirke County	1,667 1 9	..	1,667 1 9
Waipawa County	1,014 9 9	..	1,014 9 9
Cook County	34 18 9	..	34 18 9
Totals	2,764 13 9	*	2,764 13 9
Taranaki*—			
Waitomo County	553 13 2	..	553 13 2
Stratford County	32 12 2	..	32 12 2
Ohura County	358 8 0	..	358 8 0
Whangamomona County	29 18 10	..	29 18 10
Inglewood County	1 9 9	..	1 9 9
Totals	976 1 11	*	976 1 11

TABLE (4).—STATEMENT OF "HALVES" PAID TO LOCAL BODIES BY LANDS AND SURVEY DEPARTMENT UP TO 31ST MARCH, 1923.—*continued.*

District.	Timber.			Flax.			Total.		
Nelson*—	£	s.	d.	£	s.	d.	£	s.	d.
Collingwood County	8	12	6	..	..	..	8	12	6
Waimea County	23	19	9	..	..	..	23	19	9
Murchison County	1	9	4	..	..	..	1	9	4
Buller County	5,731	13	6	..	..	..	5,731	13	6
Inangahua County	4,620	1	2	..	..	..	4,620	1	2
Dovedale Road Board	167	13	0	..	..	..	167	13	0
Riwaka Road Board	0	9	0	*	..	..	0	9	0
Sounds County Council	1	11	3	..	..	..	1	11	3
Upper Moutere Road Board	3	6	6	..	..	..	3	6	6
Totals	10,558	16	0	*	..	..	10,558	16	0
Marlborough*—	£	s.	d.	£	s.	d.	£	s.	d.
Pelorous Road Board	3,574	4	8	..	..	..	3,574	4	8
Kaikoura County	185	0	4	..	..	..	185	0	4
Totals	3,759	5	0	*	..	..	3,759	5	0
Westland*—	£	s.	d.	£	s.	d.	£	s.	d.
Grey County	37,812	14	0	..	..	..	37,812	14	0
Westland County	25,301	6	2	..	..	..	25,301	6	2
Totals	63,114	2	0	*	..	..	63,114	2	0
Canterbury*—	£	s.	d.	£	s.	d.	£	s.	d.
Oxford Road Board	342	0	0	*	..	..	342	0	0
Otago*—	£	s.	d.	£	s.	d.	£	s.	d.
Clutha County	1,598	19	5	..	..	..	1,598	19	5
Lake County	126	10	6	..	..	..	126	10	6
Tuapeka County	63	13	5	..	..	..	63	13	5
Vincent County	33	4	10	..	..	..	33	4	10
Waitaki County	24	8	0	..	..	..	24	8	0
Totals	1,846	16	2	*	..	..	1,846	16	2
Southland—	£	s.	d.	£	s.	d.	£	s.	d.
Southland County	3,852	9	4	192	7	2	4,044	16	6
Invercargill Road Board	46	13	0	..	..	..	46	13	0
Wallace County	2,464	10	7	67	16	0	2,532	6	7
Stewart Island County	2,212	8	10	5	18	0	2,218	6	10
South Invercargill Borough	3	15	0	..	..	..	3	15	0
Lake County .. .. .	..	..	..	15	0	0	15	0	0
Totals	8,579	16	9	281	1	2	8,860	17	11
Grand totals	154,124	3	5	1,269	1	10	155,393	5	3

J. B. THOMPSON,
Under-Secretary.

Lands and Survey Department,
31st July, 1923.

Memorandum. — The payments on account of flax have been included with the timber payments for the districts marked *. Practically the whole of the amounts have, however, been paid on account of timber.

In addition to the above, the following amounts have been paid to adjust revenues derived from Midland Railway reserves which had been credited as territorial revenue instead of gold-fields revenue: Westland County Council, £1,958 8s. 5d.; Grey County Council, £2,779 1s. 5d.; Inangahua County Council, £1,900 18s. 8d.; Buller County Council, £2,797 8s. 10d.: total, £9,435 17s. 4d.

