

Appendix B.

REPORT ON THE ASSESSMENT FOR THE YEAR 1935-1936.

By order of His Excellency the Governor in Council a new valuation of the whole Colony has been made. The new Rateable Value amounts to \$36,374,100 as compared with \$38,641,856 last year, a decrease of \$2,267,756 or 5.87 per cent, due to the fall in rents, particularly those of Chinese tenement houses, caused by the depression.

This is the greatest decrease during the last fifty years, the next largest being in 1892 when, owing to another depression in the Colony, the decrease was 3.15 per cent.

2. The following table gives a comparison of the Assessments for the year 1934-1935 and 1935-1936.

District	Valuation 1934-1935	Valuation 1935-1936	Increase	Decrease	% Inc.	% Dec.
	\$	\$	\$	\$		
The City of Victoria ...	25,175,534	22,621,874	...	2,553,660	...	10.14
Hong Kong Villages ...	2,883,138	3,504,962	621,824	...	21.57	...
Kowloon	8,371,033	8,044,854	...	326,179	...	3.89
New Kowloon	2,212,151	2,202,410	...	9,74144
Total	38,641,856	36,374,100	...	2,267,756	...	5.87

3. The decrease in the valuation of the City of Victoria is due mainly to the fall in rentals, and to a small extent, to the separation of the Hill District, which has been included with Hong Kong Villages this year.

4. The increase under Hong Kong Villages is due to the inclusion of the Hill District this year, otherwise the fall in rentals, which has only been slight during the year, is counter-balanced by the interim valuations of new buildings.

5. In Kowloon the decrease is due to the fall in rentals of Chinese tenements and European style flats.

6. Under New Kowloon the decrease shown is due to the fall in the rentals of Chinese tenements. This fall has nearly been equalled by the interim valuations of new buildings.

7. The number of whole tenements reported vacant averaged 1,329 monthly, as compared with 1,100 last year. This is the greatest number of vacant tenements ever reported. The high number of vacancies is due to the overbuilding in recent years followed by the depression.

8. By order of His Excellency the Governor in Council, under Ordinance No. 3 of 1926, refunds of rates were granted for vacant floors of tenements, having regard to the allowances for partial vacancy already made in the assessments, for the first and second quarters of 1935. The number of vacant floors notified under this order during the first quarter of 1935 amounted to 2,201. These are additional to the vacancies of whole tenements referred to in paragraph 7.

The total number of inspections of vacant tenements and floors for the month of April was 3,551.

9. In December it was decided by Government that for the new assessment, coming into force on July 1st 1935, owners should be given the opportunity, during the first three weeks of January, of electing to have refund of rates for vacant floors throughout the coming rating year, where they so desired. Owners have so elected in the case of some 5,000 Chinese tenements, and as a result, over 10,000 additional assessments have to be made, an increase of over 33 per cent.

10. During the year ending 30th April, 1935, 1,792 Interim Valuations, as compared with 3,211 in the previous year, were made as follows:

	CITY OF VICTORIA.		REST OF COLONY.	
	No.	Rateable Value.	No.	Rateable Value.
New or rebuilt tenements and tenements structurally altered	432	\$ 650,502	724	\$ 520,103
Assessments cancelled, tenements resumed, pulled down or being in other respects not rateable	307	589,664	329	265,338
Number and Increase.	739	60,838	1,053	254,765

11. The following comparative statement shows the Rateable Value of the Colony of Hong Kong from 1925-1926 to 1935-1936 inclusive:—

Year.	Rateable Value \$	As compared with previous year		Increase %	Decrease %
		Increase	Decrease		
1925-1926	27,287,862				
1926-1927	27,998,237	710,375	—	2.60	—
1927-1928	29,016,439	1,018,202	—	3.64	—
1928-1929	30,395,447	1,379,008	—	4.75	—
1929-1930	31,617,566	1,222,119	—	4.02	—
1930-1931	33,069,602	1,452,036	—	4.59	—
1931-1932	35,071,566	2,001,964	—	6.04	—
1932-1933	37,457,725	2,386,159	—	6.80	—
1933-1934	38,941,273	1,483,548	—	3.96	—
1934-1935	38,641,856	—	299,417	—	0.77
1935-1936	36,374,100	—	2,267,756	—	5.87

12. In the ten years from 1925-1926 to 1935-1936 the rateable value of the Colony has increased by \$9,086,238 or 33.29 per cent.

13. If the interim valuations are deducted from the new total valuation of the Colony the decrease this year is 6.68 per cent. Generally speaking the reductions made in the assessment of Chinese tenement houses averaged about 12½ per cent.

14. Not only has the volume of work in the Assessor's Office been greatly increased owing to the necessity for making allowances on account of excess water charges since the abolition of the rider mains, but it has been further heavily increased by the decision to grant refunds of rates for vacant floors where the owners so elect.

15. The fall in rents has continued throughout the year and has now become more general.

EDWIN TAYLOR,
Treasurer & Assessor.

Treasury,

17th June, 1935.