

1914.
NEW ZEALAND.

HAURAKI MINING DISTRICT AND TE AROHA TOWNSHIP:

REPORT OF ROYAL COMMISSION APPOINTED TO INQUIRE INTO THE ADMINISTRATION AND DISPOSAL OF CROWN LAND, FORESTS, AND TIMBER IN HAURAKI MINING DISTRICT; ALSO LAND-TENURES IN TE AROHA TOWNSHIP: WITH MINORITY REPORT.

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

COMMISSION.

LIVERPOOL, Governor.

To all to whom these presents shall come, and to John Strauchon, Esq., I.S.O., of Wellington, Surveyor; Major Daniel Henderson Lusk, of Auckland, Farmer; and Albert Bruce, Esq., of Thames, Secretary of the Thames Harbour Board: Greeting.

WHEREAS it is desirable to ascertain in what manner the land, forests, and timber belonging to the Crown situated within the Hauraki Mining District, in the Auckland Land District, should be dealt with, and whether the existing legislation and regulations dealing with the disposal of the land and timber are in the best interests of the State, and, if not, how far existing methods of administration and disposal can be amended without detriment to mining interests:

And whereas it is also desirable to ascertain whether the existing tenures under the Mining Act, 1908, under which land is at present held in Te Aroha Township are in the best interests of settlement, and whether it is desirable that holders of land under such tenures should be allowed to acquire the freehold of their holdings, and, if so, under what conditions:

Now know ye that, in exercise of the powers conferred by the Commissions of Inquiry Act, 1908, and of all other powers and authorities enabling me in this behalf, I, Arthur William de Brito Savile, Earl of Liverpool, Governor of the Dominion of New Zealand, acting by and with the advice and consent of the Executive Council thereof, do hereby appoint you, the said

JOHN STRAUCHON,
DANIEL HENDERSON LUSK, and
ALBERT BRUCE,

to be a Commission for the purposes of inquiring by all lawful means into the question of administration and disposal of the said land and timber, and for that purpose to inspect such portions, if any, of the land and forests belonging to the Crown situated within the Hauraki Mining District and Te Aroha Township as you may deem desirable, and to report—

- (1.) Whether the past administration of timber areas under the provisions of the Mining Act and the regulations thereunder have been in the best interests of the State.

- (2.) Whether the existing dual control of the same by the Mining Warden and the Land Board should be abolished, and whether the Land Board of the district should alone deal with all applications for the sale of the timber.
- (3.) Whether it is desirable to continue the existing classification of timber areas as (a) Warden's timber areas, and (b) Land Board's timber areas.
- (4.) Whether the existing tenures under which land in the Hauraki Mining District and Te Aroha Township can be occupied are satisfactory and in the best interests of settlement.
- (5.) To what extent, if any, it is desirable to amend the said tenures, having due regard to mining and other interests.
- (6.) Whether the holders of leases or licenses from the Crown in Te Aroha Township should be enabled to acquire the freehold thereof, and, if so, on what terms and conditions.
- (7.) To what extent the provisions of, and the regulations under, the Mining Act, 1908, the Land Act, 1908, or any other enactment of the General Assembly relating to the disposal of timber and occupation of land within such mining district, should be amended.

For the purpose of your inquiry you are hereby authorized and empowered to have before you and examine all books, papers, documents, or writings you deem necessary, and examine on oath or otherwise, as allowed by law, all witnesses or other persons whom you think capable of affording you any information in the premises. The said JOHN STRAUCHON shall be your Chairman, and you are hereby empowered or directed to conduct your inquiry in such a manner, and at such times, and with such adjournments as you think fit.

And, using all diligence, you are hereby required to report to me under your hand the result of your inquiry, with any recommendations you think fit to make in the premises, on or before the thirty-first day of August, one thousand nine hundred and fourteen.

[L.S.] Given under the hand of His Excellency the Right Honourable Arthur William de Brito Savile, Earl of Liverpool, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Member of the Royal Victorian Order, Governor 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, at the Government House, at Wellington, this seventh day of July, in the year of our Lord one thousand nine hundred and fourteen.

W. F. MASSEY,

Minister of Lands.

Approved in Executive Council.

J. F. ANDREWS,
Clerk of the Executive Council.

REPORT.

To His Excellency the Right Honourable Arthur William de Brito Savile,
Earl of Liverpool, Governor and Commander-in-Chief in and over His
Majesty's Dominion of New Zealand and its Dependencies.

MAY IT PLEASE YOUR EXCELLENCY,—

We, the Commissioners appointed by Your Excellency on the 7th July, 1914, to report upon the several matters mentioned in the attached Commission, have the honour to report to Your Excellency as follows :—

The Commission assembled at Wellington on the 15th July, and there arranged its itinerary, providing for visiting all portions of the district with a view to becoming thoroughly acquainted with the conditions as they existed on the ground, and also for the holding of sittings in all localities where settlement and mining operations were being carried on. Leaving Wellington on the 15th July, the Commission first proceeded to Auckland and inspected the records and plans in the District Lands and Survey Office there, and acquired the necessary information relative to the district covered by its order of reference. The following places were then visited in the order named, sittings being held at each : Thames, Tapu, Coromandel, Cabbāgē Bay, Kennedy's Bay, Kuaotunu, Whitianga, Tairua, Hikuai, Nevesville, Hikutaia, Puriri, Paeroa, Te Aroha, Galatea, Taneatua, Opotiki, Te Puke, Waihi, Karangahake, and Fitzroy (Great Barrier Island).

In all ninety-five witnesses were examined at these sittings, the whole of the evidence being given voluntarily. Written statements were also received from a number of persons who were unable to appear personally before the Commission. The evidence produced at the sittings, together with copies of the written statements submitted, is attached.

The accompanying lithograph shows the routes travelled by the Commission.

Before proceeding to set out our recommendations we have considered it advisable to bring under your notice the following important matters to which our attention was drawn by witnesses, with our remarks thereon :—

Respecting the Regulations for the Occupation of Pastoral Lands in the Hauraki Mining District.

