

# 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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## CURRENT COMMENTS

### THE STATE ELECTIONS

The State elections resulted in the defeat of the Labor Government and the accession to power of the Liberal-Country Party with a clear majority for the first time in the lower house.

It is evident that this sweeping victory is less the result of direct choice than the effect of the bitter division between the two sections into which the Labor Party was split.

That split meant that preferences in many electorates were given to L.C.P. candidates rather than the other Labor candidate and hence decided the final result.

The result was the almost complete elimination of the Barry-Labor section and elimination of the Hollway-Liberal section. There was such a general crystallising of normally disinterested voters around one or other of these factions that the normal independent vote was greatly reduced. In these conditions the "Justice Party" candidates did not poll as well as could normally be expected.

The L.C.P. has now a great opportunity to build its prestige by sound legislation. Its leaders must know that the present breach in the Labor ranks which brought it to office will not apply to future elections. To consolidate its present success it must produce and carry through a programme that will win people to support it.

We suggest that programme can be found in the extension of site-value rating to the financing of charges for at least interest, sinking fund and exchange on public debt incurred for State public works which are developmental in nature.

The early Liberal Party pioneered and carried through the legislation for site-value rating in this country. The Liberal-Conservative coalition under Sir Samuel Griffiths in 1890 made this system mandatory for Queensland. In 1905 the Liberal Government of Sir Hector Carruthers applied the system to New South Wales. In Victoria again, it was the Liberal-Nationalist Lawson Government with Sir Arthur Rob-

inson as Minister in charge of the Bill, which gave this State its optional powers to rate site-values in 1919.

We hope that the new Government builds its programme around extension of this principle. Otherwise it can have nothing more constructive to offer than its more recent predecessors.

### RESTRICTIONS ON MARGARINE

That citizens are free only so long as they do as they're told is shown by the restrictions on margarine manufacture in Victoria. Under the Margarine Act of 1940, manufacturers cannot produce more than 1196 tons per annum.

This is to prevent them becoming a serious competitor to the butter industry. The retail price of margarine is 2/9 per pound compared with 4/- for butter.

Margarine manufacturers are to ask the Government to increase their quota. But surely a free field should be given for the public to satisfy its needs at the most economic price.

### INCOME TAX EVASION

Press publicity was given on 25/5/55 to persons named in the 1952/53 report of the Commissioner of Taxation as having failed to disclose their full income for taxation.

The persons named are numerous and the amounts involved substantial. There are some important reflections arising from them.

They show how far removed our taxation system is from morality. We will presume that these various citizens earned their income honestly by giving service for it. But our taxation system says they must contribute to government revenue in steeply increasing proportion to what they earn from their labour. The amount sought has no real relation to value received from the community.

They are therefore tempted to refrain from disclosing the full extent of their earnings to the taxation authorities. They thus become criminals in the eye of the law, although they have committed no moral crime against society.

In essence they are right, for the citizen has a rightful title to the results of his labour against his fellow citizens and against the government.

Governments have a right to demand from him a contribution proportionate to the privileges which he enjoys from the State to the exclusion of others. They have not any moral right to demand from him contributions proportionate to his own earnings.

Basically, the exclusive rights which some citizens enjoy from the State are rights to pocket the rental value of sites exclusive of improvements. That rental value is there even where not yet developed.

Citizens should be charged according to the potential earning power of their properties, instead of what they make them produce by their own effort.

There are several disquieting features about the cases disclosed. We quote one where the party is dead. Estate of J. J. Liston, investor, was charged additional tax as penalty of £6000 relating to returns from 1926/27 to 1943/44, during which understatement of income amounted to £77,688.

It is amazing that tax officials should be able to pry into any citizen's past transactions for such a period as 17 years and then charge that citizen with evasion. Quite honest citizens would find it extremely difficult to follow back their records for such periods. It is reasonable to expect that if the tax department has not been able to fault the returns within a brief period they should stand.

But the basic remedy is to abolish income tax and replace it with site-value taxation. It is not possible for this to be evaded, for land cannot be hidden.

