

*The results of investigations by a Forest Economist who has visited Europe to study forest taxation will be the basis for the re-examination of taxation of private forestry operations in New Zealand. It is considered that, in view of the large areas of waste land in New Zealand, forest taxation policy should be so developed as to provide farmers and other holders of private tracts of waste land with a positive incentive to plant such areas.*

*Some improvement has been made during the past year in the method of taxing forest income, and the burden of taxation on farmers and afforestation companies is now more equitable than it was formerly, but anomalies still exist.*

#### E. Employment and Unemployment in Forestry

64. "The situation of forest workers and technicians was discussed. It was agreed that continuous production was essential for the stability and the security of these workers."

65. "With regard to forestry workers properly so-called the Congress considered that it was desirable to give them greater stability of employment. This called for better conditions of work, housing, food and social security."

"Vocational training was also indispensable in order to secure the maximum of productivity which would in turn lead to an improvement of economic conditions."

*Much has already been achieved in New Zealand towards ensuring stability of forest employment, which is recognized as a vital factor in the forest economy of the Dominion. Examples of progress made are quoted under Congress Recommendation 68.*

#### SECTION IV—FOREST UTILIZATION

67. "The main issue concerned the economic and social conditions of forest workers and the effect of these on the application of silvicultural methods."

68. "Recognizing that there exists in many countries a necessity for improving working and living conditions in forest work and forest industries, and that in many countries the benefits to be derived by the workers are irrevocably tied up with the financial returns of the industries concerned.

"The Congress RECOMMENDS that, in considering matters pertaining to forest exploitation, both social and economic implications be borne in mind."

*Recognizing the validity in New Zealand of the above principles, a hire-purchase scheme for the improved housing of sawmill workers in the indigenous-timber industry was inaugurated in 1946, resulting in the erection to date of 409 demountable-type houses and the approval for erection of a further 319 houses. (See para. 84.) The establishment of central forest communities is a further development which is gaining impetus in both private industry and State forest enterprises.*

*For example, Forest Products, Ltd.'s, village or small township at Kinleith when completed will be a model settlement offering permanent employment ultimately to probably 1,000 workers and their families. Similarly, the forest and logging village at Matahina established by the Whakatane Board Mills, Ltd., will offer permanent and attractive living conditions for the workers engaged permanently there in that industry.*

*At Kaingaroa and at Waipa (Rotorua) the Forest Service has established logging and sawmill settlements for staff and employees; in the South Island similar settlements have been established in the forests of Golden Downs, Eyrewell, and Balmoral.*

*Particularly satisfactory results have been achieved in the indigenous-forest settlement at Mingimui near Te Whaiti, where a large group of dwellings has been completed, streets and gardens laid out, a school established, and where tennis-courts and other recreation grounds, a hall, and community centre are in process of construction or planned for early completion. The objective in both cases is to house all forest and sawmill workers for the forest itself and for a group of exotic mills in one attractive centre.*