

# PROGRESS

An Australian Journal to Advocate the Rights of the People in the Land

POLICY: 1. APPROPRIATION OF LAND VALUES OR GROUND RENT AS PUBLIC REVENUE.  
2. THE ABOLITION OF TAXES NOW IMPOSED UPON LABOR AND LABOR PRODUCTS.  
3. PROPORTIONAL REPRESENTATION FOR ALL ELECTIONS.

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## HENRY GEORGE COMMEMORATION

TUESDAY, 2nd SEPTEMBER, 7.45 p.m.

at

Kelvin Hall

55 Collins Place, Melbourne

Oration to be Given by

MR. R. J. CROWE

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through Governments, and the Iran Parliament is composed mainly of landlords.

Many peasants are becoming aware of the fact that through American aid the landlord is becoming more powerful and richer than ever. Ironically, the only voice against the old system is the Communist Party, which American influence has largely throttled.

"In some way," the authors conclude, "America must associate itself with the aspirations of the common people of the Middle East." But no specific proposal towards this end is offered.

Truly, neglect of the social philosophy of Henry George in high places is promoting not only unnecessary human misery and suffering, but also the growth of Communism and the risk of international strife.

## A FAILURE IN U.S. AID

In a recent "New York Times" magazine article, Peggy and Pierre Streit investigated reasons why 10 years of American aid in the Middle East have not brought better results, despite the millions spent on this task.

Iran was taken as a typical example. It was observed that villages are subject to feudalistic systems under which tenant farmers work land owned by a landlord, and receive in payment a percentage of the crop. An American technical assistance programme was instituted five years ago to help raise more food. An inexpensive insecticide removed an ancient scourge and in three years the crop yield doubled. The increased crop yield was allocated into five equal parts — the peasant, as the one who provided labour, received one-fifth, but the landlord, as supplier of land, seed, water and animals, received four-fifths!

In some cases American aid technicians have tried to encourage peasants to improve their diet by cultivating vegetable plots in their back yards. This failed on some occasions because landlords refused the use of water for this purpose, as they wanted the water reserved for cash crops from which they too could benefit.

The authors concluded that U.S. economic aid would be frustrated as long as the age-old system continued. However, the U.S. has no choice but to work

## WRONG AND RIGHT "ACTION"

New York City has a mid-town slum area 12 blocks north and west of Columbus Circle. The planners said it badly needed redevelopment and so the city fathers decided that the area should be redeveloped as the Lincoln Square Project. This is to provide a cultural centre, a campus for Fordham Catholic University, private investment in housing for middle income group, private business shops and headquarters for Red Cross.

In 1946 market value of land in this area was \$2 per square foot. Redevelopers decided that for their project to succeed they could afford to pay \$10 per square foot. But the present land holders have set a value of \$25 or more per square foot. Hence the need for Government subsidies.

Under U.S. Federal housing law (title I) the City Council is permitted to purchase blighted areas and resell the properties at a markdown for redevelopment. Of the land price difference the Federal Government provides two-thirds and the City Council one-third. Washington Government will thus contribute \$28 million (by adding to national debt) and New York City \$14 million (by adding to its municipal debt).

With present system of municipal taxes resting heavily on well-developed property and lightly on decrepit slums, private enterprise cannot afford to develop slum areas at present prices for land values.

Hence the Federal Government is to "absorb in the economy," that is, swell the tax structure and raise the cost of living, by an amount large enough to make redevelopment attractive. Such wrong deeds are promoted by American Council to Improve Our Neighbourhood, called, for short, A.C.T.I.O.N.

#### "ACTION" Comes to Melbourne

Central Melbourne land holders, too, would like to see property owners becoming improvement-conscious and redeveloping the slum or blighted sections of Melbourne and inner suburbs.

This would tend to make these inner areas attractive to people now repelled by their atmosphere of decrepitude, and who prefer to live in outer areas. The redevelopment would reverse the flow of population and trade from these areas to the suburbs and would increase land values generally.

Melbourne City Development Association brought out a New York journalist, Mr. John R. Doscher, to boost ACTION here. The move has had much press publicity and an ACTION committee of notable city and other personalities was formed.

The objective of making people "improvement conscious" is good in itself. On becoming conscious of the evil of slum, blighted and ugly surroundings, people are more likely than before to want to find the cause and remedy.

#### Why Not "Right Action"?

Response to Mr. Doscher's address to Hawthorn business men showed that people can be sold the idea of improving their own premises.

But how much more likely to find a ready willingness to "improve our own neighbourhood" if the property owners concerned can be assured that their outlay on houses, flats, business buildings and improvements will be exempt from increased taxes?