## DEPRECIATION ALLOWANCES AGAINST INCOME TAX

A partial recognition of the evil effects of taxing citizens according to the income they earn by their own effort is involved in depreciation allowances set off against payable income, introduced in 1950 for a five-year period, to encourage farmers to plough back part of income into land improvement, and so increase primary production.

This was brought about by reluctance of farmers (and others) to exert themselves to full capacity in the knowledge that the lion's share of their added production would be absorbed by the government in increased income tax.

This special allowance was to lapse in June, 1955, but has been extended for another year. That it was successful can be seen from the following comments of the President of the Graziers' Association of Victoria (Mr. A. F. Havard), reported in "Geelong Advertiser," June 16:

"The special depreciation, which allows farmers to set off annually against income one-fifth of the cost of structural improvements and machinery for farm use, has been a great incentive to farm development.

Any scheme of land improvement was a long term venture, and he hoped the Government would recognise the value of this allowance when it considered

the recent findings of the Commonwealth Committee on Depreciation.

Increases in primary production are largely dependent on the extent to which farmers can "plough back" part of their earnings into structural and other farm development.

The latest returns show that Victoria's stock figures this year are the highest on record. While some credit for this must be given to myxomatosis and a run of good seasons, assistance in the form of special depreciation is a most important incentive to farmers to improve their properties.

Without the opportunity to "plough back" earnings into farm development and improvement, primary production in Victoria would not have reached its present record level."

This statement followed closely upon the report of the Commonwealth Committee on Depreciation cited, which recommended a 50% increase in the depreciation rates allowable for income tax purposes, on plant and buildings used by the taxpayer for his business. They also recommended this be extended to buildings let for rent, including flats and dwellings. It would not apply to a building used by the owner as a residence.

This is good as far as it goes. Income tax is wrong in principle and harmful in its effects; for it falls only on those who are producing and in proportion to their effort. More than one-third of all land holdings in Victoria (urban and rural) are so under-developed as to have no building of any kind upon them. The under-developed holder escapes income tax from his holding, since it is not producing cash income. Yet income is being stored in increasing land prices which he will reap on sale. When this happens he escapes the income tax which the genuine land-user pays annually.

Until income tax is abolished at least the disadvantage suffered by the industrious land-user as compared with the under-developed holder, should be removed. This could be done by treating the rental value of land (apart from buildings and cultivation) as income for tax purposes and reducing the overall tax rates accordingly.

The depreciation allowances are a small step towards easing the burden of some sections hurt by the evils of the system. They are at least a recognition of those evils.

## GRAZIERS' ALARM AT IMPORT CUTS

Import restrictions could only aggravate inflation in Australia and could not, in the long term, stabilise the balance of payments position.

When it met at Melbourne this month, the Council of the Graziers' Association of Victoria "viewed with alarm the recent reimposition of import controls."

The control would tend to draw off an excessive proportion of the labour force into non-essential industries and raise the costs of production of the commodities Australia was able to export at competitive prices.

In a comment on import restrictions, the Vice-President of the Association, Mr. W. Weatherly, quoted figures showing that Australia had sold to four of her main primary product customers goods worth £214 million, but had bought from them goods worth only £36 million in 1953/54.

In addition, Mr. Weatherly said, recently imposed quota restrictions on imports would have the effect on Japan of reducing her wool imports from Australia and of forcing her to buy her wheat from America.

"Import quotas have attacked our trade balance by reducing the supply of available goods," Mr. Weatherly said.

"In many cases this has encouraged comparatively inefficient industries to expand in the home market and to increase the competition with export and necessary heavy industries for the available supply of labour."

This had further increased the costs of the export industries, made it harder for them to increase production and had therefore attacked the main means of balancing our trade.

"In private life, the share of goods you can have is controlled by the effort you put into producing something in exchange," Mr. Weatherly said.

"The same principle applies very much to the trade of the nation." Predominantly, exports from Australia were those of the primary industries.

"Wangaratta Chronicle," 27/5/55.

