

ment land cannot be sold. Land on one side may be sold at £50 a foot, but you may offer £100 a foot for the endowment land and you cannot get it. Why should it be valued at £50 a foot when it cannot be sold. There should be some reduction made in the valuation in the case of endowment land.

2. With regard to the system of valuation, are you able to compare in any way the sales which actually take place with the Government valuations of the same properties?—Yes.

3. Do you consider the sales are under or over the Government valuations?—As the Government valuations are usually based on the saleable value, they must be fairly near.

4. That is the principle of the statute as it is now. What was the depth of the property you referred to as being sold at £40 a foot, with a 50 ft. frontage?—I suppose, 100 ft. or 110 ft.

5. The valuation you gave would be the Auckland City valuation. Under the annual value system the local body gets its own valuation made, which is the rental value, but there is a clause, which is sometimes appealed to, that the rental value is not to be less than 5 per cent. of the freehold value, and that is the 5 per cent. I take it you refer to?—Yes.

6. With regard to the endowment lands, you said they could not be sold. Do you mean there is no legal power to sell?—Yes.

*The Chairman* : That is a question which I think we shall have to consider. The Supreme Court has held that where there is no power to sell that has to be taken into consideration in making a valuation. (To the Valuer-General, after reading section 39 of the Valuation of Land Act, 1908) : Would you value this endowment land in fee-simple, as if there was power to sell?

*Mr. Flanagan* : Yes.

*The Chairman* : That is how I read the statute. Yet, in the Hutt Park case it was decided that where an ordinary freehold was being valued you must take into consideration the fact that there is no power of selling or leasing, and reduce the valuation accordingly. If the property is leased no allowance is to be made for the fact that it cannot be sold, yet if the property is not leased that has to be taken into consideration. That is an anomaly, and Mr. Cumming wishes us to take it into consideration.

#### ERNEST HAWKINS LITTLE examined.

1. *The Chairman*.] What is your position?—I am manager of Arthur Tooman and Co. (Limited), of Auckland, auctioneers. I desire to read the following letters written by me to the Minister of Lands : “ 19th November, 1914. —The Hon. Minister of Lands, Wellington.—DEAR SIR,—I purchased a piece of Native land of 106 acres from some Natives, through one Mr. W. S. Wilkinson, of Auckland, some little time ago, subject to it going through the Native Land Court. The valuation then, dated 1912, was £1 per acre. It has since been valued, presumably for Court purposes, at £168, equal to £1 11s. 6d. per acre, which is out of all proportion to the value. The section adjoining (147 acres) I also purchased only six months previously at a Government valuation of £1 per acre, and considered the 106 acres next to it was worth even less on account of it being so poor. Of course, there are no improvements, merely third-class and gum land; and no water on either sections. Nothing has happened to increase the value of the second section (which, by the way, has not come before the Court yet), and I would certainly not have negotiated for this second lot if I had any idea of an increased value being placed upon it, as it will cost when I fence and improve it more than much better land could be bought already improved and fit to carry stock. It is certainly not worth more than £1 when one has to start and improve it on account of the very poor quality. I am anxious to increase the area for my boys, and there are about 240 acres still adjoining which I would take up for them if the valuation was not excessive, and not more than 15s. per acre. The sections are situated in Otioro and Te Topuni A No. 1, 147 acres (completed), Government valuation £1; and 106 acres adjoining Part A No. 2, assessed at 15s. In conclusion, I have, I think, a very reasonable and good cause for objection, which I trust you will consider.—Yours faithfully, E. H. LITTLE.” And here is another : “ 23rd November, 1914.—The Hon. the Minister of Lands, Wellington.—DEAR SIR,—Referring to my letter of the 19th instant, I made a mistake in quoting the 1912 valuation at £1 per acre. I find the valuation was approximately 15s. per acre. The increase has been 16s. 6d. per acre.—Yours faithfully, E. H. LITTLE.” I cannot see for the life of me what has put the value up. The lot that has not yet gone through the Court was valued at 15s. an acre in 1912, about the time I purchased the adjoining block of 147 acres.

2. What valuation district are they in? The block is in the Otamatea Survey District. It is an exorbitant price. I presume this latest valuation was made for Native Land Court purposes.

3. *Mr. Campbell*.] This assessment of £1 11s. 6d. per acre is what you will have to pay for the land?—Yes.

4. *Mr. Rutherford*.] Is it gum land?—More or less.

5. That valuation would not be done by the Government Valuation Department, would it?—I presume it was. Certainly it is a surprise to me, and if it goes through I shall have to pay it; but I will not be inclined to purchase any other portion of the block, which I probably would do if the valuation was moderate.

6. *Mr. Campbell*.] You are not compelled to buy it?—I do not know how I stand in connection with it. I have paid deposits on it, and as soon as it goes through I am supposed to find the cash for it. When I negotiated for it the value was 15s. per acre, and I concluded it would go through at about that. I do not know that I would have objected at £1. There was no alteration in the value of the 147 acres I first purchased.

*The Chairman* (to the Valuer-General) : Does this happen to come under your notice?

*The Valuer-General* : They all come under my notice. Under the Native-land laws the Courts require to be furnished by the Valuer-General with a valuation of any land proposed to be dealt with by the Court either for freehold or leasehold purposes. In consequence of that law, valuations are