This is the other half of the proposition which those associated with ACTION should press. They should recognise that it is the certain knowledge that such improvements and redevelopments as they desire would be followed by increased local and other taxes which has resulted in the decrepitude they now seek to arrest.

Those municipalities of Greater Melbourne which exempt buildings and base their local taxes on site-value only have the incentive to improvement and have no problem of slum or blighted areas. The process of improvement in their case could be accelerated but already operates.

It should be noted that the places to which ACTION addresses itself are parts of Melbourne City, Collingwood, Fitzroy, Hawthorn, Richmond, Footscray, South Melbourne, Port Melbourne, Prahran, St. Kilda and Williamstown, where slum and blighted pockets have come because of the tax burdens heaped on improvers.

ACTION should press for these municipalities also to give incentive to "improvement of the neighbourhood" by exempting buildings and rating site-value only. This is RIGHT ACTION.

Under it property owners responding to their appeal to improve the neighbourhood would only be called on to pay the same rates as those who are deaf to the appeal to civic pride.

## PRIME MINISTER AND C.S.R.

Marble Bar (W.A.) mining settlement has a railway to the harbour at Port Hedland, but travel is by road or plane to Hamersley Ranges, 132 miles south. Here in the Wittenoom Gorge "blue" asbestos was discovered in 1947. Its superior strength is attractive to makers of asbestos-cement pipes, and so "blue" asbestos has a substantial export market.

The Colonial Sugar Co. has a building materials division and holds the franchise for Wittenoom Gorge. Production by makeshift methods was 850 tons asbestos in 1948, rising slowly in following years.

With Canberra policy of inflated currency by printed paper money, cost of production went up, so Colonial Sugar Co. in 1955 made application to the Tariff Board for "protection."

#### Better Method Wins

Mr. R. G. Menzies, P.M. of Australia, recently visited this asbestos field, and wrote the story. Application for protection was refused. So C.S.C. improved its methods of extraction, and with its separation process by "aeration," has won success. In 1957 production was 5,000 tons; by end of 1958 this is expected to reach 18,000 tons. Over 80 per cent of orders come from overseas countries. The present output is worth over £1 million yearly and the industry makes a profit.

#### Straight Face

It is plain the proposed tariff tax protection could not win more revenue from the 80 per cent of product sold overseas. Hence the plan was to load the 20 per cent sold on home market with still another tax cost. This is rough on water supply authorities and other home consumers. Very properly the Tariff Board refused and Mr. Menzies records this rebuff to his "protection" policy.

#### Reversal of Form

The Colonial Sugar Co. has its main interests in Queensland, where "sugar" decides whether politicians are to be kept in power. And so Menzies Ministry approves the plan of "protection" for this opulent industry in its practice of robbing the citizen consumers. The sugar industry marketeers have two "pools." Last year 760,000 tons were exported and sold at £45 ton (4½d. lb.), returning a reasonable profit. But 530,000 tons were reserved for home consumers, who were compelled to pay £53 ton (5½d. lb.). Australians are being robbed while the Government promotes "dumping" of Australian sugar at lower price abroad. This "sugar" agreement is coming up for review and consumers need to be active now.

## HENRY GEORGE WOMEN'S COMMITTEE

The Women's Committee of the League has been re-formed recently. The first meeting was held on Tuesday, 15th July, and it is proposed to hold a monthly meeting in the League rooms.

There are various ways in which the group can help with League work. They are at present engaging in distribution of literature, and press letter writing.

The next meeting will be on Tuesday, 19th August, at 12 noon. All ladies are invited. Come and contribute your ideas as to how the women's group can best work for our Movement.

## SOUTH AUSTRALIAN NEWS

### PAYNEHAM ELECTION RESULT

Following rejection by the Payneham Municipal Council of the request made by 500 ratepayers for a rating poll, the Payneham Progress Committee decided to nominate candidates for each of the five wards against the councillors who had voted against the poll.

An active campaign was started, meetings were held in every ward, a house-to-house canvass was made, and many leaflets issued. Mr. E. J. Craigie was asked to co-operate and addressed a number of meetings. The council election was held on Saturday, 5th July, with the following result.

Ward	Land Value Candidates Votes cast	Against Land Values Votes cast
Felixtowe ..	J. S. Bond .... 145	J. S. Smith .... 129
Glynde ..	J. Byrne .... 230	T. Gilbert .... 254
Joslin ..	W. T. Potter .... 623	R. W. Dienert .. 113
Payneham ..	L. R. Cock .... 160	A. G. Pitt .... 263
Wellington ..	O. R. Rogers .... 356	S. Jones .... 256
	1514	1015

It will be seen that three of the land value candidates won seats, whilst a fourth was only 24 votes behind.

The overall position shows that 1,514 votes were cast for the five candidates favoring land values rating, and 1,015 for the five in opposition.

