AA.

SCHEDULE SHOWING BLOCKS SUBJECT TO TONGARIRO TIMBER CO.'S CUTTING-RIGHTS IN WHICH CROWN HAS ACQUIRED INTERESTS.

Block.	Area acquired.	Purchase-money paid.
	A. R. P.	£ s. d.
Hauhungaroa 1D 1	3,000 0 0	4,125 0 0*
" 2D	6,377 0 12	8,319 18 9
Okahukura 3	441 1 0	1,346 8 8
" 4B	726 2 27	468 16 4
" 6	1,822 3 33	4,223 11 6
Pukepoto 1	1,631 0 0	4,892 19 10*
" 2	1,301 0 0	3,903 0 0*
" 3	1,022 0 0	3,066 0 0*
" 4	696 0 0	2,435 19 10*
Waimanu 2G	5,603 3 0	7,909 13 7
Waituhi-Kuratau 1B	752 0 9	376 9 4
" 4A	4,610 0 0	14,982 9 6*
" 4B 1	4,089 1 8	13,287 1 4*
" 4B 2	2,208 0 23	7,769 18 9
Waimanu 1	173 0 9	196 10 9
Totals	35,054 1 1	77,303 18 2

* Proclaimed Crown land.

The area of land subject to the Tongariro Timber Co.'s rights is shown in G.-1T, 1908, as 134,500 acres, of which 82,000 acres consists of millable timber.

A.

HISTORY OF THE TONGARIRO TIMBER CO.

In 1906 an agreement was entered into between the Tongariro Timber Co. and the Native owners of certain lands situated in the West Taupo district whereby the company was given timber-cutting rights over the areas, but no right to the land, which remained the property of the Natives. Under this agreement the company undertook to construct a railway from Kakahi, on the North Island Main Trunk line, to Lake Taupo, a distance of approximately forty miles. Under an Order in Council dated the 22nd January, 1908, the Native owners were to sell to the company the fee-simple of the necessary land at £1 per acre, the railway to be completed and furnished with rolling-stock within a period of five years from the date of the acquisition by the company of a registrable title to the timber: provided that if the company, proceeding with all due diligence, were unable to complete the construction within the time specified it might obtain from the vendors a reasonable extension of time, not exceeding twelve months.

If (1) the agreement was cancelled, or (2) the company failed to continue running the railway, or (3) after a term of fifty years, the Maori owners were to have the option of purchasing the railway at £1 per acre for the land and paying for lines, bridges, &c., on valuation.

No definite time was fixed within which the work of felling and removing the trees was to be commenced and completed, the Board relying on a sliding scale of royalties with what was intended to be a prohibitive royalty of £100 per acre after the expiry of fifty years from the 1st March, 1911.

Royalties were payable on the 1st day of March in each year after any timber was felled, at the following rates: £10 per acre for fifteen years ending 1st March, 1926; £12 10s. per acre for ten years ending 1st March, 1936; £15 per acre for ten years ending 1st March, 1946; £17 10s. per acre for ten years ending 1st March, 1956; £20 per acre for five years ending 1st March, 1961; £100 per acre thereafter: provided the company might within twelve months from the 1st day of March, 1961, cease cutting and surrender its rights.

A deed of 1908 provided that whether any timber was felled or not there should be paid on account and in anticipation of royalties £2,500 per annum from the 1st day of March, 1906, until the execution of the deed, and thereafter £5,000 per annum.

In 1908 the Stout-Ngata Commission took evidence on the question of the equity of agreement between the vendors and the company, and came to the conclusion that it was in the interests of the Natives as well as in the public interest. (See parliamentary report G.-1T, 1908.)

By an agreement dated the 21st December, 1910, between the company and the Aotea District Maori Land Board (trustees for the owners), the rate of royalty was reduced to—£7 10s. per acre for fifteen years ending 1st March, 1926; £9 7s. 6d. per acre for ten years ending 1st March, 1936; £11 5s. per acre for ten years ending 1st March, 1946; £13 2s. 6d. per acre for ten years ending 1st March, 1956; £15 per acre for five years ending 1st March, 1961; £100 per acre thereafter: provided the company might within twelve months from the 1st day of March, 1961, cease cutting and surrender its rights.