TABLE (5).—TIMBER RENTS AND ROYALTIES PAID TO LOCAL BODIES AS GOLDFIELDS REVENUE, YEARS 1913 TO 1923, AS COMPILED FROM RETURNS SUPPLIED BY RECEIVERS OF GOLD REVENUE.

Countries.

Year.	Ohinemuri.	Thames.	Collingwood.	Inangahua.	Grey.	Buller.	Murchison.	Westland.	Westport Harbour.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1913 ..	152 11 1	22 4 0	..	715 11 7	129 6 6	508 5 5	2 10 0	105 14 2	277 7 8
1914 ..	160 4 3	40 1 4	..	..	687 8 7	331 3 6	2 10 0	89 13 10	258 18 5
1915 ..	185 18 0	42 0 4	..	..	1,079 14 1	240 19 5	5 15 8	293 16 6	375 11 10
1916 ..	181 12 0	91 9 9	121 0 0	..	1,060 1 7	113 4 2	..	413 6 3	52 0 8
1917 ..	180 10 6	..	..	..	1,811 18 10	233 11 7	..	591 9 6	199 16 1
1918 ..	180 0 0	12 0 0	..	..	1,356 8 3	107 11 7	..	1,037 17 8	181 0 1
1919 ..	160 0 0	10 0 0	..	..	901 15 10	74 17 3	..	939 2 5	143 18 9
1920 ..	46 6 0	2 10 0	..	277 4 6	2,314 16 0	211 13 0	..	1,803 7 6	145 15 2
1921 ..	60 0 0	..	..	348 15 6	2,411 6 11	255 10 4	..	1,888 6 2	174 7 1
1922* ..	163 11 2	..	..	290 5 0	1,942 14 1	154 10 1	..	1,513 0 10	171 14 6
1923† ..	..	..	..	524 17 0	1,592 6 8	4 14 0	..	549 8 5	72 11 8
	1,470 13 0	220 5 5	121 0 0	2,156 13 7	15,287 17 4	2,236 0 4	10 15 8	9,225 3 3	2,053 1 11

* Nine months. † Six months.

Summary.

Ohinemuri County Council ..	£ s. d.
Thames County Council ..	1,470 13 0
Collingwood County Council ..	220 5 5
Inangahua County Council ..	121 0 0
Grey County Council ..	2,156 13 7
Buller County Council ..	15,287 17 4
Murchison County Council ..	2,236 0 4
Westland County Council ..	10 15 8
Westport Harbour Account ..	9,225 3 3
Total ..	2,053 1 11
	£32,781 10 6

14th August, 1923.

A. H. KIMBELL,
Under-Secretary, Mines Department.

Approximate Cost of Paper.—Preparation, not given; printing (1,250 copies, and maps), £75.