We are pleased to report that just prior to the voting day, Mr. Gilbert issued a leaflet stating that if he was returned at the poll he would vote to grant a rating poll. If this promise is kept, there will be a majority in the council favouring granting the ratepayers the right to determine the rating question.

Cr. C. T. Haase, who has led the movement in the Payneham area for a just system of rating, will on 28th July in council table a motion to take a rating poll. He has done splendid work for a long period of time to secure land value rating. We congratulate him on the success attained at the election campaign, and hope he will carry his motion for a poll on 28th July. "Progress" for March, 1958, records some of the funny doings of the Town Clerk and other councillors in stopping the ratepayers concerned about their own business.

### TRIBUTE TO A VETERAN

Adelaide's evening paper, "The News," edited by Rohan Rivett, carries a week-end "spotlight." On 5th July this rested on our colleague, Mr. E. J. Craigie, with a neat portrait and para. Mr. E. J. Craigie is a former member of South Australian House of Assembly, and a lifetime fighter for the single tax scheme, in essence, land values rating—a community-created value that should be legitimately taken for the purposes of community services.

Although "The News" has not expressed the principle very clearly, we rejoice that it has recognised the work of a very good citizen.

### JAMESTOWN CLARIFICATION

Our June issue recorded that Jamestown (S.A.) had carried a site-value rating poll by 191 votes to 46. We did not make it clear that it was the District Council of Jamestown, and not the town of that name within it, which had carried this poll.

### PETERBOROUGH

#### FARMERS VOTE TO EXEMPT IMPROVEMENTS

Peterborough is a railway junction town on line from Port Pirie to Broken Hill. This municipality adopted site-value rating in 1912. Now the District Council for the rural area roundabout has considered the matter and submitted the proposal for site-value rating to the farmers and other land holders who, being the ratepayers, have to pay the charges. A poll was held on 31st May, and the farmers declared their preference for Unimproved Capital Value basis by a 7-to-1 majority! For site-value rating 168 votes against 24, informal 1. And so all buildings and improvements on farms will be exempt from municipal taxes. This relief will stimulate farm improvement and so increase productivity.

### PRIVATE ENTERPRISE UNDER "LIBERALISM"

Prime Minister Robert Gordon Menzies has been delivering a series of what are called "Man-to-Man" broadcasts, supposedly on topics of national importance. However, scales of values differ markedly; for example, at a time when thoughtful people were concerned about rising unemployment, the P.M. devoted one such broadcast to nostalgic reminiscences of the latest Royal tour. Doubts about the rosy optimism characterising the P.M.'s broadcasts are cast by a letter from a Melbourne businessman, published in "The Age," on 5/5/58.

#### THE SMALL BUSINESSMAN

"Surely the Prime Minister (Mr. Menzies) was not serious when he complained recently that Australian businessmen should cease asking for Government help and should rely on themselves.

All that the average businessman asks is for the Government, and its army of bureaucrats, to allow him to remain in business.

My own experience, typical of the many small businessmen (described by a Government member as "the backbone of the economy") should inform our Prime Minister that the Government appears more intent on destroying business.

On my return from World War II, I invested my war gratuity and deferred pay (the latter compulsorily deducted from the lowest paid section of the community) in a small business.

#### PROFIT TAKEN

By working long hours, the business showed a profit which was confiscated in the name of "provisional tax." A forced loan, interest free, would be a more apt description.

By working even harder, the business, to the annoyance of the Government, remained solvent, but the Federal Treasurer had another trump card in sales tax.

During the war, sales tax at 25 per cent. was considered sufficient to deter the public from unnecessary spending. In the peace that so many had fought for, however, sales tax was raised to 66 per cent., so that in some cases, from a sale totalling £90, the Treasury took £40, payable to the Government before being paid by the purchaser.

Businessmen are now being pressed to produce more efficiently at lower prices, but with payroll tax and, more particularly, sales tax, the task of competing with overseas countries is well nigh impossible.

Sales tax, imposed on essential industries, increases the cost of their products by more than the profit made by the producers and in so-called non-essential industries, businesses both old and new have been forced out of existence and their employees thrown on the industrial scrap-heap.

We do not ask for Government help, but we do want the right to work hard for a living."

## SITE VALUE RATING

### FORTHCOMING POLLS

There will be rating polls taken in the three Boroughs of Benalla, Moe and Wonthaggi in the last week of August. In these valuations are now complete and the notices comparing rate payments under the alternative rating systems have been despatched or are about to be.

In the Shires of Bairnsdale, Kerang and Maffra polls will not be taken this year. No real attempt was made by any of these councils to comply with the requirement. They deferred advertising for valuers as long as possible, and indeed Bairnsdale has not yet sought one.

