

- (e.) To consider and report to me as to whether section 31 of the Valuation of Land Act, 1908, affords an owner, who is not satisfied with the value of his land as fixed by the Assessment Court, an equitable alternative;
- (f.) To consider and report to me upon the methods of the Valuation Department in making valuations;
- (g.) And generally to inquire into and report upon such other matters arising thereout as may come under your notice in the course of your inquiries, and which you consider should be investigated in connection therewith.

3. In the course of our investigations we found much dissatisfaction with the constitution of the Assessment Court, and met with many complaints that district valuers and Assessment Courts attributed too large a proportion of the total value of the properties to what is defined in the Valuation of Land Acts as the "unimproved value" thereof. Complaints were also made that the valuers acting for the Valuation Department did not sufficiently inspect properties when valuing them. By far the greater part of the evidence brought before us related to these three matters, and we will therefore take the liberty, in making this our report, to depart somewhat from the order in which Your Excellency has set out the several matters to be investigated by us, and will report, first, on the constitution of the Assessment Court; secondly, on the principles that we consider should be acted upon in arriving at the "unimproved value"; and, thirdly, on the question of the inspection of properties, and then report upon the other questions you have referred to us.

AS TO THE ASSESSMENT COURT.

4. We found that many property-owners appeared to consider that the Assessment Courts were hostile to them when they appeared before such Courts in the capacity of objectors to the valuations placed upon their properties by the Valuation Department, and statements were made at several of the places visited by us that property-owners in many cases abstained from appearing in Court in support of their objections, deeming, as it was said, such a course to be useless. The reason for this state of mind on the part of property-owners was said to lie in the enactment under which Assessment Courts are set up. This enactment provides that the Court shall consist of the local Magistrate as President, and a member appointed by Your Excellency in Council, and a member appointed by the local authority of the district whose roll has been revised, such last-mentioned member not to be a member of any local authority. (Valuation of Land Act, 1908, section 13.) The evidence convinces us that property-owners in general hold the view that the members appointed by the Government and the local authority respectively will be subconsciously influenced in the direction of sustaining the valuations made by the Valuation Department, since it appears to be the opinion of property-owners that it is to the interest of both the Government and the local authority to keep values high for the purpose of levying the land-tax in the one case and the local rates in the other.

5. We have not thought it necessary to endeavour to ascertain whether there is any foundation in fact for these opinions, because we are quite satisfied that they are very widely held among the property-owners of the Dominion, and we are strongly of opinion that it is of the first degree of importance that every Court of justice in the land should, as regards the mode of its constitution, be such as to command the confidence of all persons having business before it. We should add that no reflection was made by the witnesses on the personal fairness of the members of any Assessment Court. The witnesses objected to the mode of the constitution of the Courts, and considered that unconscious bias on the part of the two members must inevitably exist in the direction of supporting the interests of the authorities appointing them.