

This is an extract from a full page illustrated article by Bruce Juddery in the Canberra Times, January 22.

It is sad to note that the hoary old political confidence trick of "widows and orphans" has been used to justify the iniquitous abolition of land rent payments to the public purse. (See "Canberra puts the Clock Back" in our last issue). We hope to review Mr. Brennan's book in a later issue.

FRANK BRENNAN is a lawyer, an officer in the property branch of the Deputy Crown Solicitor's office in Moresby House. He has written a book, *Canberra in Crisis*. The first nine chapters are, by common consent, a first-rate history of land tenure and administration in Canberra. Even the people at the Department of the Interior agree on that point.

They tend to be far less complimentary about the last two chapters of the book.

Canberra in Crisis fairly cries out to be read. Not just by people interested in planning or land administration, or because they live in Canberra but because, in the context of events of the past few months, the book provides a fascinating case study of change in government, largely unbeknownst and entirely without reference to the electorate.

Mr. Brennan is a disciple, implicitly at any rate, of Henry George, the "single tax" prophet of eighty years ago. So were the founders of Canberra, King O'Malley and the rest way back, so he shares good, if deceased company.

The burden of the George thesis is that the root of all evil, economically speaking, is the "unearned increment" on land that, as values rise as cities are raised, concentrates wealth and power into the hands of speculators. The system must be so ordered, he argued, that this increment would fall to the community as a whole. In the case of Canberra, that means to the Commonwealth.

Hence the leasehold system which was considered the ideal means of applying Georgeist theory and which had such useful by-products as

THE ROAD CANBERRA MISSED

Bruce Juddery

making town planning easier, and the land rental system—which was abolished last December 31.

By pegging unimproved valuations on land for twenty years at a stretch, the Government virtually guaranteed there would be a growing disparity between the basis for its rents and the "real" or market value of leases.

It also led to the ludicrous situation where blocks in Canberra had two separate valuations, one the twenty year basis for the five per cent per annum land rent charged until the end of last year, the other usually more realistic, the basis for rates charged for municipal services.

Frank Brennan's major prescription for this sorry state of affairs is, in effect, a Henry George revivalism. Not only would he retain rates, he would—implicitly again, for he is resolutely unquantitative in his approach—increase them. He would even call the present rates for municipal services "rent," and lump them into the overall charge.

Oddly enough, this proposal makes sense. He quotes eminent authority to the effect that rates are "a rent charge in favour of the community" and adds that "the very existence of a pure water supply instantly available to all blocks adds materially to land value and this should be reflected in the land rent." The same, of course would go for the sewerage system, roads, kerbs, and street lighting.

Mr. Brennan's prescription is



murky when he deals with the broader issue of land rent. Land in Canberra, he argues with perfect logic, belongs to the people of the Com-

monwealth and they are entitled to a return on it. "The land rent," he says, "... must be a true and equitable rent taking for the Commonwealth the full rental value of the land." As a result he wants frequent reappraisements of value, taking into account both the continuing unearned increment and inflation in the economy.

It seems fair enough, but how do you determine "the full rental value of land?" What the market will bear? Do you take into account the saving to Australia from having its Commonwealth Government situated here rather than in congested Melbourne? I don't know, and Mr. Brennan doesn't tell me.

But it is worth bearing in mind that his proposals, for all their shortcomings, fall well and truly into the philosophy of the founders of Canberra, a philosophy that no one in authority has yet told us that we have abandoned.

Contrary to supposition, Interior had been contemplating reform of the leasehold system for more than two years when Mr. Gorton made his announcement last May. What the Prime Minister did was set a deadline: January 1.

What set Interior's wheels turning three years ago was the approaching second twenty-year reappraisal of a number of residential leases in Forrest, many of them, after forty years, occupied by old-age pensioners.

Some of these people faced new land rentals of as much as \$7 a week. To the top men at Interior, and they are mostly a humane lot, such an imposition was unthinkable. They considered reducing the land rent over all Canberra by a half, or even to one per cent. But that, they decided, was only postponing the evil day: if the pensioners were not driven to the pawnshop this time round they or their successor-pensioners would be, come the third or fourth reappraisal. So they

decided it would be better instead to just forget all about land rent.