(a.) *Registration of Licenses.*—Up to the present these licenses have not been registered under the Land Transfer Act, and consequently the licensees find it impossible to obtain the financial assistance necessary to enable them to improve their holdings. The majority of the areas have not yet been surveyed, and legal access has not been provided as required by the Land Transfer Act; registration under that Act cannot therefore be effected. The shape in which areas have in some cases been granted is somewhat undesirable, but we consider that the surveys should be made without delay, as far as possible in accordance with the boundaries as granted, and that licenses registered under the Land Transfer Act should be issued. The necessary provision for registration of these licenses is made by section 90 of the Land Act, 1908.

(b.) *Negotiation of Loans.*—Great difficulty is experienced by holders of Hauraki pastoral licenses in obtaining financial assistance towards the improvement of their holdings. This is mainly due to the fact that these licenses are not accepted as securities by the New Zealand State-guaranteed Advances Department. Early opportunity should be taken of providing the necessary legislation to enable these licensees to obtain the same assistance in the matter of advances from the State as is now enjoyed by lessees of Crown land under other tenures.

(c.) *Road Access to Areas granted.*—The difficulty of obtaining practicable road access is a very considerable drawback to the permanent occupation of some of these areas. Instances have been brought under our notice in which licensees have found it necessary to acquire a right of access through private property, and as this right can only be exercised during the pleasure of the owner of such private

property the licensees may at a later date be seriously hampered by its withdrawal. It is essential that permanent and practicable legal access should be provided, and to that end action should be taken by the Crown to legalize these private rights of way in all cases where suitable access through Crown land is not available. With a view to overcoming this difficulty in the case of areas granted in the future, we would suggest that a general scheme of roading and subdivision be devised and adopted as a basis. Funds for the formation of these roads might in part be provided by the constitution of special roading districts under the provisions of Part II of the Land Laws Amendment Act, 1913. The right should be reserved to the public to use existing pack-tracks during the pleasure of the Land Board, pending the formation of the necessary roads.

(d.) *Survey*.—Delay in completing the survey of areas granted under license is a very common cause of complaint. By the provisions of section 7 of the Land Laws Amendment Act, 1913, rent is payable from the date of the granting of the license, and, as in the case of unsurveyed land the licensee can make little or no use of the land until the boundaries have been defined, he is naturally anxious that the survey should be completed without delay. Prior to the passing of the Land Laws Amendment Act, 1913, no rent was claimed for the period between the date of the license and the date of the completion of the survey, and we are of opinion that this system should be revived. In the case of licenses granted prior to February, 1911, no survey was made, but before the licensee can take advantage of the right of exchange or of acquisition of freehold a survey is essential for the purposes of the Land Transfer Act. The Department has now put in hand the survey of the whole of these areas, and we are advised that the work is being carried out with the utmost despatch.

(e.) *Timber*.—By the provisions of the regulations licensees are debarred from felling any trees more than 2 ft. in diameter. The effect of this provision is not, however, to preserve these trees, as when the smaller trees are felled and burned those left standing are destroyed. We are of opinion that land carrying sufficient timber of commercial value for sawmilling purposes, and in accessible positions, should be withheld from lease until the timber has been removed, and that all timber standing upon land leased in the future should become the property of the lessee.

(f.) *Land not immediately productive*.—Reference has been made by several witnesses to land that, on account of its being infested with blackberry or for other reasons, cannot be made reproductive for some years. Provision is made by section 194 of the Land Act, 1908, for dealing with such lands under renewable lease, subject to exemption from rent for any period not exceeding ten years. Our recommendations provide for extension of this privilege to other tenures, including pastoral licenses in the Hauraki Mining District.

(g.) *Advertisement of Applications*.—The form of advertisement that has heretofore been inserted in the local newspapers notifying for public information the lodging of an application does not provide sufficient particulars to enable persons interested to locate the land affected. It is desirable that the advertisement should approximately locate the land, and also that the date upon which the application will be dealt with by the Land Board should be stated. It would greatly assist persons interested if a copy of the application, with sketch-plan attached, were forwarded by the Commissioner of Crown Lands to the Warden's Court nearest the land applied for, and a notification to that effect included in the advertisement.

(h.) *Reference of Applications to Warden*.—The present system of administration necessitates the inspection by the Mining Inspector of all areas applied for, with the object of ascertaining whether the land affected carries timber suitable for mining or other purposes. We consider that the Mining Inspector should be relieved of this duty, and a copy of the Crown Lands Ranger's report supplied to the Warden; this will furnish all necessary information as to the timber.

(i.) *Gum-diggers' Rights*.—Serious inconvenience and loss has in some cases been caused to settlers by persons engaged in digging for kauri-gum entering upon land that has been cleared and cultivated. We consider that the rights of the holders of licenses to dig for kauri-gum should be exercisable in respect of unimproved lands only.

(j.) *Right to acquire the Freehold.*—The right conferred upon holders of licenses under the Regulations for the Occupation of Pastoral Lands in the Hauraki Mining District is very much appreciated by settlers, but we are of opinion that in cases of lands that will probably never be required for mining purposes a freehold title free of restrictions might be permitted. This matter is dealt with in our recommendations.

(k.) *Term of License.*—The term of license at present provided is twenty-one years, without any absolute right of renewal. We concur in the opinion generally expressed by witnesses that this term is too limited. Our recommendations provide for a perpetual right of renewal.

(l.) *Compulsory Residence.*—We are of opinion that in order to obtain the best results from settlement it is desirable that licensees should be required to reside upon their holdings. It is fully recognized that in some instances a strict enforcement of this condition would be somewhat of a hardship, but the discretionary power of the Land Board to dispense with personal residence on sufficient and satisfactory grounds for non-residence being shown makes ample provision for dealing with such cases. In the case of land classified as third class we would recommend that personal residence be not required until the expiration of seven years from the date of the license, provided that improvements are effected to the value of double the amount required by the terms of the license.

