

number of citizens irrespective of what or who is taxed, discarding any canons of taxation whatever. It casts aside the principles that are in discussion, namely that buildings, improvements and any "work of man's hands" be freed from taxation and that public revenues be obtained by requiring each holder of land to contribute in proportion to the value of the land he holds, whether he uses it or not. The justification is that the value of land is in a very distinct sense publicly created and therefore of right belongs to the community.

(c) As for the separate valuation, that is, for laying the basis for the taxation of land values, the technical difficulties are no greater, but on the contrary, are considerably less than those attaching to the assessments required for purposes of taxation to-day. If not an "easy" matter, what should be done must be done, and the proof of satisfactory accomplish-

ment is outstanding in the periodic valuations, showing separately the value of land apart from buildings, carried out in very many countries including Denmark, New Zealand, Australia, South Africa, Kenya, Tanganyika, many U.S.A. States and the Western Provinces of Canada.

Careful should be the choice of such Commissions, for it is noticeable how they can take the cue from one another. It is like a relay race, and it is well, provided only that the torch of truth is the baton.

A. W. M.

JAMAICA. The *Daily Gleaner* of Kingston, the chief newspaper in the Island, reprinted verbatim in its issue of January 21 the article in our November—December number, "Shall Jamaica Adopt Land-Value Taxation?" It was given banner head-lines on the leading article page.

Proof Positive—A Practical Demonstration

We give in full the following statement published in the February 21 issue of the Melbourne "Building & Construction," Journal of the Building Industry Congress.

BUILDING CONSTRUCTION STIMULATED BY SITE-VALUE RATING

Building construction figures released by the Victorian Government Statist for the municipal year ended September 30, 1955, for cities of Warrnambool and Sale show how building construction has been stimulated by the exemption of buildings and other improvements from local rates with the recent change to site-value rating.

Site-value rating advocates have pointed out that metropolitan surveys have shown that the level of building construction activity in site-value rating districts is about double that of their counterparts which still rate upon improvements. Those changing from Nett Annual Value (of land and buildings taken together—ED.,L&L) to Site-Value rating have been found to double the value of

their previous building activity within the first two years of the change.

The experience of Warrnambool and Sale (which have both recently completed their first year under site-value rating) shows that the stimulus to building applies equally to provincial as to metropolitan areas. Here are the figures covering the last year of N.A.V. Rating and the first year of site-value rating:—

VALUE OF BUILDING CONSTRUCTION PERMITS

WARRNAMBOOL CITY			SALE CITY		
	(Buildings Rated) Year to 30 Sept., 1954 £	(Buildings Exempt) Year to 30 Sept., 1955 £		(Buildings Rated) Year to 30 Sept., 1954 £	(Buildings Exempt) Year to 30 Sept., 1955 £
Dwellings	224,760	232,905	Dwellings	99,670	108,351
Other New Buildings ...	53,600	113,073	Other New Buildings ...	20,839	131,896
Alterations and Additions ...	52,754	102,225	Alterations and Additions ...	15,442	18,029
Total Building Permits ...	331,114	448,203	Total Building Permits ...	135,951	258,276

In both places the step-up in buildings other than dwellings following exemption of improvements is more than a doubling of previous levels.

The beneficial effects of stimulation to local building construction cannot be too greatly stressed. Permanent step-up in this activity means more opportunities for local labour as well as attraction of labour from elsewhere which may settle locally. It brings extra demands for carpenters, bricklayers, painters, electricians, plumbers and builders' labourers.

For the local business community nearly all the extra outlay in building construction finds its way back to local shops either in purchases of materials or spending of wages distributed through the industry.

In both cases the soundness of vision of the local business community in supporting the change to site-value rating has

been fully demonstrated within a year. Under the change the business sites as a whole carried rate increases totalling approximately £2,000. But the stimulation to the building industry to an extra £120,000 approximately in each case has recouped this many times over in added business volume.

How Site-Value Rating Would Affect Warrnambool. A study made at the request of the Warrnambool City Council in 1953 by the Land Values Research Group, Melbourne. Reviewed in LAND & LIBERTY, June, 1955. Twelve-page printed pamphlet containing detailed statistical information and map. 9d.

Municipal Justice: The Case for Land (Site) Value Rating. By E. J. Craigie, ex-M.P. The principles explained and common objections answered. Appendices giving comprehensive facts and figures concerning the operation of land-value rating in five Australian States. 36-page pamphlet. Second edition. 6d.