

The Single Tax Review / Spring, 1906

## **Single Tax Movement in New South Wales**

By Ernest Bray

### PROGRESS IN NEW SOUTH WALES.

In the Review of a year ago there appeared, under the heading "Premier Carruthers a Single Taxer," a report of a speech by the new South Wales premier, who pledged himself to bring forward bills dealing with local government, which is in a very backward condition in this State. Most towns of 500 inhabitants and upwards are incorporated, but the total area of the municipalities is only 2813 square miles, the area of the State being 310,807 sq. miles. Outside the municipalities there is no local government, all public works being carried out by the State at the State's expense.

Mr. Carruthers redeemed his promise by introducing two local government bills into parliament last session, one to amend the existing municipalities act and the other to bring about 181000 square miles under local government, divided into areas called shires, the "Western division" of the State (about 126000 square miles) being excluded, as the population is very small, and the condition peculiar. Nearly all the land in the Western division belongs to the State. Most of it is leased in large holdings which are used for grazing sheep. The soil is good, but the rainfall light and uncertain. A great deal of this country could be irrigated from rivers and artesian sources, which have been proved to exist over a large area.

The following are the principal provisions of the present Municipalities act.

- (1) Councillors hold office for three years, one third being elected annually.
- (2) Taxes are levied on the value of land and improvements.
- (3) The occupier of the property, whether tenant or owner, is the person taxed.

(4) Only taxpayers have votes, the number of which varies from one to four according to the value of the property taxed.

(5) Women taxpayers, if single or widows, may vote, but not married women. No woman may be elected a councillor.

The amending bill provided that taxes should be levied on land values only, except in some special cases, when an additional tax on the improved value could be imposed. Owing to pressure of business this bill was not proceeded with, but it is to be brought forward again next session.

The Shires bill was passed at the beginning of December. Its main provisions are

(1) the whole council to be elected every two years;

(2) taxes must be levied on land values only; minimum tax one penny, maximum two pence in the pound;

(3) the occupier of the land will be taxed, (of course the landowner will ultimately pay the tax.

(4) Only taxpayers may vote, each taxpayer one vote, for each councillor to be elected. (No plural voting.)

(5) Women taxpayers will be on an absolute equality with men, both as to voting and eligibility as councillors.

The present State land value tax of one penny in the pound will be abolished in the Shires. Under this tax, land values to the extent of £ 240 are exempt and there is a further exemption in the case of mortgaged land. These exemptions are very objectionable; they cause loss of revenue, which may be increased beyond what is intended by law as they leave room for evasion. They are unjust, converting the measure into a class tax and they diminish the economic effect of the tax as an agent against land monopoly.

In the local government tax there will be no exemptions. The tax will be on a perfectly equitable basis, its full economic effect will be obtained, and its educational value should be greatly increased. Altogether the Shires

act represents an important step forward, and it is almost certain to be followed during 1900 by an amendment compelling the present municipalities to levy taxes on land values only.

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