(m.) *Licenses exchanged for Renewable Leases.*—By the Land Laws Amendment Act, 1907, a right was given to holders of licenses under these regulations to exchange their tenures to renewable leases. A number of excellent settlers took advantage of this right, being unaware at the time that the acquisition of a renewable lease had the effect of bringing the land within the national-endowment area, and thus debarring them from acquiring the freehold at a later date. The right of acquisition of the freehold conferred upon the holders of Hauraki pastoral licenses by the Amendment Act of last year is therefore not available for these licensees. In our recommendations for amendment of the statutes we submit a clause for insertion in an enabling Bill reserving to such licensees the right to acquire the fee-simple under the conditions provided in the case of Hauraki pastoral licenses.

(n.) *Exempted Areas.*—The First Schedule to the Regulations for the Occupation of Pastoral Lands in the Hauraki Mining District prescribes certain areas over which licenses must not be granted. We are convinced that the exemption of these areas to the extent and in the form provided is not justified, and tends seriously to retard settlement. Our recommendations provide for the uplifting of the reservations over these areas, and in lieu thereof it is proposed that the Warden shall be empowered to prescribe the maximum area for leases within mining reserves adjacent to towns.

(o.) *Proportion of Revenue to Local Bodies.*—On account of a large proportion of the Hauraki Mining District having been dealt with under these special regulations very little revenue is derived by the local bodies from "thirds," as no proportion of the revenue from these licenses is payable to the local bodies. We are of opinion that the local bodies should receive one-third of the first fifteen years' rent, as in the case of other settlement tenures. Our recommendations under clause 7 of the order of reference provide for such payments both in respect of licenses at present in existence and those that may later be granted.

Leases under Part VIII of the Land Act, 1908.

(a.) *Acquisition of Fee-simple.*—Lessees under this tenure claim that they should have the same rights of acquisition of freehold as enjoyed by the holders of licenses for the occupation of pastoral lands in the Hauraki Mining District. We are of opinion that this claim is reasonable, and our recommendations for amendment of the statutes provide for conferring this right upon them.

(b.) *Limitation of Area.*—The maximum area that may be held by any person under this tenure is 100 acres, which we consider quite inadequate. Our recommendations provide for the abolition of this tenure, and the substitution of a tenure subject to the ordinary restrictions as to area provided in section 97 of the Land Act, 1908.

Timber.

The present position as regards the sawmilling-timber cannot be regarded as very satisfactory. A very large proportion of the timber has already been disposed of, but its removal has been unreasonably delayed by the purchasers. Instances have been brought under our notice in which timber disposed of about thirty years ago is still uncut, with the result that settlement is being retarded. Of the timber that remains a considerable proportion is of little commercial value and is suitable only for mining purposes, for which a large amount of timber will be required. Representations were made to us that certain areas should be reserved for mining purposes, and in our opinion it is essential that this course should be followed. Plans of areas that the mining companies operating in the vicinity of Waihi and Karangahake desire to have reserved for the use of themselves and miners generally are attached.

Settlement of Land.

Our inspection and the evidence produced before us afford convincing proof that the time has now arrived when the relative importance of mining and settlement in the district should be considered, and we have arrived at the conclusion that mining interests are now paramount only in certain localities. We do not, however, consider it advisable to amend the boundaries of the mining district so as to include only lands that have been proved auriferous, the better course being, in our opinion, to allow the boundaries to remain as at present, and to amend the law relating to dealing with land in mining districts by removing the restrictions as to tenure from such lands as may not be required for mining purposes. Our proposals for amendment of the statutes are framed on this basis.

Te Aroha Township.

The land in this town was originally held by Natives, and ceded by them for mining purposes. Portions of the township have from time to time been acquired in fee-simple by the Crown, and the whole of the sections have now become Crown land. Certain of the streets have, however, so far as we have been able to ascertain, not yet been proclaimed, and before freehold titles can be granted it will be necessary that these be legalized. When the township was originally laid out it was anticipated that extensive gold-mining operations would be carried on in the vicinity, but these anticipations have not been realized. The progress of the township was in the first place undoubtedly due mainly to the tourist traffic resultant from the proximity of the hot springs, in the development of which a sum of approximately £12,000 has been expended by the Crown. The settlement of the surrounding country, has, however, latterly contributed largely towards enhancing the value of the town property. The whole of the Te Aroha town sections are at present held on residential-site and business-site licenses under the Mining Act, for various terms, and at rentals ranging from 5s. per annum to £3 per annum. The nature of these titles and the conditions under which they are held render them quite unsuitable for the occupation of land within a township to which mining interests are foreign. For instance, no person may hold more than one business-site, which generally comprises 20 perches, an area quite inadequate for the purposes of many businesses, notably hotels, which on account of the heavy tourist traffic must of necessity be somewhat commodious. Then again, the Mining Act requires personal occupation by the holder of a residence-site, so that no houses in the township can be available for letting. The provisions of the Mining Act relating to the limitation of holding of business-sites, and the personal occupation of residence-sites, have not, however, been strictly enforced, and instances of breach of conditions in both of these respects are somewhat numerous. The titles in all such cases are liable to suit for forfeiture in the Warden's Court, and consequently the licensees, having a feeling of insecurity, do not feel justified in expending their capital in substantial improvements. The inability to finance on reasonable terms on account of the insecurity of tenure also militates against the erection of buildings of any very considerable value. We are very strongly of opinion that if opportunity to acquire the fee-simple at a reasonable price were given it would be taken advantage of by a large majority of the present holders of licenses for residence

and business sites, and that a very appreciable improvement in the town would result. No further lands in the township should be disposed of under the Mining Act, but all unallotted sections should be dealt with under the provisions of the Land Act relating to town lands.

With respect to the several matters into which we were instructed to inquire we have the honour to report as follows :—

- (1.) *Whether the past administration of timber areas under the provisions of the Mining Act and the regulations thereunder has been in the best interests of the State.*

With regard to timber within Land Board timber areas and Warden's timber areas which have been dealt with by the Warden under the regulations under the Mining Act, we are of opinion that the State has not in all cases received an adequate return, as royalty has been paid only on the quantity off the saw, and the rate of royalty on some classes of timber as fixed by these regulations is too low. Timber on land outside these areas has been dealt with under the regulations under the Land Act, but excessive time for removal has in some instances been allowed, with the result that settlement has been retarded.