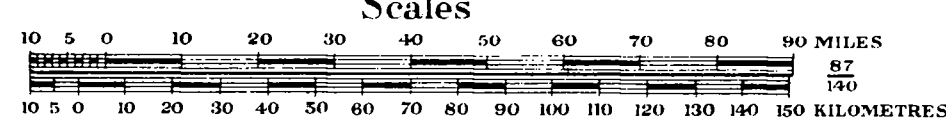
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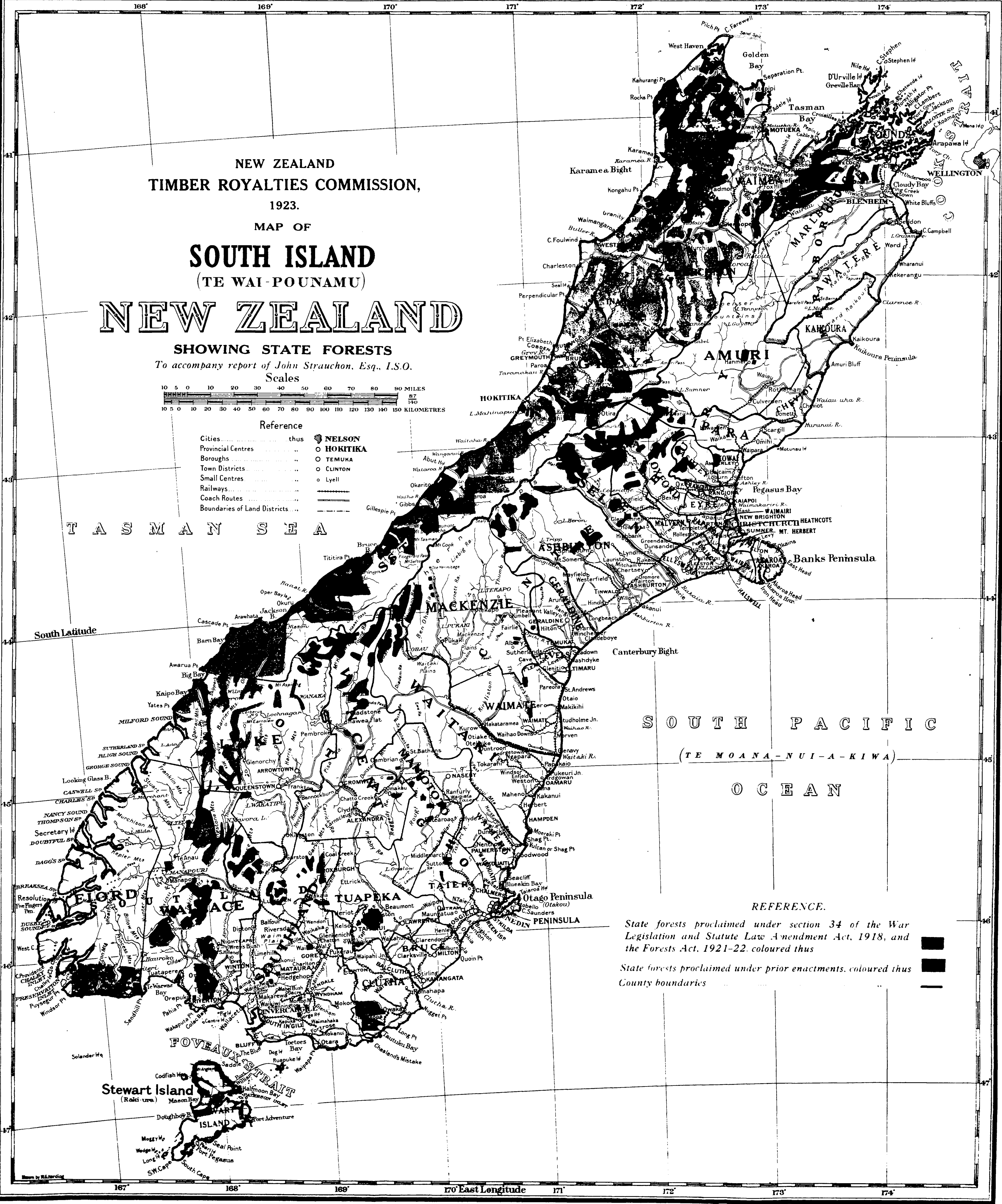
THE NEW YORK COMPANY

NEW ZEALAND
TIMBER ROYALTIES COMMISSION,
1923.
MAP OF
SOUTH ISLAND
(TE WAI-POUNAMU)
NEW ZEALAND

SHOWING STATE FORESTS
To accompany report of John Strauchon, Esq., I.S.O.



- Reference
- | | | |
|------------------------------|---------|----------|
| Cities | thus | NELSON |
| Provincial Centres | o | HOKITIKA |
| Boroughs | o | TEMUKA |
| Town Districts | o | CLINTON |
| Small Centres | o | Lyell |
| Railways | —+—+—+— | |
| Coach Routes | —+—+—+— | |
| Boundaries of Land Districts | --- | |



SOUTH PACIFIC
(TE MOANA-NUI-A-KIWA)
OCEAN

REFERENCE.

State forests proclaimed under section 34 of the War Legislation and Statute Law Amendment Act, 1918, and the Forests Act, 1921-22. coloured thus

State forests proclaimed under prior enactments. coloured thus

County boundaries



Stewart Island
(Rakiura)
Mason Bay
Doughboy Bay
Port Adventure
Mossy Bay
Long Point
SW Cape
South Cape