This decision provided a neat administrative answer to everybody's problems. Indeed, as elaborated over the months it had positive advantages. By introducing the reserve price on land, it guaranteed that the development cost of every block would be paid before it was occupied.

But it did not tally with the Georgeist theory shared by Labour's King O'Malley and the

Conservative Hume Cook back in the early days of federation, and by Mr. Brennan now.

It is impossible to deny that the philosophical concept on which this city was founded and administered, albeit sloppily, for fifty-odd years, has been chucked out of the window.

And all for administrative reasons, by a bunch of well-meaning but secretive public servants, and ratified by an equally private decision of Cabinet.

to get their chipboard at a cheap price. There must be a conspiracy!

Sweden Never, Never, Never Shall Be Slaves

SWEDEN does not wish to join the Common Market reports a *Financial Times* correspondent; March 19. Swedish Prime Minister Mr. Olof Palme does not wish to abandon the national right to take important decisions as would be implied by Swedish membership of the EEC. That puts it in a nutshell and it is a good enough reason for not joining the EEC on its own. British politicians please note.

Plain Speaking

THE campaign in which the British Army is engaged, and in which the integrity of this country and the life and liberty of our fellow citizens are at stake, is obligatorily described, reported and discussed in terms designed to deny its real character.... One of the most dangerous words is "extremist." A person who commits acts of violence is not an "extremist" he is a criminal.

ENOCH POWELL.

Holding the Runaway Horse

REPLYING to a question in the House of Commons on Jan. 26, the Chancellor of the Exchequer, Mr. Anthony Barber, said the Government would continue to pursue a tight monetary policy. "I believe this is essential if we are to get a grip on the present rate of inflation."

From April to June last year, a period for which Mr. Roy Jenkins, the Labour Chancellor was responsible, the money supply rose by £646 million.

In the following quarter, for which the present Government was responsible, it had risen by only £240 million.

Then Why Bother?

"THERE is no point in placing upon us burdens which cannot be borne... and in the long term there must be very clear benefits because otherwise there is no point in being a member of the Community."

EDWARD HEATH.

Miscellany

If You Can't Coax 'em— Kick 'em

AFTER April 1, 400,000 "loafers,bums and parasites" in Cuba, who, according to Prime Minister Castro, "have upset the country's new social order" will be in danger of incurring penalties ranging from six months to two years of forced labour in "rehabilitation centres," reports the *Daily Telegraph* March 19.

A tough new law decrees that all males between seventeen and sixty have a social duty to work daily unless at school. Those who do not comply will be prosecuted as "parasites of the revolution."

One might wonder why there are 400,000 loafers at time when Castro has been trying his hardest to coax the maximum possible output from his people in order to achieve the aims of his economic plan. Could it be that these people do not wish to work for the state, as directed by the state and that in the absence of opportunity for individual enterprise they find themselves with no alternative?

Cruel Stupidity

SIX MALE cats have been placed in one cage and six female cats in another by scientists near San Francisco in order to observe their behaviour. It is hoped that the cats "will scratch away at each other in the interests of research into

human behaviour" (*Daily Telegraph*, March 23).

But the results will simply tell us about cat behaviour in artificial circumstances. It will tell us nothing about the human behaviour that results in these stupid and cruel experiments.

Well, it's an Idea!

APRINTING union leader, Mr. Richard Briginshaw, general secretary of the National Society of Operative Printers and Assistants (NATSOPA), has suggested that the true cause behind the closure of the *Daily Sketch* as a separate newspaper was to make free its site, estimated to be worth £15 million.

Let the Chips Fall Where They May

ENGLAND is under attack from chipboard dumpers. The Department of Trade and Industry is considering an application for the imposition of anti-dumping duties on wood chipboard imports not from just one country, but from each of Finland, Norway, Sweden, Portugal and the Irish Republic. The application may be extended to include other countries.

It seems strange that all these countries should at the same time be unfairly dumping their chipboard on the unsuspecting British public who continue buying, foolishly pleased