- (2.) *Whether the existing dual control of the same by the Mining Warden and the Land Board should be abolished, and whether the Land Board of the district should alone deal with all applications for the sale of timber.*

We are of opinion that a divided control of the timber is desirable only to the extent that the Warden should administer that set apart for mining purposes, all timber not so set apart being dealt with by the Commissioner of Crown Lands. The special regulations under the Mining Act for the disposal of timber should, however, be revoked, and all timber dealt with under the regulations under the Land Act.

- (3.) *Whether it is desirable to continue the existing classification of timber areas as (a) Warden's timber areas, and (b) Land Board's timber areas.*

The existing classification of timber areas should, we consider, be abolished, and in lieu thereof suitable areas set apart to provide the timber required for mining purposes.

- (4.) *Whether the existing tenures under which land in the Hauraki Mining District and Te Aroha Township can be occupied are satisfactory and in the best interests of settlement.*

The tenures at present provided for the occupation of land for settlement purposes are not such as to promote settlement to the fullest possible extent. The land to a large extent is somewhat rough and light in quality, and a very considerable outlay will be required to bring it into a reasonably productive state. In order to induce persons to expend the necessary capital the best possible tenure, free as far as possible from restrictions, should be offered. As regards a large proportion of the district the restrictions now imposed might be removed without detriment to mining interests.

The tenure available for lands in the Te Aroha Township—that is, licenses under the Mining Act—are extremely unsatisfactory; and as the probability of payable gold being found in the locality is at least very remote, it is not considered advisable that any further lands should be dealt with under this tenure. Our recommendations for amendment of the statutes will permit of the freehold being acquired of land at present held, and for the disposal of the unallotted sections under the ordinary provisions of the Land Act.

- (5.) *To what extent, if any, it is desirable to amend the said tenures, having due regard to mining and other interests.*

We recommend the following amendment of tenures :—

- (a.) That the fee-simple acquired of land at present held under pastoral license shall be subject to restrictions as to mining only in cases

- in which the Warden may decide that the land is required for mining purposes.
- (b.) That the right to acquire the freehold be extended to holders of mining districts land-occupation leases, and also to holders of residence-sites and business-sites.
 - (c.) That the tenure at present provided by Part VIII of the Land Act, 1908, and also the Regulations for the Occupation of Pastoral Lands in the Hauraki Mining District, be abolished, and a tenure in accordance with our recommendations for amendment of Part VIII of the Act substituted.
 - (d.) That the holders of renewable leases of lands not originally within the national endowment, acquired by means of exchange under section 193 of the Land Act, 1908, be enabled to acquire the fee-simple of their holdings on the same basis as they might have acquired it had they not exercised the right of exchange.
 - (e.) That the right of exchange conferred on certain lessees and licensees by section 193 of the Land Act, 1908, be extended, as far as it relates to land not required for mining purposes, to include the acquisition of an occupation-with-the-right-of-purchase license.
 - (f.) That provision be made to enable the holders of licenses under the Regulations for the Occupation of Pastoral Lands in the Hauraki Mining District to obtain advances from the State.
 - (g.) That such lands in the district as are not, in the opinion of the Warden, required for mining purposes be dealt with under the optional system under the Land Act.
 - (h.) That the provisions of section 194 of the Land Act, 1908, relating to the disposal of land that may not be immediately productive, be extended to include all classes of leases and licenses under that Act.
 - (i.) That "thirds" under section 145 of the Land Act, 1908, be payable to local bodies on account of licenses under the Regulations for the Occupation of Pastoral Lands in the Hauraki Mining District and leases under Part VIII of the Land Act, 1908.
- (6.) *Whether the holders of leases or licenses from the Crown in Te Aroha Township should be enabled to acquire the freehold thereof, and, if so, on what terms and conditions.*

A very strong and unanimous desire on the part of holders of licenses for residence-sites and business-sites in Te Aroha Township was represented to us at our sitting in that township, and we consider that this desire is fully justified, for the reasons stated above. The basis for calculation of the price to be paid for the freehold should, in our opinion, be that provided by section 28 of the Land Laws Amendment Act, 1913. A difficulty in making the necessary calculation is, however, occasioned by the fact that as the rentals paid are in accordance with the Mining Act, and are the same for all residence-sites and business-sites regardless of the value of the land, it is not now possible to ascertain the original unimproved value. For the purpose of overcoming this difficulty we suggest that the original unimproved value of all residence-sites be deemed to have been £20, and of all business-sites £60, and that, in order to meet cases of sections which are at the present time of small value, the unimproved value at the date of the acquisition of the freehold be accepted as the purchase price of all sections of a then less value than the amounts above stated. The prices thus ascertained would, we consider, be reasonable so far as the licensees are concerned, and at the same time provide an adequate return to the State.

To give effect to our recommendations as set out above we submit the following proposals for amendment of the existing statutes and regulations so far as the districts covered by the order of reference are concerned:—