## RUTHERGLEN RELAPSES

This shire of 200 sq. miles in a reliable rainfall area, borders the Ovens and Murray rivers, and has good soil. Vines are prominent. Yet the Rutherglen Shire shows steady loss of population. There was another 2 per cent. decline during last census period (now 3,000). This is a sad story with several causes arising outside the shire. But one powerful reason is kept going by the shire councillors as a destroyer of progress. That is, Rutherglen shire rates are arranged as a penalty on buildings and improvement and as a bonus to vacant holdings. On 1,754 assessed properties only 936 have dwellings, while 818 properties are devoid of human habitation.

Yet Rutherglen councillors have legal powers to exempt buildings from burden of rates and charge the vacant township blocks and the uninhabited rural properties a fair and just sum based on unimproved capital value. Councillors have not done so and it is high time the citizens ejected some of them at next August elections.

The Shires of Yea and Rosedale, of Eltham, Dandenong, and Frankston follow the reasonable and just system. The association of Rutherglenites in Melbourne has many members living in those suburbs with site value rating. These former residents should send letters back home telling the ratepayers to "clean up" the backward influence instead of squeezing out any more residents. Municipal rates were £16,150 last year, and £23,250 this year on annual rental value — an increase of 43%. This is a long way past a joke.

## PLIGHT OF THE AGED

A report of a study of the problems of the aged in Victoria entitled "Old People in a Modern Australian Community," by Dr. Bertrand Hutchinson, has been recently published. The project was sponsored by a Citizens' Committee at the instigation of the Rotary Club, and the organisational work was undertaken by the Melbourne University Department of Social Studies. The information was obtained by the method of sample survey, 1322 people of 55 years and over being interviewed.

One finding of the survey was the existence of a considerable amount of poverty, particularly among pensioners, 11 per cent. of whom do not obtain sufficient food and clothing. Another finding was the existence of inadequate housing; 15 per cent. are dissatisfied with their housing conditions. Yet another was the inadequacy of institutions, both as regards numbers and quality. Accommodation, e.g., furniture, is often unattractive and depressing in its influence.

Among the recommendations are the provision of more old people's homes; a scheme of contributory pensions (and an additional one of supplementary pensions); and retention of workers in their employment for longer periods than they are at present.

The impression cannot be avoided that the report simply deals with surface phenomena without going to the basic underlying causes. These inevitably entail the land question, and, concomitantly, the taxation question.

The problem of poverty and economic hardship is not confined to pensioners. It would be more profitable to investigate why there should be any such problem at all in an age of such scientific and technological advances.

Inadequate housing is a problem not confined to pensioners either; many young couples seeking to establish a home know all about it. Smaller, fewer, and poorer houses are built to reduce the exactions of the tax-gatherer, while the price of land, exempt from its just contribution to local or national treasures, steadily rises to the detriment of those without a roof over their head.

It is all very well suggesting more institutions, but as long as building materials and household effects are subject to tariff and sales taxes, and to various restrictive controls, little of permanent value will be achieved.

Then one may ask what the use of pensions is when indirect taxation and Government-made inflation rob money of its purchasing power. Under a just social order people could make provision for their old age on their own account without leaning on the Government.

Longer retention of workers in employment is not very practicable as long as employment opportunities are unnecessarily restricted by trade barriers, punitive taxation, monopoly of natural resources, private appropriation of site rents, and privileges without obligation.

The economic problems of the aged, like so many other problems, will be remedied only by the implementation of the social philosophy of Henry George.

## DEVONPORT JUNIOR CHAMBER OF COMMERCE

### URGES ADOPTION OF SITE-VALUE RATING

That site-value rating was best suited to the present needs and development of Devonport was reported by the Junior Chamber of Commerce to the April meeting of the Chamber of Commerce Council.

The report followed full investigation of the advantages of both annual value and unimproved capital value systems, and was prepared at the request of the Devonport Chamber.

It stated that it would be readily recognised that the best rating system for any community was one which was fairest in its incidence; most equitably distributed over the whole municipality; had fewer anomalies; did not tax progress and individual initiative and enterprise, and encouraged development.

The Junior Chamber was firmly of opinion that the site-value system was best suited to present and future needs. It also contended that local government revenue should be drawn from rates on the publicly-created value of the site itself.

