

WILLIAM BROWN examined.

1. *The Chairman.*] What is your position?—I have 27 acres of land in the Upper Hutt Town District. I do not object altogether to the valuation of the land, but for grazing or farming purposes we cannot make money out of it.

2. That is on account of the rates?—Yes. I am paying £28 on the 27 acres.

3. We have allowed considerable latitude on this subject, and it is not within the scope of the Commission. We cannot hear you on the subject of rates?—My object was to show you that it was impossible to live within those areas and keep land at all. It is practically impossible to farm in an area of that description.

4. *Mr. Campbell.*] If you cut your land into smaller areas could you sell it?—Not at present, and even prior to the war we could not. There is no demand for small sections there.

5. The only purpose for which the land could be used is that for which you are using it—that is, for farming purposes?—Yes.

6. *The Chairman.*] Supposing the rates were what you would consider moderate, could you at the value at which your property is assessed make a fair living from the farm?—One could manage to make a living out of it if the rates were as they were under the county.

7. Could you have sold your property before the war at the valuation made by the Valuation Department?—No.

8. Why?—We tried to, on account of the high rates. It has been in the market for some time.

9. Is it unsaleable because there is no demand, or because of the price?—The Government valuation is £100 an acre, and we would have been prepared to take £100 an acre for it, but could not get it.

10. Supposing you could have effected a sale, could you have got £100 an acre?—Of course, we were quite prepared to put it on the market at the Government valuation.

11. Sometimes an article may be worth a certain figure, but you cannot sell it because there is no demand. Which is the case in Upper Hutt—that the values are too high, or there is no demand for the land?—I think it is because there is no demand. I do not altogether object to the unimproved value of the land now.

12. Your land is worth £100 an acre, provided you could get a purchaser?—Provided the rates were lower, but we have got a daily increasing rate, almost.

13. Do you say that the high amount of rates reduces the value of the land?—That is so.

14. *Mr. Campbell.*] If you were back to the old county rate, could you sell it at the value put on it?—I do not doubt it for a moment.

The Valuer-General. I may state for the information of the Commission that in revaluing Upper Hutt district last year the fact of the increase in rates was taken into account in fixing values. The increase in rates is always a factor in fixing values by the Department.

JOHN PEARCE LUKE examined.

1. *The Chairman.*] You are Mayor of the City of Wellington?—Yes. I have come before you on behalf of the citizens. I think the genesis of this Commission was produced in the Wellington City Council. Complaints brought before the City Council by letters and also by representations of a personal character were of such a nature that the Council requested the Government to go into the whole matter of valuation, and I believe that you three gentlemen are here very largely as the outcome of that resolution. With your permission I will deal with a few of the questions, and I hope, if you do not think they are altogether within the scope of your authority, you will not rule them out if they are of any use to the public. I want to compare the position as between Wellington and Auckland, not for any captious reason, but simply as an answer to some who have spoken as to the burden of rates being put on one community as against the lesser burden put on the other. Auckland rates on the annual value, and I am taking the year ending 31st March, 1913. The Auckland annual value was £679,369. That capitalized on a 5-per-cent. basis would give £13,587,038. The amount of rate that was collected was £121,686, or a rate of 3s. 3d. in the pound. That is approximately correct. I am not dealing with water, for that is a rate on the annual letting-value. In Wellington, for a like period, the capital value was £18,754,349, the unimproved value of which was £10,106,365, leaving improvements £8,652,262. The rates collected in Wellington that year were £153,053. If that was on the annual value, the basis this city would have to rate on would be £1,125,261, and it would work out at 2s. 9d. in the pound. In other words, if we rated on the same basis as Auckland we should be paying in this city about 2s. 9d. as against in Auckland 3s. 3d. When you consider that the public utilities of this city are far more advanced—and I say it advisedly, because, while we admire the spirit of the Auckland people in completing the whole of their public utilities and services, you must admit that at the present time Auckland people are carrying out the completion of their drainage system, whilst we have completed ours a considerable time. There are other things I need not mention. However, the system of rating does not matter much one way or the other. What does matter is the valuation, and that is where I think the people are very much concerned. They do not so much mind whether the rating is on the unimproved or on the capital value, but they do want to pay what is a fair rate, and nothing more. If you take the new valuation of the City of Wellington just completed, the capital value is £19,760,942, or an increase of £599,517; the unimproved value is £11,170,089, or an increase on the previous unimproved valuation of £1,078,889. The peculiarity of the position is this: that the value of improvements was £8,590,853, or a decrease of £479,372—nearly half a million. There is another peculiar thing about this: that during that year there were added by way of new buildings £258,801, making a total shrinkage of £738,173—practically three-quarters of a million shrinkage on the improvements notwithstanding the increase