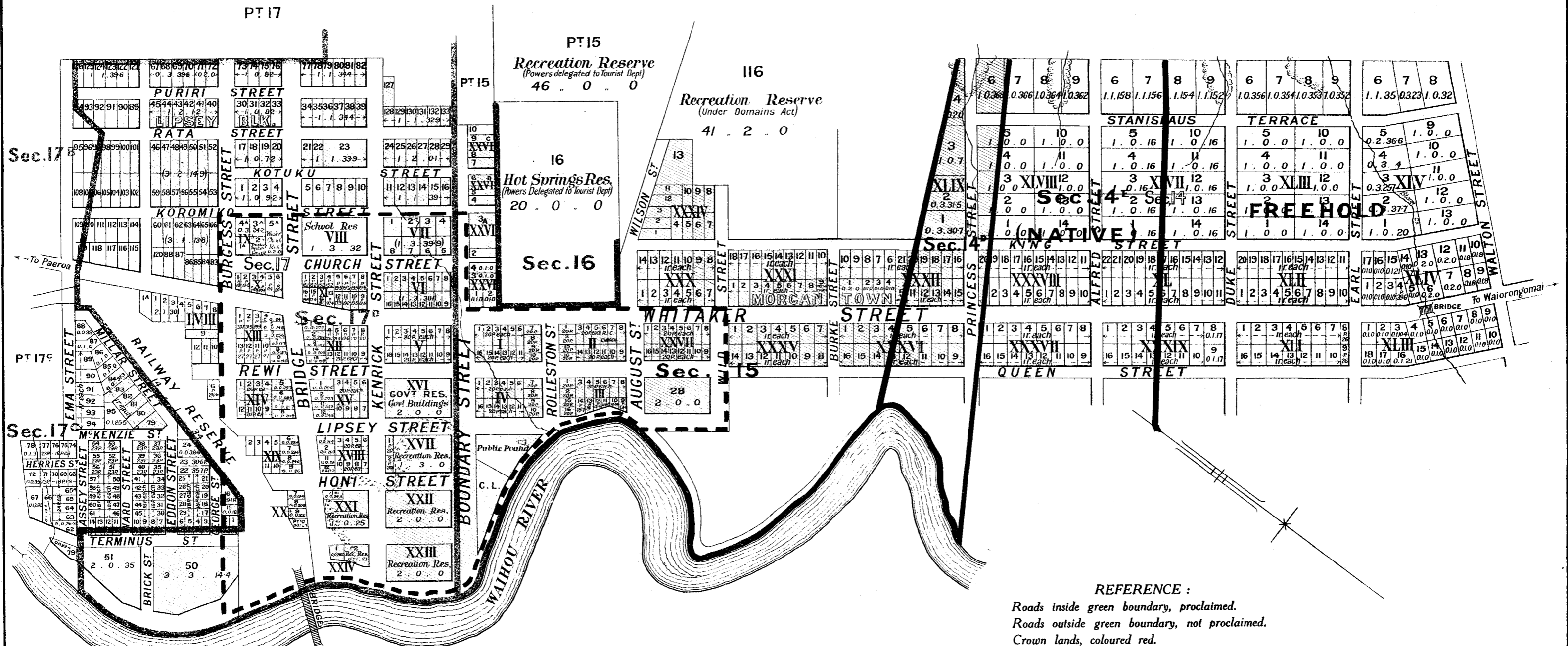
The Mining Act, 1908.

Section 4: That the words "a timber-cutting right" be deleted from the definition of a "mining privilege."

PLAN OF THE GOLD FIELD TOWNSHIP OF TE-AROHA

BLOCK IX AROHA S. D.

Scale 8 Chains to one Inch



REFERENCE :
 Roads inside green boundary, proclaimed.
 Roads outside green boundary, not proclaimed.
 Crown lands, coloured red.

Section 18: That the words "including the cutting of timber for mining purposes" be inserted after the word "exclusively" in the second line of paragraph (a), and that the word "unoccupied" in the same line be deleted.

Section 19: That the words "or for the cutting of timber for mining purposes" be inserted after the word "purpose" in paragraph (a).

Sections 147, 148, 149, 150, 151, 152, and subsection (27) of section 392: That these sections be repealed.

Section 37: That the words "no Crown lands within" in the first line, and the whole of the second, third, fourth, fifth, sixth, and seventh lines, be deleted and the following words substituted: "The Land Board or the Commissioner of Crown Lands may dispose of Crown lands within any mining district, not set apart for mining purposes under section eighteen hereof, under any of the provisions of any enactment for the time being in force in such district relating to—

"(a.) The making of reserves; or to

"(b.) The exchange of agricultural leases under any former Mining Act for leases or licenses under the Land Act, 1908; or to

"(c.) The occupation of land held under any lease or license granted before the first day of February, one thousand eight hundred and ninety-nine (being the date of the coming into operation of the Mining Act, 1898), or in the case of a mining district existing at the time of such coming into operation, and in any other case before the issue of the Proclamation constituting the mining district; or to

"(d.) Land reserved for any public use or purpose; or to

"(e.) The issue of leases or licenses for any of the following purposes: Depasturing; removal of clay for bricks or pottery; removal of sand, gravel, or stone; working of quarries; sites for ferries, saw-mills, flour-mills, tanneries, fellmongers' yards, slaughter-yards, potteries, brick- or lime-kilns, and cutting, growing, or dressing flax."

That the last two paragraphs be deleted, and the following substituted: "In no case shall any land set apart for mining purposes under section eighteen hereof be dealt with in any manner without the consent of the Warden."

Section 39, subsection (1): That the following words be added at the end of the third paragraph: "as to whether the said land or any portion thereof should be set apart for mining purposes in terms of section eighteen hereof."

Section 167: That after the word "acres" in the second line the following words be inserted: "or the mining privilege applied for is a residence-site."

The Mining Amendment Act, 1910.

Section 10: That the words "the subject of the license" in the last line be deleted.

Regulations under the Mining Act, 1908, dated 25th October, 1909.

Clause 105: That the words "to the Warden" in the second line be deleted, and that the words "or held under license to cut timber or reserved for the use of any person under the provisions of any statute for the time being in force relating to the disposal of timber" be inserted after the word "person" in subclause (a).

Clauses 107 to 119 inclusive: That these clauses, together with forms in the First Schedule numbered 65 to 70 inclusive, and also the Fourth and Fifth Schedules, be revoked.

Clause 153: That after the word "holder" in the third line the following words be inserted: "and while actually engaged in mining."

Regulations under the Mining Act, 1908, dated 3rd July, 1912, and published in the New Zealand Gazette of the 11th July, 1912.

That these be revoked.

Forest Regulations under the Land Act, 1908, dated 31st March, 1909, and published in the New Zealand Gazette of the 15th April, 1909.

Clause 3: That the following words be added at the end of the clause: "Every such application shall be advertised by the Commissioner of Crown Lands, at the

cost of the applicant, in three consecutive issues of a newspaper circulating in the locality in which the area applied for is situated; and such advertisement shall fix a time and place for lodging objections, such time being not less than ten days after the date of issue of the newspaper in which the third insertion of the advertisement is published.”

