

Hon. Mr. McLeod.

KAURI-GUM CONTROL.

ANALYSIS.

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A BILL INTITULED

AN ACT to make Provision for the Control of the Trade in and the Export of Kauri-gum. Title.

5 **BE IT ENACTED** by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Kauri-gum Control Act, 1925, and shall come into force on the first day of *April*, nineteen hundred and twenty-six. Short Title and commencement.

10 2. In this Act,—
“Board” means the Kauri-gum Control Board constituted under this Act: Interpretation.

“Minister” means the Minister of Lands:

15 “Producers” means the holders of ordinary licenses or special licenses for the time being in force under the Kauri-gum Industry Act, 1908.

3. (1.) There is hereby established a Board to be known as the Kauri-gum Control Board (hereinafter referred to as the Board). Kauri-gum Control Board.

(2.) The Board shall consist of:—

20 (a.) Two persons (herein referred to as Government representatives) to be appointed by the Governor-General on the recommendation of the Minister, as representatives of the New Zealand Government, of whom one shall be a person reputed to have expert knowledge of the handling, grading, and marketing of kauri-gum:

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(b.) One person (herein referred to as the exporters' representative) to be appointed by the Governor-General on the recommendation of the Minister as a representative of exporters of kauri-gum, not being a person engaged either directly or indirectly in the kauri-gum trade :

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(c.) Two persons (herein referred to as producers' representatives) to be appointed by the Governor-General as representatives of producers, on election in manner hereinafter to be provided by regulation.

(3.) For the purpose of the election of producers' representatives, the total area comprised in all the kauri-gum districts for the time being constituted under the Kauri-gum Industry Act, 1908, shall be subdivided into two subdivisions, and one representative shall be elected for each subdivision by direct vote of the producers operating under licenses within that subdivision.

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(4.) Every person appointed as a Government representative shall hold office during the pleasure of the Governor-General.

(5.) Every person appointed as a producers' representative or as the exporters' representative shall hold office for a period of two years from the date of his appointment, save that he may be reappointed from time to time or may at any time be removed from office by the Governor-General on the recommendation of the Board.

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(6.) On the death, resignation, or removal from office of any member of the Board appointed as a producers' representative or as the exporters' representative, the Governor-General shall, on the recommendation of the Board, appoint some fit person to be a member of the Board for the residue of the term for which such first-mentioned person was appointed.

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(7.) The powers hereinafter conferred on the Board shall not be affected by any vacancy in the membership thereof.

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Incorporation of Board.

4. The Board shall be a body corporate, with perpetual succession and a common seal, and shall be capable of holding real and personal property, and of doing and suffering all that bodies corporate may do and suffer.

Contracts of Board.

5. (1.) Any contract which, if made between private persons, must be by deed shall, if made by the Board, be in writing under the seal of the Board.

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(2.) Any contract which, if made between private persons, must be in writing signed by the parties to be charged therewith shall, if made by the Board, be either under the seal of the Board or signed by two members of the Board on behalf of and by direction of the Board.

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(3.) Any contract which if made between private persons may be made verbally without writing may be similarly made by or on behalf of the Board by any two members acting by direction of the Board, but no verbal contract shall be made for any sum exceeding twenty pounds.

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Provision for appointment of deputies.

6. (1.) In any case in which the Governor-General is satisfied that any member of the Board is, by reason of illness, absence, or other sufficient cause, incapacitated from performing the duties of his office, the Governor-General, on the recommendation of the Minister, if the member so incapacitated is a Government representative, or on the recommendation of the Board in any other case, may appoint some fit person to be a deputy to act for that member during such

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incapacity, and any deputy shall, while he acts as such, have all the powers and authority of the member for whom he is so acting.

5 (2.) No such appointment of a deputy and no acts done by him as such shall in any proceedings be questioned on the ground that the occasion for his appointment had not arisen or had ceased.

7. The Chairman of the Board shall be such one of the Government representatives as may be appointed in that behalf by the Governor-General. Chairman of the Board.

10 8. The first meeting of the Board shall be held on a day to be appointed in that behalf by the Minister. First meeting of Board.

9. (1.) Except as provided in the *last preceding* section, meetings of the Board shall be held at such times and places as the Board shall from time to time appoint. Subsequent meetings of Board.

15 (2.) The Chairman of the Board or any two members thereof may at any time call a special meeting of the Board.

(3.) At all meetings of the Board three members, of whom at least one shall be a Government representative, shall form a quorum, and no business shall be transacted at any meeting unless a quorum is present.

20 (4.) The Chairman shall preside at all meetings of the Board at which he is present.

(5.) In the event of the absence of the Chairman from any meeting of the Board, the members present at such meeting shall appoint one of their number to be the chairman of the meeting.

25 (6.) At any meeting of the Board, the Chairman shall have a deliberative vote, and in the case of an equality of votes, shall also have a casting-vote, and a decision of a majority of the members present shall be the decision of the Board.

30 10. (1.) The Board may appoint such officers as it deems necessary for the efficient carrying-out of its functions under this Act. Officers of the Board.

