

AUSTRALIAN ADVANCES AND SOME TEMPORARY SET-BACKS

SOUTH AUSTRALIAN VICTORIES

TWO more places in South Australia have switched over to land value rating, bringing the total to 39 out of 143 municipal councils which exempt buildings and cultivation from local taxation. They are Gawler (pop. 5,000), the prosperous centre of a wheat, fruit and wine growing area a few miles north of Adelaide, the state capital, and Orroroo, a district council in the Upper North.

Polls were held in both places in July. Landholders only are entitled to vote and to be effective, a three-fifths majority is required although, very unfairly, for a "reversion poll" to abandon land value rating a simple majority of one vote suffices. Voting was:—

	To adopt L.V.R.	Against
Gawler	662	250
Orroroo	282	157

Gawler has had a chequered history. The first poll in South Australia was taken there in 1895. Although voting was 114 to 12 in favour the poll was not effective. A second poll, with occupiers participating, was taken in 1912 and won by a narrow margin. Six years later a reversion poll was taken. The law meanwhile had been changed so that landholders only could vote. A splendid victory for land-value rating was secured: 219 to 121. The system worked satisfactorily for 21 years but on amalgamation of Gawler and Gawler South D.C., reversion to rating buildings was required under the Act.

Last year a storm of protest blew up against a new assessment. Public meetings were organised, one of which was addressed by Mr. E. J. Craigie, land value rating literature was distributed and 420 ratepayers petitioned for a poll to be taken.

Orroroo is some 25 miles from Carrieton which adopted land value rating last year after Mr. E. J. Craigie had addressed a very well attended meeting. Among those present who were favourably impressed were some Councillors and ratepayers from Orroroo.

VICTORIAN DISAPPOINTMENTS

IT IS disappointing—and most unusual—not to be able to report a string of successful rating polls in Victoria. Because of delays in completing valuations, ratepayers who have petitioned for polls to be taken in three shires must wait a further year. In at least one shire the delay has been deliberate, certain councillors with "pull" being actively interested in land speculation.

The only poll taken was in the large shire (1,286 sq. miles) of Kerang. The local press and council are hostile

to land-value rating. A roughly 2 to 1 vote against was recorded but a strong supporter, Mr. J. A. Hipworth, has been returned to the Council.

Queenscliffe Borough may switch to rating land values. The Council is in favour. Ferntree Gully shire, which already strikes its general rates on land values applied for permission to strike its water rate on the same basis but this has been refused. Significantly Wonthaggi Borough Council has sought similar permission. Yet until the 3 to 1 poll (in 1958) which changed the basis of general rates to land values, only one Councillor was in favour. This speaks volumes.

THE LEAVEN IS WORKING

With pleasure we reprint the following from the July issue of *Progress*, monthly journal of the Henry George League in Victoria:—

"That the work of this League in moulding public opinion upon the need for practical application of our principles to current economic and social problems is bearing fruit is shown by the following series of developments which have come to attention almost simultaneously. Any one of them would ordinarily have been regarded as important.

* Passage of the Tube Railway Bill providing for part of the cost to be met by central city property owners by a rate on site-values.

* The Town and Country Planning Association's decision that the principle of site rating should be supported, and that the Government should be asked to consider making site-value rating uniform throughout the State.

* The Victorian Decentralisation League has urged the Parliamentary Select Committee inquiring into distribution of population in Victoria to adopt a master plan of which a major feature urged is the adoption of site rating in the place of net annual value rating.

* Submissions made by Mr. A. R. Hutchinson on behalf of the General Council for Rating Reform to the same committee urging that site-value rating be made mandatory.

* The Melbourne and Metropolitan Board of Works Highways and Planning Committee report urging not only site-value rating, but additional penal charges on vacant land not built within a certain time of subdivision.

* The decision of the Victorian Housewives' Association to urge the Government to apply site-value rating to the inner suburban areas to help get rid of slums.

* The passage of the Valuation of Land Bill to provide for a Valuer-General to secure uniform valuation basis for land.