Clause 32: That this clause be amended to read as follows:—

“The original area of a sawmill license shall not exceed 400 acres, but the holder may apply to have one or more additional areas of not more than 400 acres each adjoining each other, and forming together as far as circumstances will permit one compact block, reserved for his exclusive use. The total area of the sawmill license and reserved areas shall not exceed the following: Where the necessary outlay to erect mills, sidings, tramways, &c., does not exceed £1,000, 400 acres; exceeding £1,000 but less than £2,000, 800 acres; exceeding £2,000 but less than £3,000, 1,200 acres; exceeding £3,000 but less than £4,000, 1,600 acres; exceeding £4,000, 2,000 acres.”

Clause 47: That this clause be revoked.

Clause 67: That the following words be added: “Such royalty shall be paid to the Receiver of Land Revenue; and, in respect to telegraph-poles, the Postal Department shall require proof that the royalty has been paid before accepting the same, or, failing such proof, shall deduct from the amount otherwise payable for the telegraph-poles the royalty herein provided, and shall pay the same to the Receiver of Land Revenue.”

Clause 91: That “400” be substituted for “200” in the third line, and that the words “but not exceeding a total area of 600 acres” in the fifth and sixth lines be deleted.

New clause: That the following additional clause be inserted:—

“With respect to timber set apart for mining purposes under the provisions of the Mining Act, all powers and duties conferred by these regulations upon the Minister and the Commissioner of Crown Lands shall be transferred to and exercised by the Warden for the mining district in which such timber is situated. The revenue from such timber shall be deemed to be goldfields revenue, and shall be payable to the Receiver of Gold Revenue.”

The Land Act, 1908.

Section 62: That the word “or” in the first line be deleted, and the words “or VIII” be inserted after the word “VI” in the same line.

Section 63, subsection (1), paragraph (c): That after the word “lease” in the first line the words “or lease under Part VIII hereof” be inserted.

Section 96, subsection (1): That the word “and” in the second line be deleted, and the words “and VIII” be inserted after the word “V” in the same line.

Section 97, subsection (1): That the word “or” in the second line be deleted, and the words “or VIII” be inserted after the word “IV” in the same line.

Section 116, subsection (1): That the word “VIII” be inserted after the word “IV” in the sixth line.

Section 133: Subsection (1)—That the following words be inserted at the commencement: “Subject to the provisions of the Mining Act, 1908, relating to the disposal of Crown lands within a mining district”; that the words “as provided in section one hundred and thirty-five hereof” in the fourth and fifth lines be deleted, and the words “under this Act” substituted. Subsection (3)—That the words “as provided in section one hundred and thirty-five hereof” be deleted.

Section 135, paragraph (a): That after the word “VI” in the second line the words “or under Part VIII” be inserted.

Section 144, subsection (1): That the word “or” in the third line be deleted, and the words “or VIII” inserted after the word “VI” in the third line.

Section 145, subsection (1): That the words “or lease under Part VIII” be inserted after the word “lease” at the end of the eighth line, and that the words “or license under the Regulations for the Occupation of Pastoral Lands within the Hauraki Mining District” be inserted after “1892” in the eleventh line.

Section 146, subsection (1), paragraph (c): That after the words "renewable leases" in the fifth line the words "and of leases under Part VIII hereof" be inserted, and that the following subclause be added: "In respect of licenses under the Regulations for the Occupation of Pastoral Lands within the Hauraki Mining District or leases under Part VIII hereof granted prior to the coming into operation of this Act for a period of fifteen years from the first January, one thousand nine hundred and fifteen."

Section 179: Subsection (1)—That after the word "lease" in the fourth line the words "or occupation-with-the-right-of-purchase license" be inserted; that after the word "Act" in the fifth line the words "subject to the approval of the Minister" be inserted. Subsection (2)—That the following words be inserted at the end of the second paragraph: "and that before any such new lease or license is granted the report of the Warden shall be obtained as to whether the land is required for mining purposes."

Section 193: That after the word "lease" in the thirteenth line the words "or occupation-with-the-right-of-purchase license" be inserted. That the last paragraph be deleted and the following substituted: "Provided that before consenting to a new lease or license the Land Board shall obtain from the Warden a report as to whether the land affected is required for mining purposes." That the following paragraph be added: "The cash price or capital value for the purposes of sections one hundred and seventy-one and one hundred and eighty hereof shall be assessed in manner provided in subsection two of section twenty-eight of the Land Laws Amendment Act, 1913."

Section 194: Subsection (1)—That the word "renewable" in the fourth line be deleted, and the words "under Parts III, IV, or VIII of this Act" be inserted after the word "lease" in the same line. Subsection (2)—That the word "renewable" in the first line, and also the words "of sixty years" at the end of the subsection, be deleted.

Section 269: Paragraph (a)—That the words "for agricultural or horticultural purposes" in the first and second lines be deleted. Paragraph (a), subparagraph (i)—That the words "set apart for mining purposes under section eighteen of the Mining Act, 1908," be added. That the following subparagraph be added: "Of any Crown lands held under license to mine at a depth of not less than fifty feet."

Section 270, subsection (2): That this be deleted.

Section 271: That the following words be added: "Every such application shall be advertised by and at the expense of the applicant twice in one such newspaper as the Commissioner of Crown Lands may direct."

Section 272: Subsection (1)—That the words "consider such opinion before giving a decision on any application" in the sixth and seventh lines be deleted, and the following words substituted: "not grant any such application unless and until the approval of the Warden has been obtained." Subsection (2)—That after the word "discretion" in the fourth line the following words be inserted: "but subject to approval as aforesaid." That the following subsection be added: "With respect to land set apart for mining purposes under the provisions of section eighteen of the Mining Act, 1908, the Warden shall have power to prescribe from time to time the maximum area that may be acquired under this Part of the Act in any specified localities."

