

10. And no Court was necessary?—The Court was called, but no one appeared. I think there was only one name on the sheet.

11. Was Mr. Rhodes one of the three?—Mr. Rhodes did not object.

12. *Mr. Rhodes*: I did not know of any sitting, and had no notice of it from the Court.

13. *The Chairman* (to witness).] How does an objector know when an Assessment Court is sitting?—The objector himself is usually notified. He gets notice of his valuation to start with, and then the objection is referred to the district valuer, or to whoever has made the valuation, and he reviews the matter again. If it can be seen that any reduction can be fairly made this reduction is offered, and, if it is accepted, it is written off; but in the event of there being no acceptance, the objector is notified that the matter has been referred to the valuer, who cannot see his way to make any reduction, and it is referred to the Court.

14. Does the notice give him the date and place of the sitting of the Assessment Court?—If it is fixed at that time; if not, he is notified when it is.

15. He gets individual notice?—As a general rule.

*The Valuer-General*: There is nothing in the Act which compels the Department to notify the objector of the sitting of the Assessment Court, but I think the advertisement appears in the papers circulating in the district.

#### EWEN WILLIAM ALISON examined.

1. *The Chairman*.] What is your position, Mr. Alison?—I am general manager of several companies. In tendering evidence before this Commission I do so as an owner interested chiefly in suburban lands. I contend that the system under which lands are valued by the Valuation Department is wrong. My reasons for contending so are these: Firstly, the capital value placed by many valuers, but not all, upon a large proportion of properties is excessive, the valuation often being based not upon the actual selling-value of a property, but upon a problematical realization under most favourable selling-conditions—that is, the capital value of properties is often assessed upon the extreme amount which a property might realize in the most favourable market, and, if sold, on terms most favourable to a purchaser. Many Government valuers seem to be imbued with the idea that their duty is to assess the capital of property on inflated values, and in apportioning the capital value, unimproved value, and valuation of improvements depreciate the value of improvements and place an excessive value upon the unimproved value. Landowners are placed at a serious disadvantage in appealing against overvaluations by the Department, the most serious being the constitution of the Assessment Court, which is composed of one member appointed by the Valuation Department, one by the local body interested, and a Stipendiary Magistrate, who presides. The inclination of members representing the Department and the local body is naturally in the direction of supporting the valuers, who strongly advocate the upholding of their valuations. The average owner who appeals is not as capable of supporting his objection as the Government valuer is in opposing, and is invariably placed at a disadvantage before the Assessment Court. Many persons fail to appeal against excessive valuation of properties because they feel unequal to, or are unable to, attend the Assessment Court, and the cost of engaging a solicitor or qualified agent to represent them would possibly be greater than the extra taxation consequent upon the overvaluation. Then, a common point raised by valuers in support of their valuations is to ask an owner whether he would sell at the valuer's valuation. In many instances the reply is "No," as the owner does not wish to sell his property. It is his home and is not for sale. He is therefore not prepared to sell at the valuer's price, although excessive. There are others who offer no objection to a high valuation. They consider it to be to their advantage, as it enables them to more advantageously dispose of their properties or obtain loans or advances upon the same. I desire to call the attention of the Commission to the fact that the term "unimproved value" as applied generally to the assessment of properties is a misnomer, as the valuers value the land not upon its unimproved value, but upon its assumed selling-value, and, as far as Auckland is concerned, the unimproved value of properties is almost invariably raised in successive valuations. The points I have enumerated are those which I submit for the consideration of the Commission.

2. With regard to the definition of unimproved value under the Act of 1912, that is in effect the selling-value is it not?—Yes, but my experience is that the valuers do not make a sufficient or reasonable allowance for the improvements made either upon the land or upon the buildings, or upon improvements such as grassing, fencing, &c.

3. With regard to the constitution of the Court, you say that many do not appeal at all because they feel unequal to the task or cannot afford the expense of professional assistance. Have you any suggestion to make as to how the Court should be constituted, or do you not approve of the Court being constituted of two assessors and a Magistrate?—I think the Court is wrongly constituted, because there are two members of the Court who are representing those to whose interest it is to maintain a high valuation. If the Court was constituted of a Stipendiary Magistrate and two qualified disinterested persons of good reputation their decisions would, at any rate, be unbiased.

4. *Mr. Campbell*.] Who is to appoint them?—Well, not the Valuation Department. The appointment, I take it, should be made by the Government.

5. That is the case now?—No; the way members are appointed now is that one is appointed by the Valuation Department and one by the local body.

6. One is appointed by the Government?—He is really the nominee of the Valuation Department.

7. *The Chairman*.] The Act says "one appointed by the Governor in Council"?—That is so. At any rate, the Assessment Court should consist of members who would act and deal with appeals judicially, impartially, and disinterestedly.