Benalla Rating Reform League has taken steps to press a strong campaign directed to securing water and sewerage rates on the U.C.V. basis as well as general rates. A public meeting is to be held on 22nd August.

In Wonthaggi, Cr. McLeod has indicated that public meetings will be held, though dates are not available on going to press.

### HOUSING CONSTRUCTION

In view of the forthcoming poll in Wonthaggi, study of recent housing construction levels in this borough, compared with that at Castlemaine, will give a good lead on the extent to which site-value rating with exemption of buildings can be expected to restore the failing fortunes of the former.

Both these places have a parallel history. Both towns were built around the mining industries—coal for Wonthaggi and gold for Castlemaine. With the decline of the extractive industries both had been struggling in a losing fight for survival.

Building permit figures covering the whole range of operations are not available as for the metropolitan municipalities, but those published by the Commonwealth Statistician covering commencements of new houses are given below. They are for private building only and exclude Housing Commission homes.

#### NEW HOUSES COMMENCED

##### Wonthaggi

Year	Rating System	No. of Houses	Total Value
1955	N.A.V.	8	£18,000
1956	N.A.V.	5	11,000
1957	N.A.V.	6	14,000

##### Castlemaine

1955	N.A.V.	20	46,000
1956	U.C.V.	33	93,000
1957	U.C.V.	38	105,500

##### Wangaratta

1955	N.A.V.	80	260,000
1956	N.A.V.	85	249,000
1957	U.C.V.	118	403,000

The remarkable step-up in the building level in Castlemaine immediately following the change to exempt buildings and rate sites only is most significant. That town's era of stagnation is ended by its adoption

of municipal justice. Wonthaggi citizens can equally expect to secure balanced development if they too decide to make this change.

The corresponding figures are shown for Wangaratta Borough, which is now in its second year of site-value rating. They also show a remarkable leap in the previous level of growth. The extra outlay of more than £150,000 in private building is boosting the trade of Wangaratta shopkeepers and a wave of modernisation and extension of the shopping centres is in full swing.

This development in the site-value rating towns is all the more remarkable because there is a building recession over the State as a whole. Taking 1955 as 100 for houses commenced in the rest of Victoria outside Greater Melbourne, the level for the other two years would be 96 and 90 respectively.

### THE DRIVE FOR MUNICIPAL JUSTICE

Ratepayers in Benalla, Moe and Wonthaggi Boroughs have the opportunity to decide whether their municipal taxes will in future be levied on a just basis or continue on an arbitrary basis unrelated to municipal costs.

Municipal services are essentially rendered to property owners. The principle of municipal rating is that costs for the services should be shared by property owners in accordance with the value of their properties. It is presumed that value measures the extent of their special benefit from the services provided for them by the municipality.

Where municipal costs are shared in accordance with the value of the site itself, apart from buildings or other improvements, there is perfect justice between ratepayers because the site-value itself measures the extent of the service offered by municipal and other public bodies. In essence, site-value is a publicly-created value and to base public charges upon it cannot do injustice to anyone.

On the other hand, where municipal costs are charged according to value of the buildings or other improvements made by the owners themselves, a complete injustice is done. The value of these improvements is due to the individual's effort alone and is unaffected by the extent of municipal services available whether good or poor. It is the value of the site and not the buildings that is dependent on the scale of municipal services.

Nearly two-thirds of Australian municipal councils have now changed to the rating of community-created site-values and exempt the buildings and cultivation of the owners. On an area basis more than 92 per cent of the municipallised area of this continent now rates site-value.

Citizens making this change do not have to comfort themselves with the thought that virtue is its own reward. Municipal justice is not only good policy but rewards the community adopting it with advancement in all the things that people seek. In the key indicator of housing and other building construction there is accelerated development; population growth

is faster; balanced growth of local industries is more evident; the volume and quality of business improves more rapidly.

We give below the housing permit figures for Warrnambool, Sale and Mildura, which changed to site-value rating, since 1954. The earlier figures are also given to show the trends before making the change. It will be seen that until the rating change building construction was falling or stationary, but that it has lifted greatly with exemption of buildings.

