

and £6,180 respectively, are apportionments of the unimproved value of Orakei No. 1 Reserve C 2, as recorded in the district valuation roll on the 22nd August, 1921. It is to be observed that the apportionments do not correspond with those made by the Valuation Department as at the 26th July, 1928. The unimproved value for Orakei No. 1 Reserve C 2A, according to the assessments made by the Valuation Department, was £2,350, and for Orakei No. 1 Reserve C 2B, £6,115. No assessments for the particular subdivisions had been made by the Valuation Department at the time when the purchases were undertaken. The valuations arrived at by apportioning the value of the block amongst its subdivisions on an area basis may properly be adopted.

44. The particulars given in the schedule disclose that Mr. Mays proceeded with the acquisition of interests at a price which was generally in excess of the valuation in force. In some instances it was appreciably higher. On the other hand, certain of the purchases made by him were at a figure less than the calculated value of the interest. It seems clear that the prices were fixed by agreement. Nevertheless, unless the price paid equalled the amount at which the interest was valued, I think, having regard to the provisions of section 372 of the Native Land Act, 1909, it must be looked upon as a price less than that which should have been paid and less than a fair and reasonable price. Throughout the time Mr. Mays acted as purchasing agent, the valuation current was that appearing in the district valuation roll as at the 31st March, 1911, and this was subsisting when Mr. Bowler took over the purchase operations. Mr. Bowler proceeded with the purchase on the basis of the unimproved value as shown in that valuation, after making a deduction of an amount equal to the compensation awarded to the Natives for damages sustained through the erection of sewerage-works. The Valuer-General was requested by the Native Department to obtain a special valuation of certain blocks (amongst them being the papakainga), and this was duly made on the 9th and 10th May, 1918. The value for Orakei No. 1 Reserve as disclosed by the special valuation was regarded by the Under-Secretary of the Native Department as being high compared with the values of adjoining lands. The real value was not, in my opinion, less than the assessed value. Mr. Bowler was instructed thereafter to purchase interests in land on the unimproved value shown in that valuation and to make separate arrangements for the purchase of improvements. Subject to what is said later, Mr. Bowler and Mr. Goffe purchased on the basis of the valuations existing at the time.

DEDUCTION FOR SEWERAGE COMPENSATION.

45. Subsequent to the making of the valuation in 1911, and before any purchases were made, the owners of Orakei No. 1 Reserve, on the 5th December, 1912, were awarded, as against the Auckland and Suburban Drainage Board, compensation for the loss of enjoyment of land upon which a sewer was erected, £150; for severance, £75; for loss of access to sea and beach, £1,750; and for depreciation of value of building and residential sites through the existence of a sewer along the front and manholes therein and unsightliness, £275—a total of £2,250.

Certain interests in the papakainga were purchased by Mr. Mays at a price which was less than that at which the interest was valued. Mr. Mays, in assessing the value of the interests, may or may not have taken the amount awarded for sewerage compensation into account and made some adjustment in the valuation. The evidence is silent upon the matter. When Mr. Bowler was acting as Native Land Purchase Officer he deliberately made a deduction for the compensation in respect of certain interests purchased. No deduction was made in the case of any purchase effected subsequently to the special valuation of May, 1918.

46. There was, in my opinion, no reason why certain of the vendors should have received a price equal to, or in excess of, the value of the interest according to the valuation appearing in the district valuation roll, while others should have received a price calculated on that valuation less a deduction on account of the sewerage compensation. So long as the valuation appearing in the district valuation roll stood and a special valuation was not obtained, I think payment should have been made in accordance with the spirit of section 372 of the Native Land Act, 1909, and that the purchase-price for any interest should not have been less than its value calculated upon the unimproved value as appearing in the district valuation roll.

Hereunder are scheduled the cases where the vendor has not received a purchase-price equivalent to the value of his interest based upon the value actually appearing in the district valuation roll. The deficiency in payment appears in the fourth column:—

Vendor.	Consideration.	Value of Interest.	Difference.
	£ s. d.	£ s. d.	£ s. d.
Koria Watene	50 0 0	59 12 6	9 12 6
Mereana Roera	7 13 3	11 3 2	3 9 11
Ngakuku Paora	52 13 5	64 3 2	11 9 9
Ngapipi Reweti	50 0 0	66 2 2	16 2 2
Paipa Taierua	7 0 0	8 7 4	1 7 4
Taoho Watene	50 0 0	59 12 6	9 12 6
Tataiarangi Watene	50 0 0	59 12 6	9 12 6
Timi Paora	52 13 5	64 3 2	11 9 9
			<u>£72 16 5</u>

I recommend that the difference be paid to the Natives concerned.

There are two other cases in which the question of a deduction for sewerage compensation arises. These are considered in paragraph 47.