

Part of Mr. Druce's land is bordered by a stream. It has a nice elevation, slopes to the north-east, and is well watered. It is better average quality than the higher land, and that made Mr. Druce's land more valuable than some of the adjoining land. Mr. Laing had a fair hearing at the Court, occupying a considerable time, and the Court treated him with all patience, and gave him every latitude. Mr. Laing told you about land on the opposite side of the creek which was valued at £3 an acre, but he did not say anything about land on the opposite side of another creek which was valued at £20 an acre. This £3-per-acre land is very much further away, and is much poorer land. I do not hold that the land valuer is infallible, nor do I despise any man's opinion if I think it is worth having. I often discuss land-values with people generally, and in Court I could have produced evidence of those who knew the property and considered my valuation very reasonable.

29. *The Chairman.*] We have had something said about pastoral lands gradually becoming suburban land. There has been the case of an owner cutting up his property into allotments and selling half of them. It has been suggested that if a few allotments could be sold that puts a section price on the whole of the remainder of the property, and also on the adjoining property. What do you say to that, so far as your experience in valuing goes?—There are many considerations. Usually when a property is cut up into allotments it is roaded, and the roading requirements in a borough are fairly expensive. When a piece of land has access to a made road and footpath, as an allotment it is naturally more valuable from a selling point of view than an adjoining piece of land that has not got those advantages. The value of a piece of land in the neighbourhood of a cutting-up district to buy in a lump depends entirely on whether there is a demand for land for that purpose. Generally, too many sections are cut up. Often the land is cut up into too small sections. That applies to some of these places in Otahuhu, and towards the Manurewa Station.

30. What about the roading?—It is only recently that there has been any provision for adding the cost of that roading to the improvements of the land. We suggested that Mr. Alison, who gave evidence in Auckland with regard to Takapuna, was entitled to have something allowed him on account of roading the block.

31. *Mr. Campbell.*] And the price of the land also that had gone into the road?—No, the land that went into the roads was dedicated to the Crown.

32. A man cuts a farm up and puts streets through at enormous cost, and gives the land also to enhance the value of the other land; do you allow for all that is done on the road and for the land that is given for the road?—I have not had very much experience of that, but I understand the principle is that we value the land at what it would sell in a lump with these roads in it and the value given by the roading; instead of being put down to the unimproved value, a reasonable amount is put down as an improvement.

33. The cost of giving the land and making the roads?—Not necessarily all the cost—what is a fair cost.

34. *The Chairman.*] Do you give first of all the value of the unimproved value of the land, apart altogether from the improvements?—As applied to a general valuation, yes.

35. In these cut-up cases, it would appear as if you first valued the land away from the improvements and then superadded the benefits the land has had from the roads, and that makes up the capital value?—That varies from ordinary farming land, and does not come into the category of ordinary improvements existing on the land. If you value at £25 per acre and then proceed to value the improvements there is always a danger. It is working from the wrong end. It is better to value the land, and then build up the improvements.

36. Improvements done off the land itself, such as roading and draining, are now included as an improvement. Do these improvements operate in this way, that they tend to reduce the unimproved value?—Not necessarily.

37. Do they at all?—They do in certain cases, but to a very small degree. It would only be in a case where a considerable expenditure had been entered into to improve a road, and that would have to be classed as an added improvement, and to that extent it would decrease the unimproved value. Taking places generally, there are not many instances of it.

38. Are these new improvements added to the improved value, and so swell the capital value, and not taken off the unimproved value?—To my mind, there was an anomaly in the old Act. In the first place, we were called on to value land as if there were no improvements on it—that is to say, unimproved—and, secondly, we had to value the improvements by the amount which they increased the selling-value of the land, but not exceeding their cost. If you took these two together, you would not have sufficient to make up the value at which the land was selling. A man has 100 acres, worth £30 an acre. From inquiries, he is satisfied it is worth £16 per acre unimproved. He puts down £16 per acre as the unimproved value. When he comes to sum up his improvements he cannot consistently value them at more than £10 per acre. That makes up £26 per acre. If he is anxious to value at £30 per acre there was a danger under the old system, in starting with a capital value of £30, to value the improvements at £10 and call the £20 difference the unimproved value. Under the present law, where there is a deficiency of that sort we can call it "added improvements," and that is really an advantage.

39. *Mr. Campbell.*] You made the statement that if a property was cut up and roaded you would increase the value?—As against a property not roaded, and always assuming the roads were an improvement. There are cases where land has been roaded and not sold, and it has had to revert back into a farm. In such a case the roads, instead of being an improvement, have been a hindrance.

40. In a borough such as this, where the demand for land is not great, you would not value it for more than grazing or farming purposes?—You cannot say that this land jumps from purely building lots to farms. Such a place as Otahuhu is occupied by a number of people who have retired. They do not want to live in the city, but want to be in the neighbourhood of a borough, where there are the conveniences of civilization. They buy a few acres to make a home, and they are willing to give more than the land is actually worth from what might be called the purely farming point of view,