

VOTE—VALUATION DEPARTMENT.

974. The net expenditure under this vote for 1914–15 and 1930–31 was as follows :—

1914–15.			1930–31.		
Salaries.	Other Charges.	Total.	Salaries.	Other Charges.	Total.
£	£	£	£	£	£
24,106	19,053	43,159	38,470	30,014	68,484
Less credits-in-aid ..		8,750	Less credits-in-aid ..		13,457
		£34,409			£55,027

975. The staff increased from 93 in 1914–15 to 134 in 1930–31.

975A. The excess of expenditure over income, after allowing for assessed rent, interest, and depreciation, for the past four years was as follows :—

				£
1927–28 .. .. .	..	..	..	9,988
1928–29 .. .. .	..	..	..	11,724
1929–30 .. .. .	..	..	..	8,998
1930–31 .. .. .	..	..	..	11,107

976. The Department carries out specific valuations at the request of the State Advances Office and other Government lending Departments, and for the assessment of stamp duties, and also has the duty of revising valuations for land-tax and local rating purposes.

977. In regard to special reports for the State Advances Office and other State lending Departments, fees are charged which in some cases cover the full cost of the service rendered ; in others, notably in the case of fees for valuations for the State Advances Office, the amounts do not cover the full cost of the service, and **there is no reason why the full cost should not be collected either from the State Advances Office or charged direct to applicants.**

978. This Department also supplies reports to the State Advances Office as to the condition and value of securities where default is made, and for these reports a small fee only is received.

979. In addition to the foregoing work, the Valuation Department, by reason of the fact that it has district organizations, while the State Advances Office has not, carries out a certain amount of agency work on behalf of the latter office, and a charge of £1,250 is made for this service. It appears that the payment of £1,250 is in excess of the value of the agency work carried out, and this should be reduced to, say, £500.

980. **At the same time the fees for reports both in regard to new applications and in connection with cases of default should be increased to cover the full cost of the services rendered.** This should result in a direct saving of approximately £3,000 in connection with vote Valuation Department.

981. In regard to the revision of valuation rolls, the position is that since 1896 all valuation rolls and particulars of values and alterations thereto used by the Land and Income Tax Department and by all local authorities rating under the “ capital value ” or “ unimproved value ” system of rating have been supplied by the Valuation Department, and the regulations provide that the cost shall be divided as follows :—

- One-third by the Land and Income Tax Department ;
- One-third by the Local Rating Authorities ;
- One-third by the Valuation Department—*i.e.*, the Consolidated Fund.

982. The question now arises as to whether it is equitable that one-third of the cost of this work should remain a charge against general taxation. It is recognized that there is some general benefit accruing from the existence of centrally recorded valuations and plans, but we consider that a more equitable distribution of the cost would be—

- Two-fifths by the Land and Income Tax Department ;
- Two-fifths by the local rating authorities ;
- One-fifth by the Valuation Department—*i.e.*, the Consolidated Fund.

This should result in a saving of £2,400 on this vote.

983. We would next refer to the provisions of section 45 of the Valuation of Land Act, 1925. Under this section the owner of any land who is not satisfied with the valuation as fixed by the Assessment Court may give notice to the Valuer-General that he requires the capital value to be reduced to the amount specified in the notice (being the sum which in the opinion of the owner is a fair capital value) or the land to be acquired by the Crown at the sum specified. The Crown must then either acquire the property at the figure stated or accept that figure for valuation and taxation purposes. It is recognized in many directions that the Crown is not in a position to purchase land immediately and indiscriminately, and it has therefore no option but to reduce the valuations. This operates adversely against local rates and against land-taxation.