Section 273: Subsection (1)—That the words "or following thirty days' notice of completion of the survey, as the case may be," in the fourth and fifth lines be deleted, and the following words inserted at the end of the subsection: "and upon the expiration of the term of the lease the lessee shall be entitled to receive a new lease for a further term of twenty-one years, subject in all respects to the same conditions and provisions as the original lease, including the right of renewal, save that the rent shall be determined at the first and at each subsequent renewal in manner provided in section one hundred and eighty-two hereof. The provisions of sections one hundred and eighty-three, one hundred and eighty-four, one hundred and eighty-five, one hundred and eighty-six, one hundred and eighty-seven, one hundred and eighty-eight, and one hundred and eighty-nine hereof shall extend and apply to a renewal of a lease under this Part of this Act." Subsections (2) and (3)—That these be deleted. Subsection (4)—That the words "fixed by the

Board but shall not be less than sixpence per acre " be deleted, and the words " an amount equal to four per centum of the capital value of the land as determined by the Board " substituted.

Sections 274, 275, 276, 277, 278, 279, 280, 281 : That these sections be deleted and the following inserted :—

" The holders of miners' rights shall have the right to prospect over the whole area held under lease, except such part as is actually used as a garden, orchard, vineyard, nursery, plantation, or ornamental pleasure-ground; or is the site of, or situated within one hundred feet of the site of, any dwellinghouse, and for that purpose may, so long as they are legitimately engaged in prospecting, enter and camp thereon and use mining-timber and firewood growing thereon.

" The provisions of subsections one, two, three, and five of section one hundred and ninety of this Act shall extend and apply to leases under this Part of this Act.

" The Warden shall have the right to grant any mining privilege or easement in respect of the land comprised in a lease under this Part of the Act subject to compensation for improvements as provided in the Mining Act, 1908, modified as hereinafter provided, and for the purposes of such grant the land shall not be resumed from such lease, but the following provisions shall apply :—

" The Warden shall notify the Commissioner of the area over which the mining privilege has been so granted, and the rent payable under the lease shall be proportionately abated on an acreage basis to the extent of such area, provided that such abatement of rent shall in no case exceed the rent payable on account of the same area under the mining privilege ; but the lessee shall retain the right to the surface soil, subject to the rights of the holder of such mining privilege, to whom free right of ingress, egress, and regress shall be permitted.

" The holder of a lease shall not during the currency of a license for a mining privilege effect any improvements whatsoever upon the land held under such mining privilege without the written consent of the Warden first had and obtained.

" In the matter of compensation for improvements the following provisions shall apply :—

" The licensee of the mining privilege shall notify the Warden as to any areas which he may from time to time desire to actually utilize for mining purposes, including the making of roads or tramways, sites for buildings or machinery, or for the deposit of tailings ; and compensation for improvements assessed in manner provided in the Mining Act, 1908, on account of the area from time to time so notified to the Warden, shall be payable to the lessee by the holder of the mining privilege.

" The holder of a lease over an area in respect of which a license for a mining privilege is granted by the Warden shall have no claim to compensation on account of any injury or damage caused to stock by mining operations upon the area so held under mining privilege.

" Upon the termination by effluxion of time or otherwise of a license for a mining privilege granted over an area held under lease, the rent payable under such lease shall be proportionately increased on an acreage basis on account of the area so released from license for mining privilege.

" The lessee shall put upon the land comprised in his lease substantial improvements of like value and within the like periods as prescribed in section one hundred and sixty-two of this Act, subject to the right of the Land Board to modify such conditions in their discretion in the event of licenses for mining privileges being granted within the area.

" Personal residence shall be compulsory, and shall commence on bush and swamp lands within four years, and upon open or partly open lands within one year, from the date of selection, and shall be continuous during the whole of the remainder of the term, subject, however, to the right of the Land Board to dispense with personal residence upon sufficient

and satisfactory grounds being shown for non-residence: Provided that no lessee of third-class land shall be required to enter into personal residence until the expiration of seven years from the date of the lease if permanent improvements have been effected on the land to the value of twice the amount required by the last preceding section.

“All water-rights are reserved to the Crown, but not so as to deprive the lessee’s stock of access to the water on his holding.

“The holder of a lease under this Part of the Act may, with the consent of the Warden and the Board, surrender his lease and obtain in lieu thereof a renewable lease subject to the provisions of section one hundred and ninety-three of the principal Act, or acquire the fee-simple of the land comprised in his lease in like manner as provided in section twenty-eight of the Land Laws Amendment Act, 1913, and subject to the restrictions imposed by section twenty-nine of that Act.

“With respect to applications to exercise the right conferred by this section the following provisions shall apply:—

“A copy of every application shall be lodged by the lessee at the Warden’s Court nearest to the land affected, and such application shall be deemed to be an application for a mining privilege; the provisions of the Mining Act, 1908, relating to procedure on application for mining privileges shall apply.

“The right to acquire the fee-simple conferred by the last preceding section upon holders of leases under this Part of this Act shall extend and apply to the holders of licenses for residence-sites and business-sites granted under the Mining Act. With respect to licenses in existence at the date of the passing of this Act the following provisions shall apply:—

“For the purposes of calculation of the price in accordance with section twenty-eight of the Land Laws Amendment Act, 1913, the original unimproved value of all residence-sites shall be deemed to have been twenty pounds and of all business-sites sixty pounds; and in respect of residence-sites the present unimproved value of which does not exceed twenty pounds, and of business-sites the present unimproved value of which does not exceed sixty pounds, such present unimproved value shall be the price.”

Land Laws Amendment Act, 1913.

Section 28, subsection (1): That after the word “district,” in the fourth line the words “or lease under Part VIII of the principal Act granted prior to the coming into operation of this Act” be inserted. That the following words be added at the end of the subsection: “Every notice of intention to acquire the fee-simple under this section shall be referred by the Commissioner of Crown Lands to the Warden for his report as to whether the land affected is required for mining purposes.”

Section 29: Subsection (1)—That all the words in the first paragraph down to and including the word “land” in the third line be deleted, and the following words substituted: “With respect to the fee-simple, acquired under the last preceding section, of land that in the opinion of the Warden is required for mining purposes the following provisions shall apply.” That the word “such” in the third line be deleted. Subsection (2)—That all the words down to and including the word “section” in the second line be deleted, and the words “The land” be substituted. Subsection (3) (a)—That all the words down to and including the word “section” in the second line be deleted, and the words “The land” substituted. Subsection (4) (a)—That all the words down to and including the word “section” in the second line be deleted, and the words “The owner of the land” substituted.

