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REPORT
on
SOCIAL EFFECTS of MUNICIPAL RATING
A STUDY CONDUCTED IN FOOTSCRAY

BY

THE LAND VALUES RESEARCH GROUP WITH THE
CO-OPERATION OF THE FOOTSCRAY CITY COUNCIL

PRICE
2/6

Land Values Research Group

For the collection, analysis and distribution of information upon the incidence and effects of public charges imposed upon land tenures.

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Social Effects of Municipal Rating

THE RELATIVE MERITS OF RATING ON UNIMPROVED LAND VALUE OR ANNUAL
RENTAL VALUE

A Study Conducted in Footscray

by

The Land Values Research Group with the co-operation of the Footscray City Council

AIM:

To find what the economic effects would be of a change in the rating system from the annual
rental value basis to the unimproved capital value basis.

Study made during the period October, 1944, to August, 1945.

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INDEX to CONTENTS

PART I—THE FIELD STUDY

Section	Page
1. General Information on Footscray	3
2. The need for a field study	3
3. The nature and extent of the field study ..	3
4. What the field study showed	3

PART II—HOW HOUSE RATES ARE AFFECTED

5. Errors in preliminary checks	4
6. A large area in the Kingsville ward	5
7. A large area in the Middle ward	5
8. The average house in every street in Footscray	5
9. Average Houses gain under site value rating	7
10. How to find the percentage reduction in rates	7
11. Decadent areas bonussed by Annual Value Rating	7
12. Cost of Houses increased by Annual Value Rating	9
13. The effect upon pioneer settlement	9
14. The effects upon the building and allied industries	9

PART III—HOW VACANT LAND IS AFFECTED

15. The extent of vacant lot holdings	11
16. Total vacant holdings and the rate increases upon them	11
17. The relative proportions of absentee and resident holders of vacant land	13
18. The largest holdings of vacant land	13
19. Effect upon Sir William Angliss interests ..	13
20. Wembley Park Estate	13

PART IV—HOW SHOPPING CENTRES ARE AFFECTED

21. The distribution of the shopping centres ..	14
22. The scope of the shopping investigation .. .	14
23. Most shops carry lower rates under site value rating	14
24. How individual shop sites fare	14
25. Increases in rates fall on the site owner and not upon the tenant	14
26. The ability of Nicholson Street sites as compared with other centres to carry rates .. .	14
27. The relative volume of business between the centres compared with their rate contribution	15
28. Effects upon the business centres of a change in the distribution of rates on other properties	16
29. Rate increases in the main centre fall mainly upon absentee site-owners	17
30. Agreements under which the tenants pay the rates	18

31. How shop and house rents are affected by rates	19
32. The diametrically opposite effect of rates falling upon (a) Improvements and (b) Sites .. .	19
33. The aggregate rate burden upon improvements	19

PART V—HOW FACTORIES AND INDUSTRIES ARE AFFECTED

34. Footscray as a manufacturing centre	20
35. The degree of economic development of the site	20
36. The scope of the factory investigation	20
37. Industrial Properties classified	20
(A) Highly improved properties	
(B) Poorly improved properties	
38. The effect of rates upon improvement of holdings	21
39. Ability to pay examined	21
40. Annual value rates increase the cost of production	21
41. Production of costs and plant extensions .. .	22
42. Effects upon markets and industrial employment	23
43. Factory rates compared with the value of the municipal services received by factories ..	23
44. High factory rates do not mean low house rates	23
45. The ten most improved industrial concerns ..	24
46. The ten least improved industrial concerns ..	25
47. Conclusions regarding rate incidence upon factories	25

PART VI—MUNICIPAL FINANCE ANALYSIS

How Rate Payments Compare with the Value of Services Received

48. The nature of rates and the scope of investigation	26
49. The methods of comparison used	26
50. Sharing the Road Maintenance costs carried by built and vacant lots	26
51. The other items of expenditure on services	28
52. The most suitable basis of payment	28
53. The overhead items of Council expenditure ..	28
54. Municipal revenue other than rates	29
55. The cost to the Council for all items compared with rate receipts, per foot of frontage .. .	29
56. Conclusions upon costs and rate payments ..	31
57. A final note on road maintenance costs .. .	32

PART VII—A BALANCE SHEET

58. An approximate distribution of rate gains and losses	32
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Social Effects of Municipal Rating.

A Study made in Footscray

PART 1.

