

The one-third or half-cost of valuation, as the case may be, temporarily borne by the Government Valuation of Land Department will, it is hoped, be fully recovered by the contribution from the Advances to Settlers' Office, and fees payable for valuations required by private persons, companies, firms, &c., and the Government Insurance, Public Trust, Stamp, and other public offices and departments. From the foregoing it will be seen that, at the most, only a moderate portion of the cost of the general valuation will become a charge against the Valuation Department.

Formerly, under the Rating Act of 1894, the principal local authorities made the valuations for their districts and bore the whole cost, while the other local authorities rated on the valuations made by the principal local authorities and only paid the actual clerical cost of preparing their own valuation-rolls. This system has been followed in drawing the regulations under the present Act. The Valuation Department makes the valuation, and supplies the principal and other local authorities with valuation-rolls. The one-third share of the cost of valuation is borne by the principal local authority alone, whilst the others pay the actual clerical cost only of compiling their rolls from the general roll.

It is provided under the regulations that the amount due by any principal local authority may be paid by instalments extending over two years. One-half of the amount due is payable on receipt of the valuation-roll, one-quarter within twelve months, and the remaining quarter within two years from the date of such receipt.

With regard to the incidents of the valuation, the number of objections was no greater than in former years, but more difficulty was experienced in holding the sittings of the Assessment Courts owing to the engagements of Magistrates preventing a sequence of sittings such as was obtainable when objections were heard before Reviewers.

Much difference of opinion has been expressed by persons interested with regard to the department's system of valuing improvements, and its action has been misrepresented in some quarters. In very many instances owners have sought to claim, as a deduction from the capital value, the amount originally expended on improvements (instead of the value of the improvements at the date of valuation), and thus reduce the unimproved value to a figure much less than the present selling value of the land, excluding improvements. When, under the Property Assessment Act, tax was levied on the value of land, including improvements, the values placed upon the latter by owners were very small indeed as compared with the values now sought to be placed on the same classes of improvements.

Without doubt errors of judgment have been committed by some valuers, and some instances of careless work have occurred; but it can scarcely be expected that a valuation of the colony could be made without the necessity arising for some corrections. It is, however, part of the present system that assessments can be adjusted at any time if the owners make application for a re-valuation, or if the Valuer-General is of opinion that the value appearing on the roll is incorrect. It is hard to believe that a valuer has been always wrong and an owner always right, seeing that it is the interest of every valuer to earn a reputation for making fair valuations.

Some idea of the work involved may be gathered from the fact that it has been necessary to make some 231,965 separate valuations, of which 119,258 are in the North Island and 112,707 in the South Island. These, together, represent an increase of 23,506 since the assessment of 1891. All particulars shown in the attached form for a certified copy of an entry in the general valuation-roll can be given with regard to each separate valuation, and, in spite of occasional mistakes almost inseparable from a large undertaking, it may fairly be submitted that the valuation has been carefully made and, as a whole, is reliable for practical purposes.

Although the cost of the general valuation has been heavy, it is certain that a long period will elapse before it becomes necessary to make another. Indeed, there will be no necessity for another general valuation at all if the attempt to keep the present one up to date is successful.

Sufficient time has not elapsed since the receipt of rolls by local authorities to enable me to express the opinion that they have given entire satisfaction. The number of complaints has so far been very small, and, from the assurances received from all over the colony, I am satisfied that the officers of local authorities will co-operate with and assist the department in carrying out its duties. Many anomalies and errors have already been set right. Is it too much to ask for a little more time before judgment is passed either for or against the valuation?

I have, &c.,

JOHN MCGOWAN, Valuer-General.

The Hon. the Minister of Lands.