These views were supported by the Land Values Research Group of Victoria, an honorary organisation whose members had wide knowledge of various forms of rating.

The report included a precis of the recent survey of Devonport conducted by the Land Values Research Group of Victoria and of the relevant correspondence between Mr. A. R. Hutchinson, research director of that group, and the Devonport Municipal Council, Chamber of Commerce and Junior Chamber of Commerce. The group's conclusions regarding the effect on Devonport of the adoption of site-value rating were—

A change to site-value rating would be beneficial to Devonport. It would remove inequity in rating between ratepayers offered the same service by the municipality. It would spread the cost of municipal services amongst ratepayers in proportion to the value of the services offered them by the municipality instead of charging them according to the extent of the improvements effected by their own industry. It would reduce the rates payable by approximately 80 per cent. of the house-owners of Devonport, while calling on holders of vacant lots and those with poorly-developed holdings to contribute their equitable proportion of municipal costs.

A stimulus to the making of improvements by their exemption from local taxation would benefit business operators. This would tend to accelerate building activity, with its attendant benefits to the community generally.

Site-value rate savings in the hands of resident owners would be spent within the local business community. At present a proportion of the savings under annual value rating went to absentee vacant-lot or business-site owners, and were a net loss to the trading community.

Industries could be more readily attracted and maintained under the more reasonable rating levels of site-value rating.

The finances of the municipality would be more stable under site-value rating. Expenses would be

kept within bounds, as site rating would encourage building on the vacant lots within the area already served by roads, water and sewerage before extension to outer areas involving new capital expenditure.

Revenue of the municipality would benefit directly as site values increased following extension of its services.

Should the necessity for rate increases arise, they would be less onerous under site-value rating, since the holders of vacant lots would contribute their full share instead of the increases being concentrated principally on the householders, as under annual-value rating.

In Australia 92 per cent. of the whole municipalised area now operated under site-value rating (including N.S.W. and Queensland in their entirety).

The evidence of continued agitation in West Australia, South Australia, Victoria and Tasmania pointed to an eventual 100 per cent. changeover. A further six polls would be taken in Victoria in the next six months. In New Zealand, two-thirds of all councils operated on site-value rating.

This change had been and could only be brought about by a poll of ratepayers in New Zealand.

It was stated: "It is not uncommon for Chambers of Commerce to interest themselves in rating in their own areas. On the contrary, they have been most active in this regard."

The president of the Cobram (Victoria) Chamber of Commerce had stated that a move for a change in rating in that centre was necessary because of the rapid development of the district under closer settlement. It was increasingly difficult to induce secondary industries to set up in an area while improvement rating was in operation.

The Junior Chamber's report added that a copy of a statement by the Auckland Chamber of Commerce, pointing out the advantages of site rating, was in its possession.

The Victorian Chamber of Manufactures last year communicated with all country councils in Victoria not then operating under site rating, asking them if they would be prepared to consider changing to this system.

In his address at a Devonport public meeting, the report added, Mr. Hutchinson further stated that there should be no question of deciding this matter on the alleged hardships of selected and unrepresentative classes; on personal opinions, or conjecture so far as Devonport was concerned. The survey was thorough and factual, and showed just how houses, shops, industrial, miscellaneous buildings and vacant land would be affected by the change.

Under annual value rating, the report continued, present municipal rates were approximately 5/10 in the £ on annual values.

To return the same revenue to the Municipal Council, the rates based on site value would be approximately 1/- in the £.

From these figures, the effect of the change could be assessed.

The council decided that the report be circulated to members of the Chamber.

Burnie "Advocate," 27/4/55.

#### Senior Chamber of Commerce Divided

Following the circulation of the above report to members of the Devonport Chamber of Commerce, members were invited to give their views on the rating methods. This resulted in an even division of opinion, 17 members favouring change to site-value rating and another 17 doubtful or opposed.

—Data from "Age," 23/3/55.

