

## Population and Land Values

### The Sydney Rating System

By A. G. HUIE

ONE of the pretenses set up by critics of land value rating is that it will promote overcrowding and the development of slums. It is suggested that as buildings will be exempt from rates landowners will seek to make more intensive and undesirable use of land. As this is a land speculator's argument it is, while plausible, suspect.

Sydney has no slums in the sense that they are known in the older cities of the world. There are to be sure many poor dwellings in the older portions of the city and nearer suburbs. We speak of them as slums and many of them are regarded as being unfit for habitation. Judged by modern standards this is correct.

It must, however, be clearly understood that all these "slum" buildings were erected long before rating on land values became practical politics. In the old days, every building was rated as soon as it was erected. If additions were made the rates were increased. Rating houses meant inferior houses crowded together and a good time for land speculators.

With rating on land values a great change came over the scene. Population spread out and better houses were built. We are able to submit a table of figures which confirms this view in a way which should satisfy anyone but a land speculator. We have divided the Sydney district into six zones.

For each area we give the acreage and population in 1908 and in 1937—a period of 20 years. It includes the whole of what is known as the metropolitan area. It consists of the city of Sydney, its 48 suburban municipalities and three suburban shires.

We have also added six areas to the outer zone because they are as near and as much suburban areas as others which are included. That is a total of 53 municipalities and five shires—in all, 58 local governing areas. That is an even more accurate statement of what is really Sydney than the area recognized officially.

#### AREAS AND POPULATIONS

The table below shows that the living populations have declined in the two inner areas while they have increased in the outer areas where the people have much more room.

ZONE	ACRES	POP. 1908	PER ACRE	POP. 1937	PER ACRE
City of Sydney ...	3,220	127,460	39.58	88,270	27.41
Second Zone .....	5,264	165,450	31.40	156,500	29.73
Third Zone .....	15,527	143,300	9.02	275,190	17.73
Fourth Zone ....	36,078	104,292	2.89	371,900	10.31
Fifth Zone .....	95,191	93,890	.99	378,270	3.97
Sixth Zone .....	501,868	35,060	.05	120,660	.24
	657,148	669,452	1.02	1,390,790	2.12

It will be seen that there has been a substantial drop in population in the City. That, however, refers to the resident

population. The working population has substantially increased. For example, in one building 1,000 persons are employed where a few years ago there were only a small number in old buildings on that site.

In other parts of the city factories and warehouses have been built, employing many hands. Formerly the land was occupied by old terraces. The bulk of the people who work in the city live in the outer suburbs. In the second zone the building of factories has gone on to a lesser extent. Here also there has been a decline in the resident population.

#### POPULATION MOVEMENT

Let us now see how the resident population has declined in the two inner areas and increased in the outer.

ZONE	1908	1937	P. C. OF DECLINE
City of Sydney .....	127,460	88,270	30.74
Second Zone .....	165,450	156,500	5.41

There you have a definite decline where population was densest, when rating on land values was established. It is clear evidence that land value rating has not crowded the people together.

			P. C. OF INCREASE
Third Zone .....	143,300	275,190	92.03
Fourth Zone .....	104,292	371,900	256.59
Fifth Zone .....	93,890	378,270	302.88
Sixth Zone .....	35,060	120,660	197.46
	669,452	1,390,790	107.75

The greatest increase is in the fifth zone where the population now is barely four to the acre. These figures should show clearly how the population has spread out since the adoption of rating on land values.

#### HOW LAND VALUES HAVE INCREASED

Let us now consider the movement in land values. The greatest increase is in the fifth zone where the increase in population was also greatest.

ZONE	L. V. 1908	L. V. 1937	INCREASE	P. C. OF INC.
City of Sydney ....	£20,207,812	£47,822,749	£27,614,937	136.65
Second Zone ....	5,878,603	9,969,010	4,090,407	69.58
Third Zone .....	8,194,772	24,271,178	16,076,406	196.17
Fourth Zone .....	5,985,104	27,496,410	21,511,306	395.41
Fifth Zone .....	5,274,398	29,649,011	24,374,613	462.13
Sixth Zone .....	2,179,048	10,988,202	8,809,118	404.25
	47,719,737	150,196,560	102,476,787	214.74

The increases in land values in the inner areas reflect the increases in the daily working population. In the outer areas they are due to the increases in the resident population. It is quite clear from these figures that rates on land values, such as have been imposed under our system of local government have not prejudiced the source of local revenue, as land values have increased at a greater rate than the population. This confirms our view as to the ability of land rents to provide all necessary public revenue.