Regulations for the Occupation of Pastoral Lands within the Hauraki Mining District as published in the New Zealand Gazette of 3rd April, 1913.

That these be revoked.

Regulations under Part VIII of the Land Act, 1908, as published in the New Zealand Gazette of 25th February, 1909, 3rd February, 1910, and 25th August, 1910.

That these be revoked.

Regulations under Section 193 of the Land Act, 1908, as published in the New Zealand Gazette of the 27th May, 1909.

That these be amended as necessitated by the amendment of the statute.

Section in Enabling Bill.

“Whereas certain holders of licenses under the Regulations for the Occupation of Pastoral Lands in the Hauraki Mining District of lands not within the boundaries of the national-endowment area as described in the Fourth Schedule to the Land Act, 1908, have, in accordance with the provisions of section one hundred and ninety-three of the Land Act, 1908, exchanged their licenses for renewable leases, being unaware of the fact that the land would in consequence become subject to the provisions of Part VII of the Land Act, 1908, and could not therefore be disposed of in fee-simple: And whereas the said licensees had they not so exchanged would have acquired the right to obtain the fee-simple under the provisions of sections twenty-eight and twenty-nine of the Land Laws Amendment Act, 1913: Be it therefore enacted as follows: The said licensees may at any time not later than one year from the passing of this Act acquire the fee-simple of the land included in their leases at the like price and subject to like restrictions in all respects as if they had not exercised the right of exchange, anything to the contrary in section two hundred and fifty-nine of the Land Act, 1908, notwithstanding.”

And this our report we have the honour to submit to Your Excellency's consideration in obedience to the Commission to us addressed.

Given under our hands, at Wellington, this thirty-first day of August, one thousand nine hundred and fourteen.

JOHN STRAUCHON, Chairman.
D. H. LUSK.

ALBERT BRUCE

(Subject to the reservations contained in my minority report attached, and marked A).

F. T. SANDFORD, Secretary.
31st August, 1914.

A.

MINORITY REPORT OF ALBERT BRUCE, A MEMBER OF A COMMISSION TO INQUIRE INTO CERTAIN MATTERS APPERTAINING TO THE TENURE OF LAND, AND THE TIMBER GROWING ON SAME, WITHIN THE HAURAKI MINING DISTRICT.

To His Excellency the Right Honourable Arthur William de Brito Savile, Earl of Liverpool, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Member of the Royal Victorian Order, Governor and Commander-in-Chief in and over His Majesty's Dominion of New Zealand and its Dependencies.

MAY IT PLEASE YOUR EXCELLENCY,—

I have the honour to submit for Your Excellency's consideration the following matter relative to the Te Aroha Township (clause 6 of the order of reference of the above-mentioned Commission) wherein I am not in agreement with my colleagues in the finding on the question, with the exception that I agree with them that the holders of leases and licenses within the said township should be allowed to acquire the freehold of same.

I am of opinion that legislation should be passed withdrawing the Township of Te Aroha from the provisions of the Mining Act, as the expectations that led to the formation of the township under the said Act have, after thirty-four years of existence, not been realized; in fact, no payable gold has been found nearer than three miles from the township, and for at least a quarter of a century practically mining-work has ceased to be carried out in the vicinity, consequently for that period no miners have resided in the township, and the town is now supported by

tourists and holiday-makers—for the purpose principally of enjoying the hot baths situate within the township—and the agriculturists settled in the surrounding district.

To summarize, the township has not for over a quarter of a century been required for the purposes of mining, consequently the residents and business people are not in the remotest degree connected with mining; yet they are bound by restrictions under which they hold their tenures that are inapplicable, and in consequence the law has to be strained to such an extent to protect those in occupation that it has practically to be set aside by the Warden, and his own common-sense of justice applied in lieu thereof. Under the Mining Act personal residence is compulsory on residence-sites, and the holders of business licenses are the only persons who may exercise same on the particular sites licensed to them. Also, it is only allowable to hold two sections when they adjoin each other; whereas to meet the requirements of the tourist traffic, and bring the hotels up to the standard illustrated by the development of the hot springs and domain by the Government, it has been found necessary to erect buildings, &c., covering up to three sections; therefore, as the law is at present, the overplus is illegally held.

In legislating to remove the township from the Mining Act provision will have to be made securing to the present holders of licenses and leases all their rights and privileges, and extended so far as to dispense with compulsory residence by holders of residence-sites and personal occupation by holders of business licenses.

It is held by some that the Warden has power to have the township removed from the provisions of the Mining Act by declaring it as being no longer required for mining purposes. In my opinion this view is not tenable in cases similar to that under review, and is only meant to apply to alluvial-mining districts which have become exhausted. If it were applied to Te Aroha every license and lease would cease from the date of the Warden's declaration.

In respect to the basis on which the calculation should be made for acquiring the freehold by license and lease holders, I submit that as it is impossible to ascertain the unimproved value of each section at the time the licenses or leases were granted, and as there is evidence that in acquiring the fee-simple the Crown paid on a basis of £20 in the case of each residence-site and £60 for each business-site, that these amounts should be taken as the unimproved value, and that as the tenures are varied a uniform period of the unexpired term of each license or lease is highly advisable; and I recommend that this period be fixed at forty-two years from the date of an application for the freehold, and the method provided in the Land Act for ascertaining what would require to be paid by applicants for the freehold applied.

In advising the arbitrary term of forty-two years I am guided thereto by the following reasons:—

- (a) That the holders of business- and residence-site licenses have a perpetual right of renewal for that period:
- (b.) That in ascertaining what would be the Crown's interest and what would be the tenant's interest under this computation it works out equitably, and is just to both parties:
- (c.) That under such a computation I feel sure the people of Te Aroha will acquire the freehold of their holdings, and that the town will extend, better buildings will be erected, and a general improvement all round will follow, as is usual when security of tenure is assured by the right of acquiring the freehold.

I have, &c.,

ALBERT BRUCE.

Wellington, 31st August, 1914.

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