(2.) Any person in the service of the Crown may be appointed as an officer of the Board :

Provided that no such person shall accept such appointment and be entitled to retain his position as a servant of the Crown, except—

35 (a.) In the case of a person subject to the Public Service Act, 1912, with the consent of the Public Service Commissioner ; and

(b.) In any other case with the consent of the Minister to whose control he is subject.

40 11. The Board shall have power to appoint from time to time an agent or agents in any place beyond New Zealand (hereinafter called overseas agents) whose duty it shall be to keep the Board advised as to all matters relative to the marketing of kauri-gum beyond New Zealand, and generally to act as the agent or agents of the Board in accordance Overseas agents

45 with the directions of the Board.

12. For the purpose of enabling the Board effectively to control the trade in and export of kauri-gum, the Governor-General, acting under the powers conferred on him by the Customs Act, 1913, and its amendments, may prohibit the export from New Zealand of any Power to impose conditions as to export of kauri-gum.

50 kauri-gum, save in accordance with a license to be issued by the Minister, subject to such conditions and restrictions as may be approved by the Board.

Board may assume
control of kauri-gum.

13. (1.) The Board is hereby empowered to assume control of all kauri-gum produced in New Zealand, and may determine from time to time the extent to which it is necessary, for the effective operation of this Act and the fulfilment of its purposes, that it should exercise control over the trade in kauri-gum. 5

(2.) In any such case the control of the Board shall operate as from a time to be specified in that behalf by the Board by notice given in conformity with this Act.

(3.) Notice by the Board of its intention to assume control of any kauri-gum may be given either by service on the owner or on any person having possession thereof, or by publication in any newspaper or newspapers in accordance with such conditions as may be prescribed. Every such notice shall, subject to the provisions of this Act, have effect according to its tenor. 10

(4.) The control to be exercised by the Board over any kauri-gum may, as the Board in any case determines, be absolute or limited. 15

Where Board
assumes absolute
control of kauri-gum.

14. All kauri-gum of which the Board has assumed absolute control shall be sold and disposed of only by the Board or by direction of the Board at such times, in such manner, and on such terms as the Board in its discretion determines. 20

Where Board
assumes limited
control of kauri-gum.

15. Where the Board has assumed limited control of any kauri-gum the extent of its control shall be defined by notice in the manner provided by subsection *three* of the *last preceding* section, or by agreement between the Board and the owners of such kauri-gum or other persons having authority to enter into an agreement with the Board with respect thereto. 25

Limitation of
powers of Board.

16. Notwithstanding anything to the contrary in the foregoing provisions of this Act, the Board shall not exercise its powers with respect to any kauri-gum if the Board is satisfied—

(a.) That such kauri-gum comprises stocks purchased before the commencement of this Act by any person not being a producer within the meaning of this Act, and that the said stocks of kauri-gum are not being offered for sale, or exported, or otherwise dealt with so as to defeat the purposes of this Act; or 30

(b.) That there is subsisting a contract for the sale and purchase of such kauri-gum made before the commencement of this Act, and to be performed not later than *six* months after the commencement of this Act. 35

Levies.

17. (1.) There shall be paid by way of levy on all kauri-gum exported from New Zealand, after a date to be fixed in that behalf by the Governor-General in Council, whether such kauri-gum is subject to the control of the Board or not, such charges as may from time to time be fixed by the Board, not exceeding the maximum charges that may be prescribed in that behalf by regulations under this Act. 40

(2.) All moneys payable under this section in respect of any kauri-gum shall be paid to the Collector of Customs on or before the entry of that kauri-gum for export, and shall be paid by him into the Consolidated Fund. 45

(3.) The net amounts paid into the Consolidated Fund as aforesaid, after deducting such proportion as may be prescribed in respect of the services of the Collectors and other officers of Customs, shall from time

to time be paid to the Board without further appropriation than this section, and shall form part of the funds of the Board.

18. Without limiting any authority specifically conferred on the Board with respect to any kauri-gum, the Board shall have full authority to make such arrangements and give such directions as it thinks proper for the following matters :—

Special powers of Board.

- (a.) For the grading, mixing, pooling, and storing of kauri-gum :
- (b.) For the shipment of such kauri-gum on such terms and in such quantities as it thinks fit :
- 10 (c.) For the sale and disposal of such kauri-gum on such terms as it thinks advisable :
- (d.) For the insurance against loss of any such kauri-gum either in New Zealand or in transit from New Zealand and until disposed of :
- 15 (e.) For the establishment of depots for the purpose of receiving, recleaning, regrading, or otherwise preparing kauri-gum for sale either in or beyond New Zealand :
- (f.) For the acquisition of such land, buildings, plant, and machinery as, in the opinion of the Board, are necessary for the fulfilment of its purposes, and for the sale or other disposition thereof if and when no longer required :
- 20 (g.) For the acquisition of the right to use any patented process for the recovery, treatment, or grading of kauri-gum :
- (h.) For the chartering of any vessel or vessels for the transport of kauri-gum to Auckland, and for the carriage by such vessel or vessels of goods at such rates and under such conditions as the Board may consider necessary :
- 25 (i.) For the purchase of kauri-gum by payment in full or by means of advances :
- 30 (j.) For the display in New Zealand or elsewhere of exhibits of kauri-gum or of kauri-gum products :
- (k.) For advertising or giving publicity in any manner it may think fit to the merits, qualities, prices, and conditions of sale of kauri-gum :
- 35 (l.) For undertaking any experiments or doing any other act, matter, or thing with a view to improving the methods of recovery and treatment of kauri-gum or promoting the trade and sale thereof :
- 40 (m.) Generally for all such other matters as are necessary for or incidental to the due discharge of its functions in respect of its control of the trade in kauri-gum.

