

rates were charged at £28 2s. 6d., as against £9 15s. 1d. for the previous year—about three times as much. I called at once on the Valuation Office in Dunedin to protest, but was told that they could do nothing, as I had failed to protest in due time. I produce a schedule showing the increases made in the separate runs, from which you will see that the valuation of Run 335B has been increased no less than eight times, Run 433 nearly four times, and Run 95A and 99A nearly doubled. The highest number of sheep I have attempted to winter on the whole of the runs since I took them over four years ago has been from 6,200 to 6,300. For two years we commenced the winter with that number on the books, and each year we were about 1,500 short at shearing. Last year there were 5,300 on the books, and I only sheared 4,900—the smallest loss we have yet sustained. In the last three years the runs have not paid interest on the capital, and there has been no reserve for losses. I would also point out that to enable me to carry the before-mentioned number of sheep it has been necessary to go to considerable expense in growing winter feed, which, of course, goes to make a severe inroad on the profits. On Runs 335B and 433 the losses for two consecutive years were 25 per cent. of the sheep. On Run 95A and 99A considerable losses have occurred among the cattle, and very little of the run is at present used for sheep, as only a very small portion of it is adapted for sheep, the greater part of it being of an extremely rugged nature.

Schedule of Valuations, 1911 and 1914.

—	Area.	Capital Value.	Unimproved Value.		Improvements.	
			Owner.	Lessee.	Owner.	Lessee.
Run 335B—	Acres.	£	£	£	£	£
1911	27,050	415	..	..	..	249
1914	27,050	3,100	2,470	230	..	..
Run 433—						
1911	24,600	603	..	..	..	..
1914	24,600	2,230	1,640	590	..	..
Runs 95A, 99A—						
1911	49,600	752	..	..	..	..
1914	49,600	1,320	1,085	165	..	70

I am not prepared to say what in my own opinion is the capital value of the above runs, but I cannot see what grounds there can possibly be for the excessive increase as indicated above. My books are open for the inspection of the Commission should they have any doubts as to the correctness of the foregoing statements, and I can also submit for your consideration the statement I have made to Government for income-tax purposes, showing that the results of last year's working showed a debit balance of £31.

2. *Mr. Campbell.*] These are Government runs, I presume?—Yes.

3. High country?—Yes, and very rough. They are on the east side of Lake Hawea, and run up the Hunter Valley to the glacier.

4. *Mr. Rutherford.*] How many acres are there in the three runs?—101,000 acres altogether.

5. And carries five or six thousand sheep?—6,200 at present.

6. It carries cattle and horses also?—I had a hundred head of cattle, but had to get rid of them. I have to keep about twenty horses for ploughing for winter feed.

7. *The Valuer-General.*] What county are these runs in?—Vincent County.

8. Do you know the cause of your increase in rates?—I presume there was an actual decrease, because they were reduced by $\frac{1}{4}$ d. in the pound.

9. Formerly the rateable value was the capital value capitalized at 6 per cent. on the rent. In 1910 the law was altered and a revaluation of the runs made. Not having asked for a revaluation in time, the values cannot be altered now before the 1st April, 1915. You are not prepared to say what the unimproved value of these runs is?—Except by an expert it would be most difficult to say, because the great portion of the country is composed of bare rugged mountains. You can judge that from the fact that there are only 6,000 sheep on 101,000 acres.

The Chairman: In the absence of any evidence as to what you consider this land is worth, it is quite possible this increase in rates is not due to any wrong done by the valuation, but to the alteration that the Legislature in its wisdom has thought fit to make in the Act. However, we will take what you have said into consideration.

ALFRED FLEMING QUELCH examined.

1. *The Chairman.*] What is your position?—I am Mayor of the Borough of Mosgiel. About three years ago the Mosgiel Borough came under the rating-on-unimproved-value system, which necessitated a revaluation of the borough. The valuation that took place then has caused a lot of concern to many of the ratepayers, chiefly, I take it, owing to the want of uniformity and consistency in the values. I was not a member of the Council when that took place. When the people were apprised of their valuations a number of them objected in the ordinary way. The officials of the Valuation Department came to terms with the objectors, and, I believe, with the exception of one man, everything worked satisfactorily. There was no Assessment Court