

## Victorian Ratepayers Vote for Progress

Magnificent new victories for the land-value principle were won in Victoria on August 23 and 25. On those dates polls of ratepayers were held in six places on the straightforward question of whether to change from the then existing (N.A.V.) system of assessing liability to local rates on the value of land and buildings taken together to the rating of land values. Voting was as follows:

	To adopt L.V.R.	Against	Ratio in favour
BROADMEADOWS CITY	5,575	1,743	3.19 to 1
MILDURA CITY	4,619	1,276	3.62 to 1
MULGRAVE SHIRE	10,735	2,302	4.53 to 1
WANGARATTA BOROUGH	2,115	510	4.15 to 1
DAYLESFORD BOROUGH	299	492	Lost
MORWELL SHIRE	2,073	2,261	Lost
<b>Totals</b>	<b>25,416</b>	<b>8,584</b>	<b>2.96 to 1</b>

Advising us of these results, Mr. A. R. Hutchinson, editor of *Progress* and honorary director of the Land Values Research Group, writes: "Some idea of the magnitude of these wins may be gained from the fact that no previous adoption poll had recorded a vote of more than 2.5 to 1 in favour. . . . In Municipal elections held at the same time, land-value rating candidates ousted the mayor of Broadmeadows and the president of Mulgrave Shire, and won a number of appointments elsewhere. The overwhelming margins secured should spur many other places to move now." Ratepayers' petitions for polls to be held this year in the shires of Keilor and Wodonga were lodged before January 31, the closing date, but due to local difficulties they have to be postponed until next year.

Commenting on the rating victories, Mr. W. H. Pitt writes from Melbourne: "Annual revenues totalling about £490,000, formerly penalising improvements, will now be levied against the site values, thus collecting part of the publicly created site rents in those municipalities."

"Where many previous polls have been narrowly won, voting this year was overwhelming. Not only those voted who would have done so because of financial gain, but also there must have been support from many who, immediately, would have suffered. These latter will have done so from support of the principle involved, realising that its adoption would benefit the community in which they live."

By the courtesy of the Agent-General for Victoria, in London, we are able to give the following background information.

**Mildura City**: 351 miles N.W. of Melbourne. Area, 5,760 acres. Population, 10,967. Dwellings, 2,578. 1953-54 Valuation (of land and buildings taken together), £407,763. General rate, 2s. 4d. in the pound. General rate revenue, £92,910 for 1953-54. Assessments, 4,088; ratepayers, 3,486. Flourishing town and fruit-growing district under irrigation. Rich chemical soil with sandy loam on surface, clayey loam beneath. Three cordial factories, ice-works, two fruit-packing and preservative factories, olive-oil factory, saw and planing mills, boot and plaster factories. Handsome and substantial bridge spans Murray River. Winter sunshine attractive feature for tourists.

**Wangaratta Borough**: 145 miles N.E. of Melbourne. Area 5,500 acres. Population, 11,000. Dwellings, 2,570. Important town at the junction of Ovens and King rivers, with substantial bridges spanning each. Good agricultural and dairying district; grain, tobacco, flax, broome, and hops largely grown. Two flour mills, foundry, rayon factory, woollen, saw and flax mills, butter and cordial factories, bacon-curing works, etc.

**Broadmeadows City**: Ten miles north of Melbourne on Moonee River. Until August was a shire, covering 176 sq. miles with a population of 23,950.

**Mulgrave Shire**: Very fertile farming district, 23 sq. miles, population 21,000, lying between Dandenong and Mordialloc about 15 miles S.E. of Melbourne. Leading industries: market gardening, fruit growing, manufacturing.

### Why Rate Land Values

The justification for making the site-value of land the basis of assessment for local rates was succinctly outlined by Mr. L. W. Brown, secretary to the General Council for Rating Reform, Victoria, in a statement issued before the polls listed above were taken. The text was given in *Progress* for August.

Mr. Brown commented that many people seemed unaware of the real case for this change. There was, he wrote, a tendency to think that land-value rating was advocated simply to curb land speculation and to enable home-seekers to get sites more easily and cheaply. Undoubtedly it did have that effect because speculative holders of such lots were more inclined to sell or develop them when required to pay about three times the nominal sums charged under the existing system. But that was an incidental result of the changed rating, rather than its objective. The real case for land-value rating was that the other system took money from citizens under false pretences.

Rates were supposed to be a payment to the council by ratepayers to cover their share of the costs incurred by the council in providing them with services, but under the present system, the rates charged bore no relation to those costs. To support this contention, land-value rating advocates compared the rate payments on adjoining built and vacant lots of equal frontage. The cost of providing the municipal services available to such sites were identical yet the present system charged the houseowner usually between ten to thirty times as much as the owner of the adjoining vacant lot. Such a disparity in payments for identical services was indefensible. Houses paid more than their fair share and vacant or undeveloped sites less than half their fair share. Land-value rating simply corrected the injustice, putting both ratepayers on an equal footing. That was why about 75 per cent of homes carried lower rates under the land-value system.

**NOTE**: The case for land-value rating is even stronger in Britain, where vacant land is completely rate-exempt, than in Victoria where owners of vacant land are required to make at least a nominal rate contribution to municipal expenditure.

### WEST AUSTRALIA

The Geraldton Municipality has changed to land-value rating. It appears that the new system has been in force since 1954 without our notice. Written confirmation and a most favourable report has been received from the Council. Report in the August *Progress*.

### THE FITZROY REPORT

"Reclamation of an Industrial Suburb."—A Municipal Rating Study Conducted by the Land Values Research Group, Melbourne, with the co-operation of the Fitzroy City Council.

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