

by way of lease. I take up a lease for twenty-one years, and I build a house costing £200, knowing full well that at the end of the term the land reverts to the Natives; and I put up a house that will stand for that time, using white-pine. After three or four years I decide to buy the land, and the Native gets considerably more than the lessee from the house as his reversionary interest. I have had no end of trouble. We ask for a valuation, and we find that the reversionary interest of the Native is far more than it should be because of the value of the improvements. I have discussed it here in the office, and they are prepared to admit that the position is hardly fair. I had a case a little while back where the buildings were valued at £40 and the Natives' interest in those buildings amounted to £30, and the lessee got £10 consideration in his improvements. Certainly the term was very short, having about nine years to run, on a twenty-one years' lease. However, the buildings were put there by the lessee, and were valued at £40, and the lessee was allowed £10 consideration.

2. He had no clause for improvements in the lease?—No.

3. I understand, with regard to these Native leases, you are really following on the same lines another witness has taken up. You say that the rental should be fixed at $3\frac{1}{2}$ per cent. on the freehold value, but under the Valuation of Land Act 5 per cent. on the freehold value is put as being what the leasehold interest ought to be worth?—What I wanted to convey is that that was what was being paid on the leases now— $3\frac{1}{2}$ per cent. on the valuation as assessed by the Valuation Department.

4. You mentioned 5 per cent. Were you referring also to the way in which these interests were valued under the Valuation of Land Act—you mentioned $1\frac{1}{2}$ per cent. difference?—I mentioned that they were losing $1\frac{1}{2}$ per cent. on their interest, as fixed by the Valuation Department.

5. And paying rates and taxes on it, too?—Yes, the rental tax. I put it to the Public Trustee: "Are you prepared to buy the land?" He said, "No; the tendency is to buy land for settlement purposes, but not to buy townships." I said, "I realize you would not buy if you desired to," and he said "Why?" I replied, "Because you would only get $3\frac{1}{2}$ per cent. for the next twenty-one years."

6. Would you make it of general application that the valuer should not be a local man?—I was speaking with special reference to Native reserves and townships.

7. Did your remark apply generally to the Assessment Court under the Valuation of Land Act—that where the Valuation Department appoints a valuer he should not be a valuer in the district?—I would not like to go quite so far as that. I was only intending to touch on Native matters.

8. *The Valuer-General.*] Are you speaking out of your own personal knowledge when you state that the valuer to whom you refer is the Government valuer?—I can only repeat what the Public Trustee told me himself.

9. Would you be surprised to know that there is no such valuer in the Department as a man named Adams?—I might have made a mistake in the name, but I was under the impression from what was told me by the Public Trust Office that the man who valued this property was an auctioneer in the town.

10. Would you be surprised to learn that the Government Valuation Department has nothing whatever to do with this valuation?—I would not be surprised at anything so far as that is concerned. I can only repeat what I have been advised by the Public Trust Office.

11. The Public Trustee appoints his own valuers and assessors where Native lands are vested in him. It is quite true, in cases like Greymouth and Hokitika, he can get an advisory valuer from us, but eventually, before the rents are fixed, the Public Trustee appoints three assessors, and none of them are my officers. There is no law that compels the Public Trustee to take our valuations?—That is simply an opinion I received from the Public Trustee himself. But I remember he distinctly told me they were paying 5 per cent., and until he called an officer in he did not know that the Greymouth lessees were not paying 5 per cent.

JOHN RYAN examined.

1. *The Chairman.*] Do you wish to make a statement to the Commission?—Yes. I reside in Upper Vincent Street, Auckland. I come to protest against my valuation in the city, and also to protest against the valuation placed on my property at Okupu, Great Barrier Island. It was valued at £300, and all of a sudden it was put up to £1,320. I do not know the cause of that rise. I think they want to hunt the people off the island. There is very little money-making down there, and the country is very rough.

2. For how many years was the valuation £300?—I have been paying on £300 all the time, up to this year. I have a house in Grey Street, off Brighton Road, Parnell, which is insured in the State Fire Office for £300, and Mr. Flanagan will only value it at £200. The unimproved value here about five years ago was £55 per section, and now it is £100. I have been writing to the man who receives the property-tax, and eventually he wrote to me that the valuation of the Valuer-General is final, and there is no redress for me. That was three years ago, so I did not see there was much good in trying to get a reduction.

3. Did you appear at the Assessment Court to combat the valuation?—No. I took it that there was no use in my appearing on account of the word I had received from the Receiver of Land Revenue, that the valuation of the Valuer-General was final.

4. *Mr. Campbell.*] Have you got that paper?—No.

5. *The Chairman.*] How many acres have you at the Barrier?—663 acres 3 roods 25 perches. They did not give me the number of the lots, but lumped the whole thing together. I think it would be a good thing to keep the tax until the particulars are supplied.

6. What do you mean by not giving you the number of the lots?—I did not buy the land in one piece, but got it in a number of lots. I sent the papers down to the Barrier,