

12. You say it is a simple matter to arrive at the producing-value as compared with the selling-value: that is the groundwork of your statement?—That is so.

13. Then comes the matter of the imaginary buildings. One valuer might say that a suitable building should be one costing £5,000, and another might say that a £10,000 building would pay: how is a valuer to arrive at the producing-value when it depends on the class of building?—In Mr. Harcourt's case we have set out the figures.

14. His figures go to prove his case, but I want the principle?—You must take first of all, is the building suitable; and then, what is the fair value of the building. The Court has to determine if it is a suitable building for the site.

15. You say that your side got a valuation made as to the producing-value of a section at £3 a foot, and another man who you say is prudent, and on whom you have reliance, values it at nearly double. How would the Department arrive at the valuations for this section and for the whole of Wellington on the principle you propose, when there is such a difference between the experts you get and the experts the other side gets?—I think it is much easier to find out the true value that way than by the way we have to-day. Look at the extraordinary difference in values. I know of one case where a man values at £80 a foot and the Department at £150 a foot. Where you have suitable buildings we think you cannot get away from the figures to find the true value. In Mr. Harcourt's case, Mr. Macintosh has no doubt argued that too much has been charged for depreciation, and has put up the value accordingly.

16. *The Chairman.*] Both under the Valuation of Land Act and under the Corporation leaseholds, according to the Court of Appeal, the land has to be valued as if there were no buildings on it?—Yes.

17. Then Mr. Campbell puts it to us, how is one to take into account the productivity? You say there is to be assumed that there is a building, and the Court of Appeal says that even if there is a building it has to be assumed that there is no building on the land?—Yes. The Chief Justice said, "A prudent man would say, 'I will put up such-and-such a building; what will be the outgoings and what will be the income.'"

THOMAS NEAVE, examined.

1. *The Chairman.*] What is your position?—I am a solicitor practising in Wellington. I desire to follow in the footsteps of Mr. Tripp in offering a few observations upon the present state of the law in the matter of these valuations. It is not my intention to make any complaint concerning any specific cases of excessive values as fixed by the Department, and anything I have to say will be directed to a consideration of clauses (d), (e), and (f) of the Commission's order of reference. I appear at short notice in response to an invitation which I received by letter from the Secretary of the Commission this morning, and I do not intend to make any extended or elaborate statement of my views upon this matter, but to indicate as briefly as possible some of the features that have presented themselves to me as counsel for a number of objectors to valuations recently considered by the Assessment Court in this city. I have been associated with Mr. Tripp in this matter to a considerable extent, and my views on the matter coincide with his almost exactly. Clause (d) of the order of reference, the constitution of the Assessment Court, is, I take it, in the forefront of the Commission's considerations. The first observation I have to make upon that matter is that the Court does not possess a judicial character at present. I do not desire in any way to criticize the gentlemen who occupy the position of members of the Court, and every observation I make is directed to the constitution of the Court as fixed by existing conditions, and the criticism I offer is a criticism directed against the existing conditions, and not against the gentlemen who occupy the responsible positions of members of the Court. That I wish to make perfectly clear. I think Mr. Tripp exactly described the Court, when he described it as un-English. I think that is the correct term to apply to the Court as at present constituted. May I direct the attention of the Commission to one or two of the statutes in New Zealand dealing with matters of a kindred nature, where disputes are settled not by an ordinary Court of law but by one of the special Courts set up under various Acts on our statute-book. Take, for instance, the statute which must be known to almost every member of the community—the Industrial Conciliation and Arbitration Act. There is a Court set up under that Act consisting of a permanent President, who is a legal member and holds the status of a Supreme Court Judge. Associated with him are two other members of the Court—one appointed by one party to the dispute and one appointed by the other party to the dispute—that is to say, one is appointed by the employers and one by the workers whose differences are referred to the Court for decision. In a Court of that nature all parties have adequate representation, and no criticism can be levelled at a Court constituted in that manner. Under the Public Works Act there is a Compensation Court set up, to take another example. That Court consists either of a Judge of the Supreme Court or a Magistrate, according to the amount involved in the dispute, and another member appointed by the claimant, and another member appointed to represent the local body, or the Department, or the Government against whom the claim is made. There, again, no criticism can be levelled at the constitution of the Court. Both sides are adequately represented. To take another case. Go to the Workers' Compensation Court, or the Court that deals with claims made by workers who have received injuries in the course of their employment. Perhaps this is duplicating, because it is the same Court as is set up under the Industrial Conciliation and Arbitration Act. But there the employer has the benefit of a judicial member and a member appointed by the general body of employers, and the injured party has the benefit of the judicial member and of the member appointed by the general body of workers. Nothing, so far as my experience has extended, has ever been urged against the composition of any of these Courts. Then take