

24. *The Valuer-General.*] I presume from your remarks they are directed more to the values of suburban land?—Yes, my experience is more in respect to the valuations of suburban land.

25. About the suburbs of Auckland?—Yes.

26. You stated that the values assigned by the Valuation Department are not the actual values: how would you arrive at the actual values?—I would arrive at the valuation for taxation purposes as being that which the property would sell for if it were being disposed of.

27. Why for taxation purposes?—Because a person may not want to sell his property, and therefore it cannot be offered for sale by reason of the fact that the owner does not want to dispose of it.

28. What you want to have is a system of taxation that will protect the owner from a valuation on other than what he would think is a fair value for his property?—No. There should be a fair and equitable capital valuation of the property and a fair adjustment of what is termed the “unimproved value” and the value of improvements.

29. The Chairman directed your attention to the definition of “unimproved value”—viz., the amount a property would bring in the market if offered for sale on such terms and conditions as a *bona fide* seller would require. The practice of the Department is not to take as evidence in each particular case the price realized for a property adjoining?—But it is. That is one of the strong objections to the system of valuation at the present time—that because one section in a locality or an estate brings, say, £4 per foot the whole of the contiguous sections shall be valued at the same ratio.

30. Will you be surprised to learn that in the valuation of Takapuna, with which I suppose you are valued, I gave instructions—and they were, I suppose, carried out—to underestimate sales by 25 per cent.?—Such instructions were not carried out, then, for many properties and sections were overvalued. There was one subdivision regarding which I think I am within the mark in saying there were fifty objections. When the objections were being heard the Assessment Court upheld a number of them, whereupon Mr. McGowan, the head of the Lands Department at Auckland, stated that if the owner was willing to sell at the price which he had placed in his objection, and so offered it to the Government within fourteen days after the Assessment Court was held, the Government had to reduce the valuation to the amount asked by the objector.

31. That does not answer my statement. I stated that instructions had been given to keep down values 25 per cent. That 25 per cent. was knocked off before notice was sent out to the owners?—Those were your instructions, perhaps, but they were certainly not carried out.

32. How do you know?—By the experience, and I have just given you some.

33. Neither you nor any one else knew the valuations at the time this was done?—I do not say you did not give that instruction, but, if you did, it was not carried out.

34. *The Chairman.*] When the original values went into the Department they were reduced in the Department by 25 per cent. before the notices went out, and therefore the owners would not know what they were originally valued at?—No, perhaps not. All the owner knows is the assessment that is put on his property by the Department.

35. *The Valuer-General.*] When the Assessment Court sat and sustained the valuations it was quite right of Mr. McGowan to say that the owners had the right to offer their properties to the Government at their own valuation. Owners took advantage of it, and that being so, what injury is done to them by the valuation?—When they objected they were not aware there was such a provision in the law. That is one point. It is an easy matter for the representative of the Valuation Department to know what the law is in every particular, but each individual person does not know, and it came as a surprise to all in the Court to know that there was that right. The reason I quoted the facts I have mentioned is because of the statement made by the Valuer-General that instructions were given that 25 per cent. was to be knocked off the actual value of the land, when in reality the owner was prepared to sell at fully 25 per cent. less than the values which were placed upon the land. In one instance an allotment was valued at £300 which was for sale at £200.

36. That may be an individual case. One swallow does not make a summer?—There were fifty objections, and in every one there was more or less 25 per cent. reduction on the valuer's valuation.

37. *Mr. Campbell.*] By the Court?—No. By reason of Mr. McGowan's statement with regard to the provision in the Act that dissatisfied objectors could offer the property to the Government at their own valuation.

38. Did they follow it up?—Yes.

39. What happened?—The reduction was made. The owner went further, and said he would be very glad to realize 10 per cent. less than the value to which it had been reduced.

40. *The Valuer-General.*] Those are individual cases. There were fifty objectors you say?—I am within the mark in saying fifty.

41. Do you know how many assessments there were in the Borough of Takapuna?—I do not know. Let me be clearly understood. I have referred to one estate only.

42. There were 2,487 assessments in the borough, and the number of objectors is generally an index as to the satisfactory nature or otherwise of the valuation. The general system of the Valuation Department is not to make a valuation, send out the notice, and if it is objected to to send it at once to the Court. I suppose you know that when objections come in they are sent to a conference with the valuers?—That has not been my experience.

43. Were you an objector?—Yes.

44. Did the case go to the Court?—Yes.

45. Was your objection upheld?—A large number of my objections were upheld.

46. Those that were not upheld, did you contest the case still further to get the valuation lowered?—These were some of the steps that were taken to which I have referred.

47. I mean after the Assessment Court gave its decision?—Yes; those I have mentioned as calling upon the Government under section 31.