

3. *Mr. Anderson.*] Do you object to the capital value on your section?—No. My objection is that they have not allowed enough for improvements.

4. They have valued you too highly on the unimproved value?—Yes.

5. Did the valuer go all over the section before the value was made?—I saw him in the yard, and that is all I saw of him. If he went over the place it was in my absence.

6. Did he ask for any information as to what you had spent on the place?—No.

7. *Mr. Rutherford.*] Have there been any farms in the district sold recently?—Not adjacent to me. There was one sold at £22 or £23.

HUGH MCCOLL, sen., examined.

1. *The Chairman.*] What is your position?—I am a farmer, of Seaward Downs. I own 247 acres, but represent practically 694 acres taken up in one block fourteen years ago. It was a block of swamp, and had no buildings on it; simply a ring fence. It was composed of Maori heads, rushes, and flax. Myself and a young family started on it, and we reclaimed that swamp from a quagmire to the splendid farm it is now. Since then I have cut the block into five farms, and retained 247 acres for myself and the younger members of the family. I have given the other members of the family the land at first-cost price, and I put in a statement of what my family consider they have put on the land in the way of improvements from the start. The unimproved value of Southland is built up at the expense of the permanent improvements. We do not think that our capital value of £18 to £20 an acre is too high, but the amount that we are allowed for improvements is far too low. I leased the place for seven years at 5s. an acre, with the right of purchase at £6 10s. an acre. At the end of seven years I could not afford to purchase, and got a year's extension, and at the end of the year I was able to purchase on condition that I got a rebate of £1 an acre. The owners did so, and therefore I bought the place at practically £5 an acre. You will be surprised to know that on that 247 acres I pay £19 county rates. When the rating on unimproved value came in our rates went down slightly, but they have increased very much since then. As a whole the farmers do not object to the capital value, but they do object to the assessment of the unimproved value.

2. *Mr. Campbell.*] What is your unimproved value?—Capital value, £4,011; unimproved value, £2,656. £1,355 is my interest according to the Government valuation; £2,514 10s. according to my valuation of the permanent improvements on the place.

3. *Mr. Anderson.*] Have any valuers come on to your place and consulted with you about the improvements before the valuation was made?—Yes, I must give the valuers credit for that. We did not get to understand matters as we do now. Mr. Smaill said he would find buyers for the places if we objected to the values.

ANDREW HALL examined.

1. *The Chairman.*] What is your position?—I am a farmer, at Edendale, occupying 112 acres. My capital value is £3,327; unimproved value, £1,832; lessee's interest in the unimproved value, £643, and in improvements, £803; owner's interest in improvements, £49. I hold an education lease on Edendale Plain. It is a twenty-one years' lease, with eleven years still to run. The question of improvements is a burning one, and there are one or two points in regard to it that have not been brought out. It seems to me that there is something wrong when a lessee has to pay tax on the goodwill of a lease. On this plain there is no natural shelter and no natural water in the shape of creeks. One has to go in strongly for planting either in the way of live fences or trees, and with our climate the question of metalling, and roading, and gateways is a very heavy item, which I do not think valuers take into consideration at all. We must have a gravel track to our door, must gravel extensively round the buildings and in all gateways and around the troughs, which means a considerable outlay. Then there is the question of shelter-belts. Take the case of one going into a bare paddock as I did. Supposing we plant 1,000 fir-trees. The cost of the trees is not very great, but they have to be planted and protected. What is the cost of that in comparison with the value of those trees twenty-one years hence, when my lease expires. After being on the place for ten years I am beginning to get a little advantage from the trees which I planted when I went in, but at the end of twenty-one years those trees will be in full value. That is a case where the value of the improvement greatly exceeds the cost of the improvement, and it is a point that is overlooked very often. The same might apply to liming. There is a certain cost in liming land, but the value of it is quite a different matter. £1 spent in liming is really worth £3 to the man who does it, especially in Edendale. I do not know whether Mr. Smaill examined my place minutely, but I met him coming out of the gate, and he asked me if I had limed the farm. He might have known from the appearance of the pasture. I do not think we get anything like the value of our improvements. We get what they cost us, and not the value they give to the land. What is apparently called the goodwill or lessee's interest is a diminishing quantity, and works out to nothing at the end of the lease.

PATRICK WALSH examined.

1. *The Chairman.*] What is your position?—I am a farmer at Edendale. I hold a lease 178 acres; capital value, £4,094; unimproved value, £3,094.

2. Do you complain of the capital value?—Both of the capital value and the unimproved value. I consider they are very high. The capital value is £3 an acre too much. I am a neighbour of Mr. Hall, and we started out together. My unimproved value has increased from £9 to £15 an acre in five years, according to Mr. Smaill's valuation. I have limed the whole