#### BUILDING PERMITS ISSUED IN PROVINCIAL CITIES

Year ended 31st December	Rating System	Dwellings No.	Value £	Total Buildings and Alterations Value £
<b>WARRNAMBOOL</b>				
1951	N.A.V.	82	199,016	224,241
1952	N.A.V.	73	160,502	198,896
1953	N.A.V.	67	184,627	332,103
1954*	N.A.V.	92	262,247	427,863
1955	U.C.V.	73	218,578	381,741
1956	U.C.V.	102	364,811	627,424
1957	U.C.V.	110	370,292	507,907
<b>SALE</b>				
1951	N.A.V.	83	170,440	298,858
1952	N.A.V.	48	109,762	238,115
1953	N.A.V.	43	112,059	179,573
1954*	N.A.V.	34	93,021	143,075
1955	U.C.V.	33	98,855	235,136
1956	U.C.V.	39	115,793	174,273
1957	U.C.V.	36	109,388	139,754
<b>MILDURA</b>				
1951	N.A.V.	119	245,925	309,553
1952	N.A.V.	49	105,160	159,270
1953	N.A.V.	51	118,929	203,612
1954	N.A.V.	71	192,829	341,226
1955	N.A.V.	85	230,806	384,925
1956*	N.A.V.	74	218,331	415,571
1957	U.C.V.	81	252,661	443,391

\* 9 month under N.A.V. and 3 months U.C.V. [In each case the quarter under U.C.V. was highest or second highest.

The position of Sale is informative. It had a pattern of decline from a peak in 1950. It suffered a further blow when the railways decided to improve the railway service to Maffra in preference to Sale. A further heavy blow came in 1954, when the Sale Woollen Mills went out of business. This had provided about one-quarter of the industrial employment in the town. With change to site-value rating a new firm was attracted to take over the premises, but it was nearly a year before this was in operation. The decline was arrested and the climb up commenced under the site-value basis. Added to the other local disabilities was the building recession in the State as a whole.

## WON'T USE BOARD'S SEWERAGE SYSTEM

### M. & M.B.W. Problem

"Age" (31/10/56) contained an article publicising one of the problems being faced by the Board. This was that 10,000 Melbourne homes are unsewered because their owners have refused to connect them to the sewerage system.

These are in addition to 67,000 houses for which the board could not provide sewerage for lack of finance.

In a recent survey of five suburbs the board had found only half of 296 houses for which sewers had been built, two to six years earlier, had actually been

connected. Of 195 houses built since sewerage was extended to the district, only two-thirds had been connected.

In addition to newly-settled areas, hundreds of houses in inner industrial suburbs, where sewerage has been available for 50 years, are unsewered.

In most cases reason is said to be that owners cannot afford the cost — about £200 — of constructing the plumbing drains within their properties. Board has power to compel connection but is reluctant to do so because of its own financial troubles. Where it does the owner may ask it to carry out the work and pay the cost in 40 quarterly instalments at 5 per cent. interest.

This cost argument cannot apply to the inner industrial suburbs where the services have been available for 50 years. Connection could have been done any time over the years when cost was cheap.

The unpalatable fact is that much of this reluctance to connect to the sewers is because added to the capital cost of connection the board would charge substantially greater rates annually on the properties after connection.

The board continues to use the Nett Annual Value rating system. Connection to the sewerage mains would be appreciated by the tenants but would result in revaluation and rating on a higher rental value. Owners of these sub-standard or slum properties reckon on spending nothing and selling out when the buildings eventually become uninhabitable.

Board's remedy is to change its rating system to the site-value basis. These sub-standard properties would then pay the same rates as those who do connect to its sewers instead of being favored with token rates while those who do use its services are penalised in high rates.

## AUGUST PUBLIC FORUM

The monthly Forum will be held on Friday, 8th August, in the League rooms, at 8 p.m.

Subject — "Transport, Gas and Fuel Costs."

Guest speakers will represent the views of Labor, Liberal and Henry George League. Audience participation. Come and take part in a stimulating discussion.

## STOP PRESS

Our friends will hear with regret that Dr. Edgar W. Culley died suddenly on Sunday, 27th July.

Further detail on his work for our movement will be given next issue.

# HIGH HOME SITE COST AND THE DECLINE IN BUILDING

CONFERENCE CALLED BY AUSTRALIAN COUNCIL OF TRADE UNIONS

A conference of delegates from organisations concerned with the inadequate level of housing construction compared to needs was convened by the A.C.T.U. and held in Melbourne on 1st July. Guest speakers were Prof. Downing and Sir D. B. Copland. Most contributions were directed towards release of Commonwealth credit for home finance, but the need for land value taxation was pressed by Mrs. E. Serpell, representing the Housewives' Association, and Mr. A. R. Hutchinson, B.Sc., A.M.I.E. Aust., Research Director, Land Values Research Group. The text of the paper presented to the conference by the latter is below.

It is no accident that the present decrease in home-building coincides with a substantial step-up in the price of home sites. Land prices have risen to the point that it is now impossible to buy home sites already serviced with water, sewerage and road facilities in the Melbourne metropolitan area below £1,000. Four years ago they were available for £500.