### LAND VALUE TAXATION IN DENMARK

The April-May issue of "Land & Liberty" records that the Danish Parliament has passed a short Act making certain amendments in the law on local taxation. The most important is the abolition of the limit which the law had previously set to the levy of rates in the major cities of Copenhagen and Frederiksborg.

These limits had been that the land-value rate was restricted to the equivalent of about 2d. in the £ of unimproved capital value. As soon as the Act was passed the two City Councils met and decided to raise the land-value rate to 12 per thousand, equal to about 2.88d. in the £.

Unfortunately, the limit has been removed only for the two cities, and still applies elsewhere.

So far as local rating is concerned it appears that Australian and New Zealand practice is far in advance of Denmark on the information given in "Land & Liberty." Here, when site-value rating is adopted there is no limitation as to proportion of revenue that can be raised from land values compared with improvements. In New Zealand, Queensland, New South Wales, South Australia, Western Australia and most of Victoria, the whole of the local rate revenue can be raised from the site-value rate.

The Victorian exception is for water and sewerage rates in the area controlled by the Metropolitan Board of Works, which is a different rating authority.

The Danish rates on land values are low because the limits set have meant that only a part of their revenue is drawn from this source. The balance of revenue has been drawn in part from taxation of the buildings and improvements and in part from local income taxes.

They are, therefore, far from the complete exemption of buildings and other improvements from local rating met in Australasia. However, values of buildings are exempt up to certain limits.

The three local government units vary in the extent to which the legal limits allow them to rate site-values.

Counties are not permitted to levy personal taxation; and the building exemptions are such that county taxation rests almost entirely on site-values.

### FRENCH FIGHT AGAINST TAXES

An examining magistrate in France is inquiring into the activities of the Anti-Tax League led by a 34-year-old bookseller, and into the organisation by "persons unknown" of a collective refusal to pay taxes.

The Poujade movement, which claims 800,000 men, aims at the abolition of penalties for shopkeepers who obstruct tax collectors, and the withdrawal of the Finance Ministry's team of investigators who are experts at defeating tax dodgers.

The organisation of the farmers' anti-tax movement was also reported.

The need is obvious for implementing in France the Georgeist system of eliminating taxes on effort and productivity, and deriving revenue from site ren-

Rural Parishes have wide option as to the extent of real-estate and personal taxation possible. About 30 per cent. of their revenue comes from site-values and 10 per cent. from building values.

Provincial Towns are handicapped, being restricted in the amount of revenue from real-estate taxation to one-sixth of their total revenue. They appear to have been overlooked in the recent Act removing limitations on the two major cities.

In addition to the local rating on land values the national land-value tax applies over the whole country at 6 per thousand rate, equivalent to about 1.44d. in the £.

### ELIZABETH STREET BONANZA

So near the railway station — thousands pass the window every hour. Retail trade flourishes at 21 Elizabeth Street, south side, where Law Somner sell seeds and plants as tenants of the building at £46/10/- a week, or £2,418 per year. The vendor has sold for £66,000, so the buyers (A. Rowe and Co.) will get only 3.7 per cent. on their money for the time being. Semi-government debentures bring 5 per cent., so the buyer is optimistic about his future retail sales.

The property has 19 ft. 9 in. frontage and depth is 66 ft. 6 in. to a lane at rear. Hence purchase price is £3,300 a ft., or £275 an inch, for improved value — believed to be a record price for a property in Lower Elizabeth Street.

Building has basement, ground floor and four upper floors, served by an electric lift, worth, say, £12,000. Then bare-land value is about £178,000 per sq. chn. This, of course, is higher today since Menzies Ministry awarded the vendor a bonus by handing him the yearly amount formerly due to the Crown as Land Tax. This yearly bonus adds to the vendor's cash receipt and now has no benefit to the buyer. A trained economist would point out that every £100 formerly paid by vendor as land rental tax to the Crown has now been capitalised at 5 per cent. to become £2,000, and tucked away in the vendor's collection of £66,000 from the purchaser.

