

SIR GEORGE FOWLDS. (Page 24.)

*The Chairman.*] I understand that what you say is that if any modification of the existing system of rating, whether that rating be on the unimproved value, capital value, or annual value, is necessary to secure a greater measure of justice, then you would agree that such modification would be proper if it were done by giving relief to a certain area or to a certain amount of land?—Yes.

And you think that inquiry should be made into each individual case?—Yes.

*Mr. Nash.*] If a system could be worked out creating charges in proportion to the value received, do you think that would be better than the present system?—Yes; it might be possible to do what you suggest by adopting a zoning system, but that would be a waste of time, in that the unimproved-value system of rating is in itself a zoning system.

MR. H. D. BENNETT. (Page 119.)

*Mr. Nash.*] You have seen the classification scheme that was proposed to the Commission by the Valuer-General?—I have not seen it.

[*Mr. Nash* briefly explained the classification scheme (see page 15) to witness, and asked whether he (*Mr. Bennett*) considered the scheme, if well worked out, would give the relief desired.]

*Mr. Bennett.* I think so. That certainly seems to meet the point that I had in my mind.

*Mr. Strand.*] Would it be necessary for any tribunal set up to classify a district to go through that district very carefully, and take all the circumstances into consideration?—Yes.

And if that is done, you think that a greater measure of justice would be secured than under the present system?—Yes, I do.

*The Chairman.*] You have told us that in your opinion local conditions vary very greatly. Would you, as a result of that, tell us whether you think it is wise that, in dealing with the question of giving what you have told us is the necessary relief to farm lands in boroughs, a careful and detailed investigation is necessary in the case of each individual borough dealt with, with provision for reclassification when such reclassification becomes necessary?—You cannot escape it, sir. It would be impracticable to lay down a fixed formula.

You think that, generally speaking, legislation could not be made applicable without careful detailed inquiry into each case?—Yes; all that is required is the application of a formula for setting up the machinery, so that when set up it will be possible to go into the merits of each and every application.

MR. MARTIN LUCKIE. (Page 131.)

*Mr. Strand.*] I think you have made it quite clear, *Mr. Luckie*. I do not think, after expressing the views you have, it is at all necessary to question you about exclusion. On broad principles, if exclusion is not a remedy, would you strongly advocate classification?—Undoubtedly.

*Mr. Nash.*] You mentioned in your evidence a principle upon which everybody appears to be agreed: that the rates should be levied in proportion to the services rendered or the benefits conferred by the expenditure of public money?—Undoubtedly.

If, then, classification achieves that object better than the present system, you think classification ought to be brought in?—To make the best out of a bad bargain as far as it can go, I quite agree.

MR. P. J. O'REGAN. (Page 140.)

*Mr. Strand.*] If a man is charged for something that he is not getting and cannot get, and which it was never intended that he should get, and he is not receiving anything indirectly by way of increased value, then he is being rated unjustly?—I would answer that in the affirmative.

In cases like that, do you think some system ought to be brought forward by which he could be relieved, and those that are receiving the immediate and direct benefits should pay for what they receive?—Yes, I agree. I would qualify those answers by saying that I consider that the payers of rates are not necessarily those who can be relied on to give a correct opinion.

*Mr. Nash* (page 141).] You have examined the proposals for the classification of lands for rating purposes as presented by the Valuer-General?—I have.

What do you consider will be the effect if such a system of classification is put into operation in the Dominion?—I should say that, if it will remove the injustice indicated, a case has been made out for classification, but it is a system which could be very easily abused. It should be a *sine qua non* that it should never be applied on the initiative of the local body. The Valuer-General is the man who should be entrusted with the responsibility.

You mentioned the case of farmers complaining of hardship. If we can cite cases from our own knowledge that are likely to be repeated in other parts of the Dominion, where farmers are paying larger sums than they should pay by way of local rates, do you consider relief should be given if it can be given?—Yes; and I am prepared to approve differential rating, provided it is surrounded by proper safeguards.

The Mayor of Marton, *Mr. F. Purnell*, wrote to the Commission as follows:—

May I express the firm opinion, as a result of many years' observation and experience, that in equity it would seem highly desirable that, where farming-lands are included in borough areas, there should be some means of classification of such lands in order that they should obtain some measure of relief from the payment of borough rates, particularly in regard to water, sewerage, and what may be termed "service" special rates where they do not at present get any benefit: and where there is no chance, or probably only the remotest chance, of obtaining any benefit of such services in the future or during the currency of the special loan. I am, however, firmly of the opinion that it would be dangerous to apply hard-and-fast legislation. Every individual borough and its special circumstances should be considered entirely on its merits, and the legislation should only be enacted to provide the machinery to enable the question to be effectively and definitely dealt with as indicated above.