## How High Land Cost Curtails Building

The high price of home sites is the direct cause of the decline in home building. It makes it impossible for many people to finance home construction. The difference between £500 and £1,000 in the price for a site does not sound much compared with the outlay of £3,000 or more in the building itself. But this extra payment for the site has a multiplied effect altogether out of proportion to the total cost of the complete house. Let us follow the effect on home finance.

### Effect on Home Finance

In financing home building, it is necessary for the home seeker to save enough money to buy a site, plus some further cash to give him sufficient equity in the property to carry a mortgage for the balance. Increase in the price payable for land obviously extends the duration of saving and defers commencement of building. That reduces the home construction level in itself. But the harmful effect on home finance does not stop there.

### A Typical Case of Home Purchase

Take a typical case of a person who has sufficient money saved to start building with a loan of £2,000, provided he can get the site at £500. We assume he can afford to make annual payments of £200 covering principal and compound interest at 5½ per cent. Such a home builder would pay off his loan completely in 14½ years.

In that time he would have paid a total of £2,900 in wiping off the loan.

If this same home builder has to pay £1,000 instead of £500 for his site, this extra £500 will reduce the balance available for building and he will now have to seek a loan for £2,500 instead of £2,000. He may not have sufficient equity left to stand this extra loan and may have to defer building. But even if he is able to go on it will now take him 21 years instead of 14½ to pay off the loan. In this time his total payments will have been £4,200, compared with only £2,900 where the site cost £500. This is an extra £1,300 in the terms of finance. Added to the extra £500 for the site this in-

creases the cost of his home by £1,800 above his outlay with a £500 site. Thus the extra paid for the site is multiplied nearly fourfold in its effect on the total cost of the home.

### Effect on Lower Income Groups

Consider the effect upon ability of lower income groups to undertake home purchase. It is generally considered by home purchase agencies that home purchase cannot safely be undertaken unless the annual outlay in repayments plus rates is less than one-quarter of the purchaser's income.

With a site costing £500 a person could pay off a loan of £2,000 at 5½ per cent interest over a 30-year term by payments of £135 per annum. But with site cost raised to £1,000 his payments to wipe off a loan of £2,500 would have to be at £165 annually over the same period.

The extra £30 per annum outlay involved has the effect that persons in an income group £120 per annum above the previous minimum at which home purchase could be undertaken are now excluded from the home purchase field due to the increased price of sites.

With site at £1,000 and house cost £2,000 there are approximately 800,000 persons in Australia with incomes exceeding £1,060 and who could therefore afford the payments for this minimum quality home on terms. Private building is now practically confined to this group.

There are approximately 450,000 persons in the income group between £940 and £1,060. These were previously in the field for home purchase, but are now excluded due to the rise in cost of home sites.

A high proportion of those in the higher income groups already own or are purchasing homes. On the other hand, the lower income group now excluded is almost an untouched market.

From these facts the interest of the building industry in getting the price of home sites to the lowest level possible is evident.

### Easier Money Not a Lasting Solution

The proposals for the Government to make more money available for home finance are not a lasting remedy for the decline in building. They can only bring a limited and temporary help for a few by whittling down the margin of cash backing required by the home purchaser. The easier credit would in itself serve to spark off further rises in the price of home sites, which will cut down building construction still further later.

### How to Stimulate Home Building

Only by making home sites cheaper can the required step-up in private home building be achieved. The only practicable means to reduce the price of land is a land value taxation. This stimulates supply and reduces price by about 20 times the amount of the tax.

(Continued bottom next column)



## PERSONALITIES IN OUR MOVEMENT

### No. 6 — MR. P. R. BIGGIN

One of our most capable supporters in the Western District is Mr. Percy Biggin, of Ararat. He has been keenly interested in human welfare all his life.

"From my early boyhood I was conscious of gross injustice in the distribution of wealth, which to me, at that time, consisted of land and money. The small rural community in which I was born, and in which my early years were spent, was bounded, as to half, by large landed estates, and as to the other half, by useless forest country. There as no local secondary industry, so that avenues of employment were few and wages were of bare subsistence level.

"It followed naturally enough that the Labor Party commanded a strong support in that district, and the only hope of the working class to rise above their depressed condition appeared to me to lie with that Party. At that time, the battle for the establishment of the Arbitration Court had been newly won, and it was generally believed that this heralded a new day for the workers of the country.

"By the time I reached school leaving age, however, I had pursued many lines of independent thought upon the problem of the distribution of wealth, and I had come to greatly doubt the efficacy of arbitration to guarantee a fair deal, for the very reason which has since proved to be so painfully sound. So far as any remedy existed, it seemed to me to lie in breaking up the big estates, and distributing the land under a system of perpetual lease."