1. GENERAL INFORMATION ON FOOTSCRAY.

Footscray is the largest of the mixed industrial and residential municipalities, and the eighth in order of size of the twenty-eight municipalities comprising Greater Melbourne. Its area is 4,212 acres. The estimated population for the municipal year 1944-45 was 60,000 and the number of dwellings 13,073. There were 17,583 holdings with a total of 15,137 ratepayers of whom 14,325 appeared on the Voters' Roll.

The district is among the closest to the centre of Melbourne, being served by two railway routes with an excellent service. There are 6 railway stations within the municipality, Footscray itself (the nearest) being only $3\frac{1}{2}$ miles from Flinders Street Station, and Tottenham ham (the furthest) being $5\frac{1}{2}$ miles from that station, the average being $4\frac{1}{3}$ rd miles. It has no tramway communication with the city, but has a self-contained tramway system of its own and is well served with bus routes.

The municipality contains a number of the largest industrial concerns in Victoria and is predominantly a working class area. In consequence, frontages are small compared with the purely residential eastern suburbs, although there are limited areas in the mansion class, characterised by large frontages and more valuable residences. The predominating types of dwellings are weatherboard with corrugated galvanised roofing, although in the newer sections, brick and tiled roof construction are more common.

The City is one of the oldest in the Melbourne area, having been proclaimed in 1891. In some of the older sections, decadence is in evidence and these tend to be problem areas. On the other hand, the newer areas are quite attractive.

The present rating system is that of Net Annual Rental Value. The Net Annual Rental Value of the district was £738,000 and the current rate $\frac{2}{3}$ in the £, giving a rate yield of £83,000.

2. THE NEED FOR A FIELD SURVEY.

Before any reliable comparison could be made of the incidence of the respective rating systems upon various classes of property, it became necessary to know the rate in the £ of unimproved land value which it would be necessary to strike, in order to return the same revenue to the Council as the Current Rate of $\frac{2}{3}$ in the £ on the net annual value basis.

This demanded a knowledge of the total unimproved value of rateable property within the district. It was found that no such total was available to the Council, although values per foot were closely recorded by the Valuer.

Too much work would have been thrown upon the Council officials in taking out the totals as well as supplying the other data for this study. Nevertheless, as the study was intended to provide reliable information for the guidance of other bodies, it was necessary to know this figure with reasonable accuracy rather than to rely upon approximations based upon other districts. It became necessary, therefore, that the members of the Land Values Research Group undertake a field study, in co-operation with the Council officials, to determine this value.

Advantage was also taken of the opportunity afforded by this field study to obtain other information not available from the Council records. The information upon the relative proportions of rateable and non-rateable

frontages and the distribution of the rate-exempt properties in classes, as found during this study, will be of more than passing interest to other municipalities.

3. THE NATURE AND EXTENT OF THE FIELD STUDY.

In the course of the field study, every street having buildings in the Municipality was measured and those subdivided but unbuilt were scaled off the maps. The primary object was to find how much of each street was rateable and how much non-rateable. To the rateable lengths found, the appropriate average land value per foot was applied. This value was supplied by the Valuer. Where values changed rapidly streets were treated in sections. Street values were then combined to approximate the total unimproved land value for the district.

Non-Ratable Properties.

The non-ratable properties recorded at the same time comprised churches, schools, municipal property, State and Commonwealth Government properties, S.E.C. properties. They also included, as the largest single item, the frontage to one street lost at intersections of two streets, due to the property being rated only on the frontage to one or the other street. They also included the rear losses in a few streets where the front is in one street and the rear in the next.

Road Intersections.

An addition to these frontages which do not contribute to rate revenue is the square of roadway at every intersection of two streets. The cost of this portion is spread over all ratepayers. These intersections were not measured directly but their length was ascertained by scaling from the map and by difference.

Vacant Lots.

The number and frontages of vacant lots were recorded with a view to studying whether the rate contribution of this class of property is proportionate to the services received.

Factories and Shops.

The frontages or areas of factories were measured and also those of all shops in the shopping centres which had not already been supplied by the Valuer.

4. WHAT THE FIELD STUDY SHOWED.

(i) Total Unimproved Value of Footscray.

The total unimproved value for the Municipality, obtained by summation of the values for rateable properties in all streets, was found to be £4,087,000. This is regarded as a minimum figure, as the average values used per foot in streets or sections do not take account of corner sites or other factors that make portions of streets more valuable than others.

An approximate distribution of this total among the various wards is given in Table No. 1 of the Appendix.

(ii) Equivalent Rate in the £ of Unimproved Value.