### British Blunder

By bringing into the new Melbourne township the corrupt Roman practice of making private persons to be owners of public property, Government sold the citizens' right to all future increases of value of this block for the petty sum of £2/10/-. That was done in 1837 at first land sale, when for the whole half-acre block up to Flinders Lane the auctioneer (Hoddle) could only get from canny Lachlan McAlister a bid of £35. Hosies Hotel block at corner brought £46. In the last depression (1933), these half-acre blocks were valued at figures over £200,000 each. Recent sale of No. 21 shows present-day values, measured in deplorable Canberra currency, are over £1,000,000 O'Malley notes for each block.

### Smoke Screen

For sufficient inducement, trained economists will justify the practice of awarding these huge unearned increases to private persons. Thus these are but the profits of the entrepreneurial function, the rewards of foresight, of buying land where it is seen progress will arrive. Oh, yeah!

In 1837 the town of Melbourne was down at William Street, and Elizabeth Street was a creek bed liable to flooding. McAlister's low bid shows he could not see that 18 years later the railway from Port Melbourne would terminate there and discharge its passengers into Elizabeth Street. Reader! Are you fooled by the economists' yarns about "foresight" and "the entrepreneur"?

### Principle

These increments of land value were earned by the citizens, belong to the citizens now, and the annual land rent should be paid into the Public Treasury.

HODOS.

## TOO MUCH PROTECTION FOR INEFFICIENT INDUSTRY

### CLAIMED IN NEW ZEALAND

New and controversial aspects on the old debate of whether or not New Zealand's manufacturing industries are excessively pampered has been raised in several quarters.

Hard on the heels of announcement by the Government Statistician that the volume of industrial production in 1953-54 reached a new record six per cent. above the previous year's level, several critics—some admittedly by no means disinterested parties—have claimed that too much protection is enjoyed by "timid and inefficient" local manufacturers.

The president of the Bureau of Importers, Mr. R. G. Ross, said protected industries here were "living in a Shangri-la of their own," producing articles which they could not supply in quantities sufficient for the wants of the people.

He trenchantly remarked that, notwithstanding the fact that the licensing system had put the importer out of business, the government gave the local manufacturer preferred treatment in issue of licences when he fell down on supplying the New Zealand market.

## YEA SHIRE

### Rating Reversion Move Defeated

An attempt has been made at Yea to revert to the system of rating buildings and other improvements. A resolution was moved in the council to revert and was carried by 7 votes to 5. However, it required to be confirmed at the next meeting of the council and in the meantime further information was presented to councillors on the effects of the alternative systems.

As a result one of the councillors reconsidered his position and voting was even. The President then gave his casting vote to preserve the status quo in accordance with accepted practice.

Had this resolution to revert been carried those favouring retention of site-value rating would have had one month in which to get the signatures of at least 10 per cent. of the voters to a demand that a poll be taken before implementing the council decision. For this 89 signatures would have been needed.

A very healthy sign of the attitude of the ratepayers themselves to site-value rating, and of their alertness, is that immediately following the carrying of the first resolution by the council at least 100 ratepayers wrote in protesting against the decision and demanding that a poll be taken.

This was before the legal steps were reached of advertising the decision and the fact that ratepayers could demand a poll. It shows that citizens are very much alive to the benefits of site-value rating. Moves for reversion are usually attempted from within councils rather than initiated by demand of ratepayers.

They exemplify the fact that eternal vigilance is the price of liberty.

Urging that import control should be removed at the earliest opportunity, Mr. Ross said: "Inflation can be corrected only by equalling the supply of goods to the purchasing power of the community. There are so many protected industries throughout the country that they have no competition whatsoever. There is no restriction on their expansion, no restriction on the labor force they employ, and, in most cases, no restriction on the price they charge for their products."

These factors had forced industrial expansion at a greater rate than the growth of population, said Mr. Ross. They had contributed to inflation and to an acute shortage of labor.

Also strongly critical of import licensing, president of the Associated Chambers of Commerce, R. J. Boyd-Clark, advocates judical use of tariffs as "the only fair method of adjustment."

There was general satisfaction when such countries as Japan came here to buy wool or livestock, but goods could be brought only if buyers could sell something in exchange. When this was suggested however an "immediate squeal" went up that anyone who



could sell more cheaply than us created unfair competition and should be barred, said Mr. Boyd-Clark.