It was about 1930, when he was stationed as a Clerk of Courts at Nhill, that a telephone linesman lent him a copy of "Progress and Poverty." He had already had several discussions with an old "single tax" stalwart—Mick Lalor—and had come to see that the system which he advocated had advantages over his proposal of perpetual lease. He was therefore ripe

**By shifting taxes from buildings and building materials and placing them on land values instead, we will assist people to buy homes and the building industry to expand.**

As a first step in this direction site-value rating should be made mandatory for all municipal councils, water, sewerage and other property rating bodies. This would bring Victoria into line with practice over most of the other States, since two-thirds of all Australian local rating bodies have already made this change.

Already 40 Victorian councils have made the change with their ratepayers' approval (26 of them since the war). This movement is accelerating, but the time factor requires governmental action to bring the remaining 163 councils into line before high land prices cut building further.

The campaign already initiated by the Central Council for Rating Reform to secure this change in the Melbourne and Metropolitan Board of Works rating system should be supported by all bodies interested in solving the housing shortage and stepping up building construction generally.

to read "Progress and Poverty," which he did with interest and pleasure. Here he found many of his own thoughts developed by sound reasoning to conclusions which he considers could never have been reached unaided. He was led to see that private ownership of city land was of even greater economic significance than the ownership of rural land — an aspect which had never occurred to him. He writes:

"George's exposition of the law of rent was to me as a searchlight suddenly turned upon a path along which I was stumbling with the aid of a candle. 'Progress and Poverty' was an open book to me from its first page, and although I have read it several times since—together with all of George's works—and have conducted classes on it, I have not added to the force of that first conviction. I am convinced today, as I was then, that Henry George is the greatest teacher that has ever appeared in the field of political economy, and that all of his economic conclusions are correct beyond any possibility of successful challenge."

He continues: "The whole thing seemed so clear to me that, in my youthful simplicity, I thought it only needed to be preached and expounded to carry universal conviction. I had to learn in the hard school of experience that progress does not come so easily. I had yet to become acquainted with the strange currents which run in human minds—the unreasoning prejudices, the purblind selfishness, the obstinate stupidity of mankind."

However, from then on, Mr. Biggin has worked to further the Henry George philosophy. His influence has been felt in various ways. While at Hamilton, he conducted economic study and discussion classes from George's works. There he also initiated and organised the campaign for the 1944 poll, the carrying of which made Hamilton town the first municipality in Victoria to change to site-value rating after an interval of 18 years. This was the first move which culminated in the post-war wave of successive municipalities making the change. Following that, he extracted from the municipal records the basic data that enabled the Land Values Research Group to make its factual survey of Hamilton city. The marked development of this municipality has proved a leaven leading other municipalities to make the same change.

Many of those who have not met Mr. Biggin personally will know him as the author of "The Difficulties of a Beak." In this excellent booklet he has drawn upon his experiences as a magistrate, and shows a thorough grasp of economics combined with a keen insight into human nature. It has been found very useful by those seeking to introduce others to Georgist ideas.

Mr. Biggin continues to seek opportunities for advancing the Georgist philosophy, being convinced that it is the only solution to the troubles that beset the world. He is another example of the fact that once a man is gripped by the truth he cannot but work for it throughout his life.

## SUMMARY OF PRESS PUBLICITY

Following is a summary of press reports and letters which have come to our attention since our last summary. Figures in brackets are column-inches of space occupied. Readers are requested to co-operate by sending details of any press publicity coming to their notice.

### Benalla "Standard"

- 28/11/57 (6) (R) Cr. Harrison's views on proposed S.V.R. poll.  
 28/11/57 (6) (E) S.V.R. and vacant blocks.  
 28/11/57 (7) (L) Favour S.V.R. for Benalla. ("Irate Ratepayer.")  
 12/12/57 (58) (R) Council carries resolution to change to S.V.R.  
 12/12/57 (3) (R) Ratepayers' Association will continue.  
 12/12/57 (4) (R) 412 signatures for S.V.R. petition.  
 2/12/57 (34) (R) Ratepayers' Rating Reform League formed.  
 5/12/57 (7) (R) Many signatures to petition.  
 20/1/58 (13) (L) L. W. Brown on S.V.R. for Benalla.  
 27/2/58 (11) (R) Progress Association discussed.  
 13/2/58 (3) (R) S.V. deposit retained.  
 13/2/58 (7) (R) Discussion re Progress Association.  
 20/2/58 (7) (R) Building boom in Benalla.  
 20/2/58 (4) (R) Water Trust query.  
 17/3/58 (4) (R) Progress Association formed.  
 20/3/58 (3) (R) S.V.R. optional for water and sewerage.  
 17/4/58 (3) (R) Re S.V.R. poll.  
 21/4/58 (9) (R) Ratepayers' rolls.  
 8/5/58 (4) (R) Ratepayers' rolls to be checked.

