(2.) That the existing control of the same by the Mining Wardens should be abolished, except in respect of timber specially set apart for mining purposes.

(3.) That it is not desirable to continue the existing classification of timber areas as (a) Warden's timber areas, and (b) Land Board's timber

areas.

In arriving at these conclusions we were prompted, inter alia, by the following considerations:—

The conditions pertaining to the right to cut timber for commercial purposes

have little in common with those pertaining to mining rights.

The Mining Act and the regulations thereunder do not make suitable and adequate provision for dealing with the forest lands in such manner as to ensure that the valuable timber assets of the State shall be administered to the best advantage. As a very large area of Crown forest in Westland is at present held as reserved areas under these regulations, the application of any altered conditions will be somewhat restricted.

Under the existing regulations under the Mining Act no inducement whatever is offered to sawmillers and timber-cutters generally to prevent waste, as royalty is payable on output, and the whole loss on account of trees left standing and wasteful methods is borne by the Crown.

In the interests of the State and the community generally the timber lands should be administered by a Department whose officers are equipped with a

practical knowledge of such lands.

We consider it essential that the timber lands shall be so administered as to ensure that the settlement of the land will follow immediately the timber of commercial value has been removed, and having this object in view we are of opinion that the Lands and Survey Department should alone deal with all applications for the sale of timber, other than that set apart for mining purposes, which we consider should be dealt with by the Warden under the regulations for the time being in force relating to the disposal of timber on Crown lands.

From evidence produced and from our observations it is apparent that considerable quantities of timber will in future be required for mining purposes, principally for underground workings. Section 18 of the Mining Act, 1908, authorizes the setting-apart of timber for mining purposes, and we would recommend that action be taken under this provision to secure for the benefit of the mining industry

suitable and adequate reserves.

We are of opinion that the timber lands within the mining districts should be administered under the provisions of the Land Act, 1908, and the regulations thereunder as published in the *New Zealand Gazette* of the 15th April, 1909, modified in accordance with our recommendation under clause 6 hereof.

As to—

(4.) Whether the existing tenures under which land in mining districts in the Nelson and Westland Land Districts can be occupied are satisfactory and in the best interests of settlement.

We are of opinion that the existing tenures under which land in mining districts in the Land Districts of Nelson, Westland, and Marlborough can be occupied are not satisfactory nor in the best interests of settlement, for the reason that tenures are restricted to leasehold without the right to acquire the freehold, whereas the persons who gave evidence before us, almost without exception, desired a right to

acquire the freehold.

The right to acquire the fee-simple conferred upon the holders of licenses under the Regulations for the Occupation of Pastoral Lands in the Hauraki Mining District should, in our opinion, be also extended to the holders of licenses under the Regulations for the Occupation of Pastoral Lands in Karamea and Westland Mining Districts, and of residence-sites and business-sites, and of leases under Part VIII of the Land Act, 1908. Our proposals for the amendment of the statutes provide for this extension of the right to acquire the fee-simple to include the tenures mentioned.