"Some New Zealand manufacturers and traders will accept any form of government regimentation rather than face competition. They want complete freedom from price control and, in addition, an exclusive market," Mr. Boyd-Clark said.

"Healthy competition is the only answer to reduced prices and costs," he said.

Mr. Boyd-Clark said, "no trading group of people in the world is in a better position than the British Commonwealth and the Empire — handling as it does more than a third of the world's trade — to achieve sensible application of the principles of international trading organisations such as GATT. But this can be done only if we use them as a weapon to fight with, tool to work with, not as a wall or fence to protect timid and inefficient industries."

[These comments in Geelong Advertiser, 5/5/55, are timely and equally applicable to Australia.—Ed.]

## WERRIBEE IRRIGATION DISTRICT

The April issue of "Aqua," official journal of the S.R. & W.S. Commission, contains an article on the Werribee Irrigation District from which the following extract shows the extent to which the increased productivity from irrigation has been absorbed into land values.

"The value of irrigation is probably best expressed by the price individuals are prepared to pay for irrigated land. The first land purchased was sold to settlers on 31½ years' terms at an average of £20 per acre.

"Higher prices were paid for land for soldier settlement and it was allocated at an average price of £40 per acre. Despite a general fall in land values during the depression, the same land was sold at £70 per acre in 1933. The price per acre continued to rise and averaged £200 to £300 in 1948 and £400 in 1950.

"On last year's sales the average is now somewhere around £500 per acre, and the highest price ever (£610 per acre) was paid in 1954 for an area of 20 acres.

"The actual value of the £ was not the same throughout the years, but the purchasing power of the £ finds its reflection in the nominal wage, and its relation to the prices paid for land is shown in the following table:

Year	Nominal Wage	Land Value per acre	Water Price per acre-ft.
1918	£3 6 5	£22	10/-
1922	£4 10 6	£30	12/-
1933	£4 0 6	£70	12/-
1948	£7 16 4	£250	12/-
1950	£10 5 6	£400	13/6
1954	£14 7 7	£550	25/-

"While the nominal wage has increased 4½ times over the past 36 years, the value of the land in the

Werribee Irrigation District has increased 25 times over the same period, thus demonstrating most clearly the effect of irrigation on land values."

## OBITUARY

Mrs. Jeanne F. Young

It is with great regret we note the passing on April 11 of Mrs. Jeanne Forster Young, of 23 Victoria Avenue, Rose Park. The late Mrs. Young was the leader in South Australia of the movement for electoral justice by means of proportional representation. During her very busy life Mrs. Young addressed a big number of meetings, explaining the principles of proportional representation, giving blackboard demonstrations of the counting of votes, and by the issue of numerous pamphlets and other printed matter nobly did her part to bring this important reform under the notice of the general public.

She was a co-worker with the late Catherine Helen Spence during the pioneering stage of the movement for electoral justice in this State. Mrs. Young did not enjoy good health during the later years of her life, but her interest in electoral reform was never abated. All who believe in just representation of the people will mourn the passing of such a sterling worker. We convey to members of the family our sincere sympathy in the time of their sad bereavement.

Mr. W. Parsons

It is with sincere regret we announce the passing of Mr. William Parsons, of Goodwood, S.A., on April 1. The late Mr. Parsons was for many years engaged in farming operations at Denial Bay on the West Coast. While there he rendered valuable service to the Henry George movement by the distribution of literature and in organising meetings in connection with election campaigns. Owing to failing health, he retired from farming and settled in the metropolitan area, where he continued his work for sound economic principles. Although not in the best of health for some time, his end came suddenly. He will be missed by a large circle of friends. We tender our sincere sympathy to Mrs. Parsons and members of the family.

## TO MEMBERS AND FRIENDS

Commencing with the meeting on Tuesday, 16th August, the members' evenings will take the form of a discussion group based on the book "Progress and Poverty."

The opening discussion will be on the first chapter. Please make a note of the date, bring your friends. If you have not already got one you can obtain a copy of the abridged edition used, for 7/6, at the League Rooms, 18 George Parade, Melbourne.

