

were built long before land-value rating was introduced. The most important thing, however, is that they are being replaced by private enterprise and the process has already gone far. Woolloomooloo adjoins Pott's Point which is a most sought-after area, with a great number of multiple-storey modern flat buildings, these having replaced poor old buildings. The Kings Cross is now a good area but was not always so; the main streets are now good areas.

#### BRISBANE BUILDINGS

As with Sydney the city buildings of Brisbane are in advance of Melbourne. In Queen Street alone are 14 buildings each of seven storeys upwards which it would be difficult to match in Melbourne. This is all the more remarkable when it is remembered that Brisbane has only one-third of Melbourne's population. There is evident willingness to invest capital in bricks and mortar rather than sterile investment in land holding. For this the exemption of improvements from local taxation is responsible. This exemption is complete in Brisbane and not partial as for Sydney. Site-value rating is used for water and sewerage as well as for other council activities.

There was extremely little vacant land seen in the central parts of Brisbane. What little was seen appeared to have been only recently cleared for rebuilding. There were two large blocks of buildings under construction at the time. This would be the first since the lifting of restrictions on city buildings since the war.

The site-value rates on urban lands for 1951/52 were: general rate, 1s. 9½d. in £; water rate, 5d.; sewerage rate, 4½d.; totalling 2s. 7d. in the £. However, these rates are

upon valuations much out of date and below market values. There has been a revaluation by the Valuer General since, which has more than doubled the valuations but details are not available\*.

There are no slum areas in Brisbane, although there are plenty of houses in the older areas that could do with more frequent painting. These are mainly timber homes which need more frequent attention than brick. In recent years the citizens have become much more improvement conscious and the modern homes, shops, and factories now going up are of very fine design. Brick homes are increasingly sought although cost is substantially greater.

The improvement in design of buildings is not confined to the capital, but has extended to country towns as well in both Queensland and N. S. Wales. Four walls and a roof are no longer enough. Fine appearance is now sought increasingly.

\*We have received from Mr. E. J. Craigie the particulars of the revised valuation of Brisbane. They show an increase of the aggregate rateable land value of the City from £25,332,711 to £62,372,071. The rates leviable for 1953/54 are: general rate, 1s. 1½d. in the £; water rate, 3½d.; sewerage rate, 2½d.; totalling, 1s. 7½d. in the £. The total rate-revenue of the City is £3,448,828 as compared with £2,947,210 in 1951/52.

It has to be observed that these rates are levied on the assessed selling value of the land which is the practice wherever in Australia the rating of land values applies.

## PUBLIC MONIES FOR PRIVATE PROPERTY OWNERS

Under the terms of the Housing Repairs and Rents Act, 1954, millions of pounds of what is customarily, though inaccurately, described as "public money" are to be handed to private property owners.

The conditions governing the distribution of these lavish gifts are outlined in a popular booklet entitled *Grants for Improvements and Conversions* issued recently by the Ministry of Housing and Local Government (H.M.S.O., Price 4d.). In brief, the scheme provides that a sum not exceeding £400 *per dwelling* will be paid wherever any old but structurally sound property is improved by the owner (or by a leaseholder whose lease has more than fifteen years to go) to give a specified standard of suitable accommodation. Similarly, when large, old houses are converted into a number of separate dwellings, grants not exceeding £400 will be paid in respect of each dwelling thus produced. To secure grant aid owners will be required to spend an amount equal to or exceeding the sum claimed and to obtain prior approval from the local authority for any improvements or conversions undertaken. For example, the owner of a large Victorian mansion which may have stood empty for years, making no contribution to either the national or local treasury, would be entitled to receive £1,200 "public money" as of right provided that he spent at least £1,200 himself to convert his building into three flats. The number of properties eligible for payment of grant is not known, but is officially believed to be in the region of five million.

Who gains from these grants? Not only the tenant who "gets the advantage of modern conditions of life" and the owner whose property "gets a new lease of life" but also, it is alleged with unparalleled casuistry, the Tax-

payer and the Ratepayer. These unfortunates will "gain because houses are preserved which would otherwise become a dead loss, which could be met *only* by the far more costly process of building new houses *at the expense of public funds.*" [Our italics.] Expropriation is represented as being advantageous to those who suffer expropriation which is demonstrably both false and absurd.

Elsewhere in the pamphlet is repeated the parrot cry of recent months that "obviously *the nation* cannot afford to let something like a third of *its* total stock of houses decline into slums." Such a sentiment might be appropriate within the Soviet Union, but in Britain it is the most dangerous nonsense, strangely at variance with the declared aim of the present administration to build a "property-owning democracy." These are *not* "the nation's" houses—they are private property. So, too, is the money which is to be distributed so open-handedly. Only the land and natural resources within its borders, and the value attaching to it by reason of the presence and activities of the community may properly be regarded as "the nation's" property. Unfortunately the Government does not see the matter in this light, but regards the public domain as sacrosanct private property. In such circumstances the housing problem is inevitable and intractable.

The Act imposes upon local authorities the impossible task of fixing "fair rents" for properties improved or converted with the aid of grants. Only the market can equate demand and supply with absolute impartiality, but it is to remain shackled by rent control and other governmental restrictions.