19. (1.) For the purpose of securing any advances that may be made to the Board or to the owners of any kauri-gum the Board shall, by virtue of this Act and without further authority, have full power on behalf of the owners to give security over such kauri-gum, and to execute all mortgages and other instruments of assurance in the same manner in all respects as if the Board were the legal owner of such kauri-gum.

Board may give security over kauri-gum to secure advances made for benefit of owners.

(2.) The Board shall have power, for the purposes of its business, to borrow moneys by way of bank overdraft or otherwise howsoever, and may give as security therefor debentures, debenture-stock, mortgages, or other securities charged on any or all of the assets of the Board.

Realization of assets of Kauri-gum Branch of Lands and Survey Department.

20. The Board shall, at the request in writing of the Minister, realize to the best advantage by way of sale in New Zealand or elsewhere all kauri-gum, the property of the Crown, acquired in the exercise of the powers conferred by the Kauri-gum Industry Amendment Act, 1914, and shall pay the proceeds derived from such realization, less the expenses incurred with respect thereto, into the Public Account to be credited to the Kauri-gum Industry Account.

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Application of moneys received by Board.

21. All moneys received by the Board by way of levy under section *seventeen* hereof, or in respect of the sale of kauri-gum or otherwise howsoever, shall, save as provided in the *last preceding* section, be paid by the Board into a separate account at a bank to be approved by the Minister of Finance, and shall be applied by the Board as follows:—

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(a.) In payment of the expenses, commission, and other charges incurred by the Board or for which the Board may become liable in the course of its business :

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(b.) In payment of the salaries and wages of officers and servants of the Board :

(c.) In payment of travelling-allowances, fees, or other remuneration to members of the Board or its overseas agents (not being persons employed in the service of the Government) :

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(d.) In payment of advances made by the Board to the owners of any kauri-gum on account of the price of that kauri-gum :

(e.) In payment into a reserve fund, from time to time as the Board in its discretion shall determine, of such amounts as the Board may consider necessary to enable it to carry on its operations under this Act :

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(f.) In payment of the balance to owners of kauri-gum controlled by the Board, in proportions to be fixed by the Board, by reference to the quantity and grade of the kauri-gum handled by the Board in respect of the several producers or other owners of the said kauri-gum.

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Audit of Board's Accounts.

22. The accounts of the Board shall be subject to audit in the same manner in all respects as if the moneys of the Board were public moneys within the meaning of the Public Revenues Act, 1910.

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Liability of Board for its acts or omissions.

23. (1.) The Board in its corporate capacity shall in all its operations under this Act be deemed to be the agent of the owners of all kauri-gum of which the Board has assumed control, and the mutual rights, obligations, and liabilities of the Board and the several owners shall accordingly be determined in accordance with the law governing the relations between principals and agents, save that nothing herein shall be construed to limit the power of the Board to exercise, without the authority of the owner of any kauri-gum, any power with respect to such kauri-gum that may expressly or by implication be conferred on the Board by or by virtue of this Act.

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(2.) The members of the Board shall not be personally liable for any act or default of the Board done or omitted to be done in good faith in the course of the operations of the Board.

Royalty payable in respect of kauri-gum found on land vested in Crown.

24. In every case where the Board sells any kauri-gum on account of a producer who is the occupier of any Crown land or other land administered by a Land Board, the Board shall deduct from the pro-

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ceeds of the sale the amount of any royalty that may be payable to the Crown by the producer in respect of kauri-gum, and shall, within one month after the receipt of any such moneys, pay the amount of such royalty to the Receiver of Land Revenue.

- 5 **25.** The Board shall forward to the Minister as soon as possible after the thirty-first day of March in each year a report of its operations for the year ending on that date, together with a statement of accounts in connection with the administration of this Act. Annual report.
- 10 **26.** The Governor-General may, from time to time, by Order in Council, make regulations— Regulations.
- (a.) For the conduct of elections under this Act :
- New.*
- (aa.) Prescribing the necessary qualification under this Act.
- 15 (b.) Prescribing the maximum charges to be paid under this Act by way of levy in respect of any kauri-gum :
- (c.) Prescribing the maximum rates of travelling-allowances, fees, or other remuneration that may be paid under this Act to members of the Board :
- 20 (d.) Prescribing the method of making advances to producers in respect of any kauri-gum :
- (e.) Generally for the purpose of giving effect to the provisions of this Act.