be a statutory form of printed lease that might be used by all public bodies; the same with regard to the appointment of valuers and the making-up of the award or valuation. It should be a simple form that would be deemed to be a compliance with all the laws on the subject. I do not see why it should be considered necessary to obtain the consent of the Corporation for a tenant to mortgage or to sublet. Then, on the question of arbitration and valuation, my idea is that arbitration, as we understand it, should be struck out altogether. By "arbitration" I mean the appointment of two arbitrators and an umpire, and the calling of witnesses, and probably representation by counsel, and all the other cumbersome machinery in connection with it. From my experience as a valuer arbitration has not obtained the desired result. My suggestion is that valuations should be made by three valuers, without evidence, drawn by ballot from a body of experts licensed for the purpose, subject to the right of either side to appeal to the Court. Under the present system there is no great trouble in Dunedin, yet one can see how serious trouble might arise. Suppose I am appointed by the tenant and somebody else is appointed by the Corporation, the tenant expects me to get his rent reduced as much as I can, while the man who is acting for the other side feels that he is there to get the best rent he can, and the effect of it all is this: that instead of the valuers being there for the express purpose of trying to arrive at a true value they are more in the position of advocates arguing to try and influence the third man, with whom the decision really rests in nine cases out of ten. Just to give an illustration: There was an estate in which there was about £75,000 worth of freehold property. It was a trust estate. The Court decided that the property should be apportioned into two equal parts, and directed that the perpetual trustees should prepare the partition and submit that partition to two outside expert valuers, who would confirm it or reject it as the case might be. Mr. Park and I, as representing the trustees, went into the matter and prepared a scheme of partition which we submitted to the two outside valuers. The two valuers went round and inspected the properties. We all met later on and discussed the whole thing, and we settled the value of that £75,000 worth of property in about two hours. If that matter had been sent to arbitration it would not have been fixed up in a month. Both sides have expressed their satisfaction, and have complimented us on the manner in which the work had been done. With regard to licensing of the experts, I think there would have to be some kind of examination. It is true that under the present system experts are nearly always appointed, but generally the more expert they are the more trouble there is in arriving at a valuation. That is not an argument against experts, but against the system of each side having a representative. Then, as to the basis on which we proceed in valuing rental, I think in Dunedin we are influenced by a combination of three things: first there is the freehold values prevailing in the neighbourhood, eliminating any special cases with special circumstances; secondly there are the other ground-rents prevailing in the neighbourhood; and thirdly there is what may be termed the productive value of the piece of ground, particularly if it has a building upon it which is let for a specific purpose to a number of tenants—what can be made out of it. In valuing I try to bring as many points of view to bear on the position as I can so that one may check the other. I do not like the idea of considering the speculative value. Things may go back sometimes. In valuation cases, when I am discussing matters with the other valuers, I find they generally adopt one or other of the bases I have mentioned. A valuer usually adopts the one which suits his side best. In determining rental value I do not think there is any definite rule that should guide valuers. In arriving at the capital value we hardly ever take the Government valuation. I agree with Mr. Reynolds that the Government valuation follows the rental we fix. It comes after instead of going before. I cannot say that tenants are generally satisfied with our valuations. A tenant may profess that he is not satisfied when to a certain extent he is satisfied, and many tenants are really ignorant of the value of their land. As an illustration, just recently a large firm in this town had a lease which fell in. It had to be revalued in the ordinary way, and I was appointed on behalf of the landlord. The tenants came to me and said, "You make the valuation yourself, and we will be quite satisfied with whatever you say is a fair value." I said I would not do that. I could not serve two parties like that. I asked them to appoint their own man and let us go ahead in the ordinary way. We did so, and the result was that the rent was increased from £90 a year to something like £200. Had I fixed that on my own account I should have been for ever condemned by those people. As it was they were dissatisfied, and they said they were going to appeal. Well, a sale of property took place shortly afterwards in the vicinity of their property, and when they saw the result of that they came to me and said they were sorry they had objected, that they did not know the value of their property, and that they were now quite satisfied that the rental placed upon their holding was a fair rent. I have seen the scheme of valuation suggested in Wellington, endeavouring to arrive at the rental by seeing what can be made out of the land. That involved that in every case you have got to treat the land as being vacant. You erect on that land imaginary buildings, and you get imaginary rents, and you have imaginary expenses; then you take one from the other and you get an imaginary ground-rent. Well, there is too much imagination about that. If you have a suitable building on land which is let it is very useful for checking the value you fix upon the land, but to start off with imaginary things I do not think is a reasonable scheme at all. It is not a method that appeals to me. Under such a system you could really make your ground-rent anything you liked. You could take off so-much for repairs; you could make any allowance you liked for vacancies, and all the rest of it. If that system were to be followed in every case I do not think you would ever reach agreement if you had three men acting. In valuing a building I do not take into account its suitability to the neighbourhood at all. I endeavour to arrive at its value by what such a building would cost, and allow depreciation for the time it has been up. Although a building might be considered an encumbrance on the land it would have a certain value from the building point of view. Probably it does not make the land more valuable. I think the tenant is entitled to full value for his buildings even though they may be out of date.