The community comprised of both those who provide and those who receive the grants is represented in this

official publication as being the beneficiary of this scheme to modernize "the national stock of older houses." The lesson taught a century ago by Bastiat in his parable of things seen and things unseen is deliberately ignored. Without a doubt the Act will achieve its declared object; many old properties will be spared early demolition. But the new houses which taxpayers and ratepayers could and would have built if the Government had vacated the housing scene and had raised the land blockade will remain unbuilt; so many unseen castles in the air. And "the community" will be the poorer as a consequence.

P. R. S.

### LANDLORD COMPENSATION—WHY?

When the Town Planning Bill received its Third Reading, July 13, Mr. C. W. Gibson, the Labour Member for Clapham, said: "I still cannot find anyone either in the profession or in local government who is prepared to say that he understands what is being done by this Measure; and I think it is bound to lead to difficulties when, in the years ahead, attempts are made to make it work.

"The real trouble is that the Government have been engaged in trying to unscramble an Act of Parliament by which an endeavour was made to give back to the people that value which they themselves have created. I do not think that that process has been a success. I considered that the £300 million compensation to landowners was a £300 million ransom and I said so when the Bill was before the House on Second Reading. What the Government have done in this Bill is to abolish that section of the 1947 Act, but they have left the £300 million to be shared out, not at any definite date, but as and when development takes place.

"It has always seemed to me that it is difficult to make anything good of something which is completely unmoral. . . . It is unmoral that values which the community have created should be taken for the benefit of private individuals, which is what is being attempted by this Bill. That is why I say it is so difficult, and I doubt very much whether it will work very long without very great pressure being brought to bear by the local authorities in this country for substantial changes, because they in the main will have to work it."

### RATE BURDEN STILL INCREASING

The average rate levied in England and Wales for 1953-54 was 22s. 2d. compared with 20s. 1d. for 1952-53, an increase of 2s. 1d. Rates were increased in 1,373 rating areas, and reduced in 18. In 78 areas there was no change.

These figures are taken from an analysis published by the Ministry of Housing and Local Government entitled *Rates and Rateable Values in England and Wales* (H.M. Stationery Office, price 3s.).

Bournemouth (15s. 0d. in the pound) shared with Eastbourne the distinction of being the lowest-rated borough; Amblecote, Staffordshire (17s. 0d.) was the lowest-rated Urban District. The highest-rated urban authority was Rhymney U.D.C. in Monmouthshire with a rate of 35s. 6d. in the pound.

Provisional receipts of local authorities from rates totalled £377 million compared with £335 million the previous year. Total rateable value of all property assessed at £347,278,000 showed an increase of £6½ million over the previous year.

### SPANNING THE CUSTOMS BARRIERS

The inauguration on June 6 of "Eurovision"—the linking-up of the television services in eight European countries to provide a common service—symbolically coincided with the tenth anniversary of the D-Day landings on the Normandy beaches in June, 1944. The Allied military co-operation which had liberated Europe from the Nazi yoke was peacefully emulated by the technicians of Britain, France, Germany, Italy, Holland, Denmark, Belgium and Switzerland; natural obstacles and man-made barriers were spanned by the television waves, mocked as they had been a decade ago.

For free traders a new weapon has been forged. If the televised images of Parisian ballet dancers, of Dutch musicians, and of Italian operatic stars may pass freely to the viewers' screens in Britain and seven other countries, should not these artistes themselves, and their compatriots in every other walk of life, be equally free to enter each country, unhampered by visas and customs houses? If foreign labour products in the form of television programmes are to be freely admitted then on what logical grounds can other labour products be excluded?

The advent of "Eurovision" gives grounds for renewed hope to those who are working for friendship, co-operation and peace between peoples by calling for the destruction of the barriers that stand between them. But it contains also a warning. The British Customs and Excise demanded payment of £7,000 duty on £35,000 of French equipment which the B.B.C. wanted to borrow for one month in connection with the European television exchange. According to the London correspondence column of the *Manchester Guardian*, May 21, "the French, too, were going to borrow some B.B.C. machinery for the month, but now a 'tit-for-tat' atmosphere has been generated and duty may also be demanded on the other side of the Channel. The two television authorities, both quite innocent in the affair, are angry."

### HOW LAND-VALUE ARISES

#### Illustrated by Estate Agents' Advertisements

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**East Surrey.** An Acre Site. Ideal for Coal or Builders' Merchants. Zoned for Industry. Adjoining main-line siding and Station. Electricity, water and sewer available. **Freehold £4,000.**

**Hertfordshire.** 28 miles from London. Two adjacent Freehold Building Sites. All main services available. 9 acres with planning permission for 68 houses. **£9,500.** 7 acres with planning permission for 64 houses. **£8,500.**

**Havant, Hants.** Excellent Shop Site on best side of Woolworths in this busy and rapidly expanding town. Approx. 45 ft. frontage and 300 ft. depth. **£6,000.**

**Coombe Hill, Surrey.** Fine Freehold Building Site extending to just under 10 acres. Ripe for Development and scheduled at four houses to the acre. **£19,000.**