LAND TAXATION IN AUSTRALIA.

Report No. 4.

Historical Survey.

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The publication of the report on land taxation, prepared by the Federal Royal Commission on Taxation, marks another milestone in the story of propaganda, politics, and practice, centered in the Australian laudowner’s pocket. There was a time when land taxation seemed to many, but not all, the “Open Sesame” to the millennium. Every Bill to impose taxes on land has been hailed by its supporters as the panacea for solving all our social and settlement problems, and on the west coast they tell us that British legislators, when they preside over the Germanic problem of a tax on land, and on the coast they tell us that the whole of the colonial revenue should be raised by a charge on the land, with double rates in the settled areas. “By this means,” he asserted, the ports of the Colony would be free to the world, and would have access to the world. Governments could scarcely be expected to take notice of Melbourne’s ideas, and the moderates who believe that the real values do not begin till the seventies. Where its impetus came from we do not know. The South Australian Land Tenure Reform League had embodied the tax in a fully developed program of “Progress and Poverty.”

South Australia Leading the Way.

The story of actual legislation taxing unimproved values begins with our own State, 1884, thus leading the world once more. Other States were slow to follow, but New South Wales, Western Australia, Tasmania, and Victoria in the first decade of the present century took steps in the direction of State taxation of this type, the principle of compulsory or permissive ratification in the States of the Commonwealth, and the eighties, had been extended to local government in Queensland rating on U.V. unimproved values has since been adopted, and the right to rate on U.V., and where this has been done suspends the collection of State land tax, the land tax portion of the State taxation, there came the Federal tax in 1901, so that today in some parts of Australia the rating on the same includes a Federal tax.

Taxation of U.V. was one of our own Commonwealth’s tasks, and now has come to consider the results of the experiment. Unfortunately the Federal tax has not been and may not be in this task so far as the Federal tax has been concerned, on the plea that “We have not added any tax to any opinion.” Certainly any conclusion which has been at work for three years as a group of experts on taxation in the whole, could, with the powers and informa-