

(iii) *Remits regarding Differential Rating dealt with by the Municipal Association of New Zealand.*—In July, 1923, the following remit was proposed to the conference of delegates of the Municipal Association of New Zealand held at Christchurch :—

That Borough Councils in whose districts arable lands are being farmed shall be given the following powers :—

- (a) To determine by resolution which particular parcel or parcels of land within the borough are farm lands, provided that no area under 5 acres in extent shall be classified as farm lands :
- (b) To allow a uniform rebate to owners or occupiers of farm lands of such an amount as the Borough Council shall determine upon the general rate struck in the borough for any particular year.

This remit was lost. In the opinion of your Commissioners, the proposal that the Borough Council should determine the amount of the rebate to be uniformly allowed to owners or occupiers of farm lands upon the borough general rate for any particular year was not a wise one.

In 1924 the following remit was proposed to a similar conference held at Auckland, and was carried :—

That the Government be requested to pass legislation at the earliest opportunity to enable Town Boards to give differential rating over agricultural lands.

(c) RECOMMENDATION OF CLASSIFICATION OF LANDS NOW OR FORMERLY IN
BOROUGHES FOR DIFFERENTIAL RATING.

Your Commissioners having already recommended the adoption of a system of differential rating based upon classification of lands, in order to give relief to the occupiers of farm lands in the Borough of Feilding, are of opinion, after careful consideration of the whole of the evidence, that such a system may be applied generally to boroughs which include, or formerly included, lands used and occupied for farming purposes.

Classification for differential rating of the land formerly in boroughs will necessitate in most cases some modification of the financial adjustment between the borough and the county. Your Commissioners would here point out that the rate charges per acre in respect of lands situate in the outer areas of a borough are generally many times greater than the rates on contiguous lands of equal producing-value in the county, the charges on the borough lands being generally heavier than the lands can reasonably bear if they are to yield a fair return for labour and capital outlay.

(d) NECESSITY FOR CAREFUL INQUIRY IN THE CASE OF EACH PARTICULAR BOROUGH
DEALT WITH.

It was stressed by numerous witnesses that, before classification was applied to borough lands, careful and detailed investigation should be made into all the circumstances of each individual local authority dealt with. With this your Commissioners are in entire agreement, being of opinion that in particular the following matters should be taken into consideration :—

- (i) Full data of the borough history, valuation, indebtedness (with particular reference to loans for special areas), rating, and the important feature of whether the borough is a growing one or stationary, or decadent ;
- (ii) The benefits received by the borough farming-lands, and the rates paid by them ;
- (iii) The proportion of the borough farming-lands to the other lands in the borough.

(e) METHOD OF APPLICATION OF CLASSIFICATION OF LANDS FOR DIFFERENTIAL
RATING OF FARM LANDS NOW OR FORMERLY IN BOROUGHES.

In recommending the following procedure for the application in proper cases of classification of lands for differential rating of farm lands now or formerly in boroughs, your Commissioners have endeavoured to set out as fully as possible the procedure which they think should be adopted :—