

*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