

and to which the government programs are now turning anyway."

Professor Becker, speaking to redevelopment experts, stated the advantages of site taxation in forceful terms: "It is highly desirable to tax land as much as possible. The harder you tax it the more benefits you get."

It is encouraging to see pressure for sound property tax reform being advocated in the popular American press. The editorial in the *Sentinel* appeared under Edmund Burke's well known words, "The only thing necessary for the triumph of evil is that good men do nothing."

GETTING THE RECORD STRAIGHT

IN A SHORT ARTICLE covering the history of land reform legislation, the legal editor of the *Local Government Chronicle* lumped together the provisions of the Lloyd George Budget of 1909, the Snowden



Finance Act of 1931, and the Silkin Town and Country Planning Act of 1947, without any attempt to separate the taxation principles involved.

Whereas the Budget of 1909 and the Act of 1947 were concerned with specific land value increments (as in the Land Commission Act) the Snowden proposals of 1931 were for a pure *ad valorem* land tax. The failure of historians and critics to separate these totally different approaches to land taxation must inevitably lead the uninitiated to believe that all land taxation proposals are basically the same. Nothing could be further from the truth.

The emphasis that in recent years has been placed on the "betterment" question, which largely arises from planning decisions, completely ignores the basic and full-bodied arguments for comprehensive site rent taxation such as Snowden proposed.

The sheer complexity of the Land Commission Act, described as "the valuer's headache of the century" by one valuation journal, is almost entirely due to the attempt to catch people who enjoy increases in land value as a result of specific acts and events. When it is admitted that *all* land values are *community values* there can be no logic or equity in making distinctions between land value rewards gained one way or another.

The danger of superficial analyses of past attempts to recover community created values is that far too frequently the consideration is so shallow that the reader is left

in a fog about motives, purposes, effects and solutions. This is a pity because only by full discussion can the best solution be understood.

HOUSING OUTPUT IN THE U.S.A.

IN THE TWENTY YEARS between 1945 and 1965 almost thirty million dwellings were constructed in the United States—enough houses to comfortably accommodate the entire population of France and West Germany together. Of the houses built since the war, only about five per cent have been erected by public agencies and these have been much more costly than private enterprise houses finished to the same standard.

During the twenty years it is estimated that a land area larger than Belgium has been exploited for housing use. Much of the new development has been at very low densities, producing the sprawling towns with expensive transportation costs and meagre services that are now a feature of the west coast.

In spite of the very large housing output, however, the U.S. building industry has been criticised for its apparent unwillingness to modernise its production methods. Inherent conservatism in the building trades and notoriously backward and often corrupt trade unions have fought against the European trends to standardise home building. Nevertheless, the completely equipped and finished American product represents the best value for money in the world within a wide range of consumer choices. On the darker side, however, the market does not reach the poorer sections of the community, and builders when asked about rising costs invariably point to high land prices as the primary cause.

According to a recent report in the *OECD Observer*, the cost of land in the U.S.A. has arisen to exorbitant heights and continues to rise. The U.S. system of free enterprise in housing has produced dramatic results, but for the high standard of housing that the ordinary American enjoys he parts with about one-quarter of his salary. According to one critic, free enterprise methods that encourage land speculation will have to be discarded in favour of sounder economic policies if the building industry is to serve all the people of the United States.

WHAT WILL THEY FIND?

HOUSE AND HOME reports that President Johnson set up a White House Commission to make a special report on by-laws, standards, zoning taxation and development processes. The fifteen-man commission will study the legal and economic problems affecting housing. The President is claimed to have stated that "these processes have not kept pace with the times."

With much current interest being stimulated in the field of property taxation in the U.S.A., and the appearance of a number of well-reasoned cases for taxing land more and taxing buildings less, it is hoped that this trend will not be ignored. The Commission could make a good start by studying the effects of the Australian local land tax system.