### Traralgon "Journal and Record"

- 28/11/57 (14) (L) "Each for All" writes urging uniform rate in shire.  
 25/11/57 (70) (R) Deputation to council on uniform rate.  
 9/12/57 (22) (R) Extra rate for Loch Park riding sought.  
 12/12/57 (18) (L) A. R. Hutchinson answers Morwell Shire Secretary.  
 6/1/58 (12) (R) Loch Park extra rate discussed.  
 9/1/58 (16) (L) A. R. Hutchinson—town rate for Traralgon.  
 27/1/58 (8) (E) Rate notices out.

### Heidelberg-Eltham News

- 25/10/57 (2) (L) W. Tindall—petrol tax.  
 25/10/57 (2) (L) V. Oates—S.V.R. for M.M.B.W. rates.  
 25/10/57 (5) (L) W. Tindall—petrol tax and S.V.R.

### Bairnsdale Advertiser

- 19/12/57 (40) (R) A. R. Hutchinson addressed meeting at Bairnsdale.  
 23/12/57 (24) (R) Questions asked at Bairnsdale meeting.  
 18/2/58 (18) (L) E. G. Ford on S.V.R.  
 21/4/58 (21) (R) Delay in taking poll.  
 12/5/58 (14) (R) Rating poll news.  
 3/5/58 (43) (R) Ratepayers' Association meeting.

### Wonthaggi "Express"

- 28/11/57 (7) (L) L. W. Brown—Housing Commission rent increases.  
 5/12/57 (22) (R) Cr. J. R. McLeod on S.V.R.  
 13/3/58 (47) (R) Revaluation discussed.

### Wonthaggi "Sentinel"

- 5/12/57 (35) (R) Cr. McLeod—results of analysis.  
 28/11/57 (12) (L) Housing Commission rents.  
 10/2/58 (23) (R) Mayor on revaluation.  
 13/2/58 (7) (R) Cr. McLeod on revaluation.  
 13/3/58 (59) (R) Borough Council discusses revaluation.  
 11/3/58 (11) (R) Council discusses Mr. Brown's letter on revaluation.  
 11/3/58 (10) (R) Bass Shire Council and S.V.R.

### Progress Press

- 12/2/58 (26) (A) A. R. Hutchinson on modernisation of shops.  
 12/3/58 (21) (L) Shop survey.  
 12/3/58 (4) (R) Notice of meeting of Mulgrave R.R. Association.

### Southern Peninsula Gazette

- 12/12/57 (34) (L) A. R. Hutchinson—Flinders Council and S.V.R.  
 23/1/58 (45) (L) A. R. Hutchinson on rating systems in Victoria.

(to be continued next issue)

## NEW CHAIRS AND OLD

Thirty new chairs have been purchased for the Rooms. The cost was £4/10/ each, and members are invited to help defray this expense. Your contribution will be very welcome.

The old cane chairs are now available for sale at 5/- each. Please ring the League office if you would like to purchase one or several of these chairs.

## Radio Broadcast Session

Conducted twice weekly by speakers of the Henry George "Justice" Party from

RADIO STATIONS 3DB & 3LK

Every Sunday at noon.

Every Wednesday at 10.20 p.m.

LISTEN AND ASK YOUR FRIENDS TO LISTEN

Donations to the Broadcast Fund are invited

NOTE CHANGE IN WEDNESDAY TIME.

## HENRY GEORGE LEAGUE

18 George Parade, (off 113 Collins Street, near Russell Street), Melbourne, C.I. Telephone: MF 4635. Office Supervisor, Mrs. Kerferd; Hon. Sec., Mrs. M. A. Hutchinson.

The Henry George League is a non-political educational body of men and women advocating that public revenues be drawn from public charges upon the site-value of land and taxes upon labor and capital be correspondingly abolished.

If your view accords with this you are invited to join. Annual Membership Fee is a minimum of £1 which includes cost of the Journal "Progress" posted.

Subscription for "Progress" alone is 5/- per annum posted (for which stamps will be acceptable). This is nominal only to extend our message to new contacts who we hope will later become members. If you appreciate the journal you are invited to obtain new subscribers.

### MEETINGS

Held at 18 George Parade, (off 113 Collins St.)

### EXECUTIVE:

Friday, 1st August, 1958, at 6.45 p.m.

### MEMBERS' EVENING:

Tuesday, 18th August, 1958, at 8.00 p.m.

### HENRY GEORGE COMMEMORATION:

Tuesday, 2nd September, 7.45 p.m. Kelvin Hall.

### PUBLIC FORUM:

Friday, 8th August, 1958, at 8 p.m.

Subject: "Transport, Gas and Fuel Charges."

INVITE YOUR FRIENDS