

## THE FACTS ABOUT SITE-VALUE RATING (SVR)

The vital change that SVR would bring to Wynyard (Tas.) is that Land Values only would be rated. Buildings and other improvements would be rate-free.

Under the present rating system the fear of higher rates discourages or delays progressive improvements. In some parts of Wynyard this influence is too obvious to be overlooked. Under SVR the rates would have to be paid if the land were used or not. Land owners would be encouraged to put land to its best use, or sell it to those who would use it.

This is not a vague theoretical fancy; statistics from every area where SVR has been introduced prove it to be true.

Some people fear that lower SVR rates on most homes would mean reduced revenue for the Council. *This is wrong.* Total Council revenue would be the same under either rating system. A simple example may be taken from two adjoining blocks, one vacant and one with a home on it. At present the occupied block may pay \$300 in rates and the vacant one perhaps \$100. SVR would collect the same total of \$400 by charging each block \$200. WHY NOT? Both blocks enjoy the same advantages of situation, roads, water, electricity, transport etc. It's those advantages, provided by public money, which give them equal Land Value.

Some short-sighted business people complain that SVR would increase rates in the shopping centre. Far-sighted people realise that this temporary disadvantage would be far outweighed by increased business activity resulting from stimulated building and other employment. The truth of this was clearly shown by the N.S.W. Royal Commission on Local Government Finance, when the Retail Traders' Association, the Country Traders' Association and the Sydney Chamber of Commerce all submitted that Land Value rating should be retained.

Backward, sub-standard premises would pay more with SVR. Once modernised, these would feel the benefits of SVR. The present rating system punishes modernisation; SVR punishes stagnation.

Farmers gain from SVR – real farmers that is, not those who try to farm valuable suburban land which is far too expensive for that use. Rural land-owners who hold land for investment or tax evasion will lose by SVR, but they are not farmers. The most convincing argument in favour of rural SVR is that farmers who have won it don't vote to go back to having their own improvements rated. At the Royal Commission mentioned, graziers, woolgrowers and farmers all submitted that Land Value rating should be retained.

Residential flats and industries would pay lower rates under SVR, and rightly so. There is a public demand for them and they are more beneficial to the community than neglected, vacant land. Reduced rates for industry will help boost employment.

SVR would help to bring inner land under development before Council services have to be extended to outer areas. This must make economic com-

ways of raising funds. Gary Cooper once replied in a movie to something he didn't like, "smile when you say that, partner".

It's not always so much what's said or done as how it's said or done. So too "taxes".

The annual cost of "reserving" a particular location of land is more correctly a rent than a tax. The repetitious taxing of "improvements" tends to discourage construction and indeed rewards decay. Decay, better known as slums, brings all the ramifications which, while we may deplore them, we accept them needlessly.

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