WELLINGTON, 19TH JANUARY, 1914.

HARRY CLIFTON GIBBONS examined.

1. *The Chairman.*] What is your position?—I am a nurseryman, and appear before you with regard to the rating of my property at Upper Hutt, in the Upper Hutt Town Board District. I do not think that my valuation is too high, but the difficulty with us out there seems to be the amount that the local body collect in rates out of what we can actually make off the land. Some three or four years ago the district changed its system of rating to rating on unimproved value, and it seems to press unduly hard upon small farmers, who, unfortunately, find their land situated within the Town Board area. When we bought the land we were under the Hutt County Council, and the rates then were quite moderate. The total income I can make off my land for grazing purposes is £124 4s. per annum. The total rates on this particular piece of land amount to £92 17s. 4d. In addition, I have a matter of £225 per annum to pay for interest. In case you might think that this land may have been taken up for speculative purposes, I may mention that I was in business as a nurseryman at Lower Hutt. The rates there promised to come so high under the rating on unimproved-value system that I was compelled to look round for cheaper land and where the rates were likely to be reasonable. With this in view, some eight years ago I selected this ground at Upper Hutt, then under the Hutt County Council. If I remember rightly, the rates then were something like £24 a year. They gradually increased, and last year I was paying £46, and for the year ending the 21st March, 1915, my rates are £92 17s. 4d.

2. What is the acreage?—Roughly speaking, 48 acres. I have five allotments, and the total unimproved value comes to £5,405. I have given you the rates and the revenue, and the annual loss, apart from land-tax, is £338 18s.

3. How did you arrive at the annual loss, apart from land-tax?—There is the annual loss after allowing for rates and interest.

4. Do you complain that the unimproved value is too high?—No. The difficulty is that the rates the local body collects are too high in proportion to the income. There is no limit to it, apparently. A town district is to some extent limited in its borrowing powers, but still they take polls for loans, and a majority of the ratepayers, who live on small sections, vote for any loan they please. To show how the position presses on a man with 50 acres, I may mention that my water rates run into £36 per annum without having the water turned on.

5. The matter of local rating is outside the scope of our Commission, and I think we must refer you to the Upper Hutt Town Board on that question?—I thought the Commission was chiefly to adjust the equity of valuation and rates. If the rates can be allowed to go so high, surely the valuation should be lower.

6. Neither the Valuation Department nor the Commission has anything to do with that. The Department values the land, and the local body has limits of rating, and it is a matter for the local body, or really for the electors who elect the local body, to say what rates shall be struck.

7. *Mr. Campbell.*] Can your land be used for any other purpose that would return more?—Unfortunately not. I have spent any amount of money in advertising it. I have a large board on it now, splendidly printed, saying that I will take no deposit if a person will put up a building of the value of £200, and they can take what acreage within reason they like. I have done my best, and in eight years I have sold one small section and received a deposit of £100. I may say that the land proved unsuitable for the purpose for which I bought it. On account of the early and late frosts, we found that we could not grow nursery stuff there properly. I have said that I do not consider the valuation too high. I would like to qualify that by saying that I consider it rather high on the present rates.

PHILIP DAVID DAVIS examined.

1. *The Chairman.*] What is your position?—I am the owner of a section comprising 81 acres 1 rood 28 perches. The rates are unduly heavy, and I think the unimproved value is too high. There are only 25 acres of flat land, and the rest is all manuka hills. I am paying £18 to the local body, and the land-tax brings the rates and taxes up to £25. All I can get for the section, if I let it, is £25 a year, and I am working it to the best advantage. I am not altogether objecting to the valuation of the back portion of the property, but I am objecting to the valuation of £200 an acre on the road frontage. That land if put on the market to-morrow on a forced sale would not bring £200 per acre.

2. What could you realize if the sale were not forced?—I offered the whole section to the Town Board recently for £1,300. The Government capital valuation is £1,200, and the unimproved value £1,090. I could not sell it for £1,300. I would ask for a reduction of at least £250. The land is part Sections 128 and 217, in the Upper Hutt Town Board area.

3. What do you say the valuation on the road frontage should be?—Not more than £100 per acre. I have sold only one section of that portion of the land. It was a corner section, and realized £100.

4. Do you know you have the power, if you object to the valuation, to put on it a lower valuation and ask the Government to take it over at that price or reduce the valuation to it?—Yes. I may mention that before the Court sat last time I asked for a special valuation of this particular property, and paid the two guineas. I was going away for a holiday, and asked at the Valuer-General's office that the valuation might be made within three days or not until a month afterwards. A promise to that effect was given me. I went away after the three days, and the valuation was made in my absence, and notice sent to me to object within fourteen days. The valuation I was then appealing against was £1,600, and the revaluation made a reduction of £200. I was away, and could not attend the Court to object. On my return, I