

## UNTAXED BUILDINGS SPRINGING UP IN DUNEDIN

### Immediate Benefits from Land-Value Rating

"New building plans promise to change the skyline of Dunedin considerably in the next few years and the centre of the city may alter more than most in the near future."

So starts an article in the *Auckland Weekly News*, September 7, entitled "SURGE OF NEW BUILDING STRIKES DUNEDIN," which continues:—

"Two eight-storey shop and office buildings in the Stock Exchange area are about to go up, and some old landmarks are due to disappear. Many old buildings have had a 'face-lift' and others are to receive similar treatment. Factory buildings in the industrial section suggest that there is still faith in the future of Dunedin. A number of new buildings for the University of Otago, including a new dental school, will soon add their share to the activity in the building trade.

"Because Dunedin was fortunate enough to get solid, long-lasting public buildings in the second half of the last century as a result of the enormous prosperity accruing from gold mining, it has seemed this century to have 'stayed put' . . . Recently, however, there has been a notable surge of new building . . .

"A change in the rating system has had something to do with the advance now being made. For many years Dunedin was rated on the annual value of property, which gave no encouragement to new building in the centre of the city. As buildings on valuable sites in the centre of the city deteriorated their rating charges declined, while new housing, pushing out into the suburbs, was heavily rated.

"In 1953 there was a change to rating on the unimproved value. Owners of large and modern buildings of three or four storeys have benefited from lower rating, while those occupying single or two-storey buildings in the main street in poor condition have found the burden of rates almost unbearable. Suburban housing property has also benefited, and residents in those areas feel that the change is justified as compensation for the greatly increased cost of transport in recent years.

"The new building now being erected is not necessarily the result of rating changes, which, however, have sharply accelerated the new trend. Even at the present high building costs, it is worth while making the best possible use of valuable land by building upward as rates are no higher on an eight-storey building than on a single-storey one."

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This is the first report to reach us of the practical results derived from the decision given by Dunedin ratepayers at the poll held in October, 1953. It is particularly gratifying that it should come from an independent source in Auckland, one of the two remaining cities in New Zealand which still tax buildings.

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Dr. Rolland O'Regan, chairman of the N.Z. League for the Taxation of Land Values, to whom we are indebted for sending a copy of this most interesting article, in a letter to *LAND & LIBERTY* written in October, 1954, warned against expecting any dramatic changes in Dunedin for two years or so. He explained that permits to erect commercial buildings were being issued rather grudgingly because of the prevailing shortage of building labour and materials, and this would handicap the redevelopment of central areas. Certain factors of economic geography were also against the growth and development of Dunedin, as for instance, its limited port

facilities and comparatively poor hinterland, while the rapid development of Invercargill in the far South was to some degree at the expense of Dunedin. Dr. O'Regan believed that although the physical development of the city would not be dramatic, the effects of changing to the rating of land values would be definite and beneficial, and that they would be best revealed by comparing civic progress during the next five years with the record for the previous five years, provided that the general level of prosperity in the country remained reasonably static.

Viewed in this light, the first fruits of land-value rating in Dunedin are even more remarkable than at first appears from the *Weekly News* article. It is to be hoped that publication of this report in an Auckland journal will prompt a number of ratepayers in that city to ask why their contribution to municipal revenue should be assessed according to the annual value of the structures they occupy instead of on the land-value basis, and encourage them to work for a reformed local taxation system. And in Britain—how much longer must we wait before our press can publish reports of British towns and cities being transformed by the adoption of incentive taxation?

*POSTSCRIPT.* The British *Financial Times*, November 24, published a letter from Mr. P. R. Stubbings quoting three of the paragraphs here reprinted from the *Weekly News* article.

### "THE STANDARD," SYDNEY

#### Golden Jubilee Celebrated

*The Standard* was launched in December, 1905, to fulfil the need of the young Henry George movement in New South Wales. *Progress and Poverty* had appeared 26 years before, and many still remembered the stirring visit of Henry George himself in 1890. The paper had a modest beginning, and the first number contained no sensations. With little financial support it has survived the half-century through the determination and enthusiasm of one able man, its founder and editor for 48 years—Alexander Gordon Huie.

Mr. Huie's boundless energy and consistency of purpose, his integrity and simplicity of character, his loyalty to the teachings of Henry George, his advocacy of electoral justice, his wide circle of supporters and opponents, both in and out of politics, his refusal to be daunted by difficulties and discouragements, his impressive and sometimes spectacular achievements, combined to make him something of a tradition in the whole of New South Wales. All his qualities and all the events of the half-century appear in this long vista of journalism. He could make his point clear in plain English. Those who are looking for the monument of his life and achievements will find it by perusing *The Standard* for the first 48 years. Perhaps the fact that, except for two issues missed on account of strikes, not one monthly number failed to appear through that long period including two world wars and a great depression is the best tribute to its founder.

The new editor, Mr. C. K. Ravasz, who has had charge of the journal for the past two years, is of Hungarian origin and was a student of the eminent late Dr. J. J. Pikler. During a stay in London he studied subsequently at the Henry George School, at 4 Great Smith Street. His varied experience, ability and enthusiasm enable him to discharge his present responsibilities with distinction.

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