

the boundaries of the borough were further altered by the exclusion of an area of approximately 381 acres of farm lands, which thereupon became included in the County of Oroua (*N.Z. Gazette*, 1924, page 18). On 12th December, 1924, a further and last exclusion from the borough and inclusion in Oroua County, of some 60 acres of farm lands, was gazetted (*N.Z. Gazette*, 1924, page 2952).

The lands comprised in the two 1924 exclusions are shown on the plan (Appendix A) produced in evidence by the Town Clerk, and are therein respectively referred to as "first exclusion" and "second exclusion." With more detail these excluded lands are also shown on the plan produced by the Oroua County Clerk (Appendix E). The borough boundaries were further altered by inclusions of lands to the west of the borough, previously in the County of Manawatu.

Apart from the excluded farm lands, the Borough of Feilding contains an area of approximately 600 acres of farm lands. These lands for the most part lie to the north of North Street, and along the borough boundary of the Oroua River.

(b) RATING OF FARM LANDS NOW OR FORMERLY IN THE BOROUGH OF FEILDING.

The plans hereinbefore referred to show the rating position of the existing assessments of farm lands now or formerly in the Feilding Borough. An examination of the plans will disclose the high rating of these farm lands. To give a single example from the evidence: Mr. J. M. Turnbull, who owns on Sherwill Street 10 acres which he has farmed for over ten years, had his rates in respect thereof increased from £12 3s. 9d. in 1918 to £23 10s. 10d. in 1928–29. He receives no borough service in respect of water, sewerage, or footpaths; and he stated in evidence that no work had been done for a considerable period on the roadway fronting his property. Mr. Turnbull claims that he receives no benefit from the borough loans, and it is obvious he can at present receive but little.

The heavy burden of special rates on the farm lands now or formerly in the Borough of Feilding is well exemplified by the fact that £63,883 of the total borough debt of £175,714 is on account of loans for water-supply. The rates to meet the interest and sinking fund on these water-supply loans are levied on all lands, irrespective of whether they receive the water or not. A large portion of the burden of these rates is carried by farm lands to which the water-supply is not available.

Your Commissioners consider that it is a fair deduction from the evidence—

- (i) That the occupiers of farm lands now or formerly in the Borough of Feilding do not receive adequate benefit by way of borough services for the rates paid by them.
- (ii) That the rates paid by such occupiers are generally excessive, having regard to the fact that the said lands, so far as can be estimated, cannot be used for other than farming purposes.

(c) DESIRABILITY OF CLASSIFICATION OF LANDS NOW OR FORMERLY IN THE BOROUGH OF FEILDING FOR DIFFERENTIAL RATING TO AFFORD RELIEF TO OCCUPIERS OF FARM LANDS.

The consideration of this matter necessitates consideration of the general question of classification of borough lands, and of the desirability and practicability of affording, by means of differential rating, relief to farm lands included, or formerly included, in boroughs.

It will be observed from the evidence that the Valuer-General (Mr. T. Brook) was strongly in favour of, and that there was from the other witnesses general support of and little opposition to, the application of a differential system of rating which would secure a measure of rating relief to the occupiers of farm lands in boroughs, who of necessity require comparatively large areas for their farming pursuits, and who do not receive or require the same extent of service as is afforded to the occupiers of business and residential areas. It was, however, stressed that classification of borough lands to effect such differentiation in rating should be approached with considerable care, and, as the circumstances of each borough vary greatly, should be applied only after careful inquiry into those circumstances, and especially into the debt, income, expenditure, and rating of the particular borough. In this connection your Commissioners quote from the evidence as follows:—