The meeting will commence at 8 p.m.

## Radio Broadcast Session

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

RADIO STATIONS 3DB & 3LK

Every Sunday at 10 minutes past noon.

LISTEN AND ASK YOUR FRIENDS TO LISTEN

Donations to the Broadcast Fund will be appreciated.

## VICTORIAN ELECTION RESULTS

### Box Hill

BAWDEN, "Henry George Justice"	624
GRAY, "Cain Labor"	9,969
McCREDDIN, "Independent"	2,854
REID, "Lib.-C.P."	13,073
WESTON, "Barry Labor"	1,986

### Burwood

McDONALD, "Lib.-C.P."	12,190
MAHONEY, "Barry Labor"	1,954
NOAD, "Cain Labor"	4,965
ROBINSON, "Henry George Justice"	530

### Hawthorn

MANSON, "Lib.-C.P."	7,247
MURPHY, "Barry Labor"	3,739
PITT, "Henry George Justice"	313
POKE, "Cain Labor"	5,097

### Pascoe Vale

DRAKEFORD, "Cain Labor"	9,032
FEWSTER, "Barry Labor"	4,173
HUTCHINSON, "Henry George Justice"	397
PORTWAY, "Independent"	486
REID, "Lib.-C.P."	7,085

## Notes from Various Sources

**Welfare State.**—New South Wales has an Egg Board to keep up price of eggs. So a Victorian egg producer sends a refrigerated motor van loaded with eggs across to Sydney, where the "imported" eggs are eagerly sought by housewives because they are 10d. a dozen cheaper — after paying heavy transport costs.

[Ed. Note: Egg boards should be abolished — we want freedom for trade.]

**Rating Robbery.**—Solid 3-storey building at 33-35 King Street, City, pays Melbourne City Council and Metropolitan Board of Works rates of £1,120 yearly on annual rental value, while owner receives only £870 a year.—Argus, 18/2/55.

[Ed. Note: Owner should blame himself for not pushing City Councillors to modernise with site-value rating, making 1-storey decrepit bluestone barns in same locality pay up.]

**Australian Labor** is searching for a leader when it could be searching for a policy. For some time now it has had no effective or reasonable, consistent alternative to the programme of its opponents. It seems that Labor's great need today is to re-think and restate its distinctive objectives.—Prof. McMahon Ball, 1955.

[Ed. Note: The founders of Labor Party around 1890 were strong on free trade and taxation of land values. Some present Laborites have deserted these principles.]

**Opinion.**—World peace depended upon world trade and that, since free trade in 1947 extended from the Atlantic Charter, trade pacts should be sought. We have Anzus and Seato, but want more than this. We need similar pacts in trade.—Sir John Allison to Royal Empire Society, Age, 10/6/55.

[Ed. Note: Since charity begins at home, so setting trade free from government restriction should begin at home. Treaty pacts are not needed.]

**Millionaire Moguls.**—One word describes the basis of their success. That word is Monopoly. This they pursued with single-minded purpose. W. B. Astor (New York land), Commodore Vanderbilt (Hudson River ferries), Jay Gould (railroads), Rockefeller (oil), Carnegie, Morgan and Schwab (steel), Mellon (aluminium), Clarke and Heinze (copper), Du Ponts (explosives and chemicals), Guggenheim (smelting), W. R. Hearst (news-papers), Sam Insull (electricity).

[Ed. Note: And each monopoly is established by the Rulers, whether King, Parliament or Congress in Statute Law.]

**Victorians** pay more and receive less, under "uniform" taxation, than any other State.—A. W. Taylor (Balwyn), Age, 18/5/55.

[Ed. Note: Since the refunds are strongly "dis-uniform," the State finances of Victoria show chronic "im-balance" as arranged by the planners at Canberra.]

**99 Years.**—The average "life" of Victoria's 57 Governments since the first election in year 1854 (gold rush era), has been about 21 months — less than two years.

[Ed. Note: Single-member electorates with majority count even assisted by preferential voting, has never given stable government. For this boon Proportional Representation is essential.]

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