* Railways Commissioner Brownbill's address to the Economic Society transport forum, urging a changed approach to railways finance with capital charges met by rates upon sites to permit lower charges to users in freights and fares.

* The decision of the General Council for Rating Reform in association with the Building Industry Congress and the Council of Progress Association of Victoria to ask the Minister for Local Government to receive a deputation to press change of the Board's rating to the site-value basis.

* Public discussions in Parliament and the Press on the menace of the current high land prices and the need to curb them.

The first step to implementation of principles is discussion. The means to secure wider discussion are broadcasting, letters to the Press, and opportunities to put our principles before other bodies for consideration. Why not join your efforts with ours to extend this process?"

NEW SOUTH WALES

A report on recent developments in N.S.W. will appear in our next issue.

From Welfare State To State Of Wealth

An article by E. Michael Salzer in the May 27 issue of the Swiss review *Die Weltwoche* translated by Dr. David B. Ascher, Israel.

WITH the proposed Land Increment Duty, which is revolutionary in respect of Denmark, they want to kill three flies at one stroke: they want to open new sources of revenue, they want to curb the land speculation which accepted dangerous forms in recent years, and they want to thank the Georgeists for their participation in the government.

People in all coastal regions complain about the imminent alienation (purchase by foreigners) since in a similar way, but on a small scale as in Switzerland—foreign, particularly German, buyers had offered exaggerated prices for plots in the finest strand districts.

The new Land Tax will take from the owners not less than 30 per cent. of the ever rising (land) increment in value and impose in this way fetters on the land speculation. Of course, land owners are angry opponents of this tax reform, but the Georgeists who belong to the government coalition and who want to cover the whole budget by land taxes and to abolish all other taxes—approximately in the way planned once by Henry George—are jubilant about this first step towards the realisation of their dream-wishes which have been considered for a long time as mere utopias.

But foreign capitalists are continuing to trust in Denmark.

Correspondence

OPEN PORTS AND STOMACH ULCERS

To the Editor of Land & Liberty,

Sir,—While endorsing every point of your article "Open Our Ports to All" I consider the statement that under Free Trade "the inefficient must go to the wall" to be an example of a common error in the Free Traders' approach, and to which attention should be drawn. It suggests a picture of ruthless struggle in which only supermen can hope to survive. This hands the advantage to the Protectionists who are well aware that as the vast majority of producers and traders are not supermen this picture alone will prevent them from even examining Free Trade arguments. To ask them to exchange comparative ease for ruthless struggle is to ignore the axiom that "men seek to satisfy their desires with the least exertion".

To suppose that greater prosperity under Free Trade is due to greater personal efficiency and exertion is unwarranted by fact, as well as contrary to ordinary experience of human nature. If one person with the advantage of lower costs and no restrictions can compete successfully against another labouring under higher costs and a mass of restrictions this does not prove that the former is more efficient; it proves that a little efficiency goes further under Free Trade than more efficiency under Protection.

Protection seldom gives complete exemption from foreign competition to home producers, to exporters it gives none; and it always means higher taxation. Thus, in addition to proficiency at his own business, the "protected" producer, worried by higher costs, must develop proficiency as a form-filler, a tax-dodger, a lawyer and a pressure-groupier. He is not saved from competition, and the sphere is extended to more difficult and distasteful tasks. Under Free Trade, with lower taxation and falling costs, the producer is free to concentrate on his own business and with the infinitely wider opportunities, no longer monopolised, almost everyone can find some outlet for his particular bent. Surely this is an easier life. Why suggest that it is not?

Henry George wisely points out that the real strength of Protection is not in the arguments of its advocates but in the average person's fear of trade depression and unemployment, which orthodox Free Traders cannot explain. The causes, we know, lie deeper than questions of trade alone. This makes the Free Trader's task difficult, but we must respect those natural fears. Instead of suggesting grim competition as our objective we should advertise Free Trade as "The Cure for Stomach Ulcers" or "How Any Fool Can Put One Over the Smart Alecks."

Yours faithfully,

FRANK DUPUIS.

Heswall, Cheshire.