

## *"the poor but honest cottagers"*

DR. ROLLAND O'REGAN of Wellington, who will be remembered for his effective lecture tour in America last year, has reported on the activities of his Georgist colleagues in New Zealand, along with some of the causes of their recent defeat, which, but for the enemy's cunning, would have been a resounding success.

In New Zealand, where many counties, boroughs and towns have adopted rating on the unimproved value of land (lvt), an attempt was made last year to extend this reform to Auckland, a city surrounded by 24 satellite boroughs comprising Metropolitan Auckland, the most populous and politically the most important area in New Zealand.

Auckland has the usual problem of inner city decadence—however, it is a city conceived in land speculation, and land value taxation had many enemies because it is known to thwart speculators. As the rating association is small, a few loyal members had to work long and faithfully to collect the number of signatures required to petition a vote on the proposal. By the time the petition was ready the enemy was also ready. The opponents made a concerted effort to block the votes for unimproved rating and gained control of "all the high ground and the guns."

The splendid work done by members has not been in vain, however, since a good deal of unexpressed sympathy has been won for the ideas of the association, and these may be crystalized when a bolder and more imaginative approach is made next year.

It is understood that in a period of change such as was proposed some hardship would naturally result and adjustments would have to be made.

These statistics were emphasized by the opponents — including the City Council, both daily newspapers and a number of influential civic, business and political groups.

An attempt to answer critics in the press was fruitless—editors refused letters from contributors expressing views favorable to lvt but published many against. In 1956 a sub-committee of the Auckland City Council reported on the changes rating on unimproved value would bring if adopted, and their analysis indicated the familiar result. Dr. O'Regan has repeatedly explained that removing local property taxes from houses, buildings and improvements, and taxing land values alone at the local level, benefits the community generally and results in 80 to 90 per cent of homeowners having their taxes reduced.

These figures were given wide publicity at the time and showed that adopting rating on the unimproved value would increase the rates on the city center by approximately £160,000, and would decrease suburban rates by a like amount. The enemy saw what would happen and set up a move to counter it. Since large changes in rates were involved in the inner city area, the conflict of interest was purported by the landed interests to be between poor owners of decadent properties and wealthy owners of well developed properties in the city. The former were represented as "the poor but honest cottagers whose property, through no fault of their own, was getting very valuable and to whom rating on the unimproved value would be a disaster." Really the conflict was between inner city interests in land—the most valuable in New Zealand—and inner city interests in high land use, i.e. good city buildings.