The current nett annual value rate of $\frac{2}{3}$ in the £ upon the annual value of £738,000 yields a rate revenue of £83,000. This amount, less the amount contributed by certain special rateable properties which the local Government Act specifies, must be rated on the annual value basis, would have to be raised by the equivalent rate on the unimproved value basis.

The special properties in the Footscray District are the Gasworks and mains and the Tramways Board properties. The works and mains of the former property have an annual value of £6,634 and the latter £448, giving a total of £7,082 from which the rate yield is £790. The total amount to be raised by a rate on the unimproved value basis is, therefore, approximately £82,200.

The equivalent rate to return this amount is 4.83d. in the £ of unimproved land value. As the total unimproved value used is the minimum, it is considered that more exact valuation, taking account of corner sites and other factors, would reduce the equivalent rate at least to 4½d. in the £, which convenient figure has been used in any computations of rates in this study.

With this rate determined, a ready check can be made as to whether a particular property would gain or lose in rates by a change to the unimproved value basis. With this rate the average annual rental value of the land and the improvement upon it is 3.50 times the annual value of the land in its unimproved condition. Any properties improved to higher than this proportion will be found to gain under the unimproved value rating, while those improved to less than this average figure for the district would lose under the change. The annual value unimproved is taken as 5% of the unimproved value.

Although the current rate in the £ on nett annual value is 2/3, this will need a little modification to ensure accurate comparison between the systems. This figure is applied to the values at the last general valuation in 1937, and modified by supplementary valuations on properties which have been built, altered, or changed hands since. The land values used are those of 1942. If a general re-valuation were made at 1942 levels the annual value of the district would be somewhat increased and the rate in the £ of annual value needed to return the same revenue as at present, would be lower. The possible reduction would be at least 1d. and probably 2d. We will assume the latter figure which is less favorable to the unimproved value system in comparisons.

This modified rate of 2/1 in the £ of annual value means that, for greatest accuracy, the dividing line between loss and gain is 3.7 instead of 3.5. In many of the graphs the line is shown at the latter figure. The difference is not great enough to warrant redrawing them but should be borne in mind.

(iii) Ratable and Non-Ratable Frontages.

The relative proportions of ratable and non-ratable frontages to roads, as ascertained from the field study, are as given below:

WARD	Non-ratable Frontage (ft.)	Ratable Frontage (ft.)	Ratable but Vacant (ft.)	(% of ratable) length
NORTH	63,800	117,000	6,600	5.6
MIDDLE	47,400	93,600	6,600	7.1
SOUTH	51,300	153,000	20,500	13.4
NORTH WEST ..	60,700	155,700	36,100	23.3
KINGSVILLE ..	78,500	290,500	152,700	53.1
TOTAL	301,700	809,800	222,500	27.5

These figures for wards are not quite accurate as some streets, which traverse two wards, have been included in one or the other and not part to each.

The non-ratable frontages in the list above do not include the squares of roadway at each intersection of two streets. These have a total of an additional 168,000 feet frontage, which has not been split over the wards.

There are, finally, a total of 810,000 feet of ratable frontage to roads and 470,000 feet of non-ratable frontage. Thus, the road frontage which does not contribute to its own upkeep and of which the cost must be spread over the ratable length, amounts to 58% of the ratable length.

(iv.) How Non-ratable Frontages are Distributed.

A table showing the approximate distribution of the non-ratable frontages over various classes of property is contained in the appendix, Table No. 2.

(v.) The Proportion of Vacant Land.

The proportion of the ratable frontages which is un-built is very high. A high proportion would be expected in the Kingsville ward which is the newest, and is developing. The North, South and Middle wards, however, are very old and should have no undeveloped land. To

many people the extent of vacant land will be most surprising, for we have been told by many people that there is little vacant land in Footscray.

The high proportion of vacant land is particularly important because such land has been found to contribute to Council revenue only from a quarter to one-twenty-fifth of the amount the same land would be called upon to pay if houses were built upon it.

This disparity in rates between built and un-built land is important. The light rates upon un-built land necessarily involve heavier rates upon built land. It becomes very important, therefore, to consider whether the differences in cost of the services given to each of these two classes of property justifies the difference in the scale of rates. This is treated in a separate section.

(vi.) Method of Measurement and Probable Error.

The method of measurement adopted in the field study was a combination of scaling from the survey maps and pacing. There is, therefore, a margin of probable error which is comparatively small. An approximation to this error is given by comparing with the known length of all roads in Footscray, the totals found from the field survey. The total length of all roads is known to be 122 miles. The total mileage of the non-ratable and ratable frontages found from the field survey was 124 miles. This puts the probable error as about 2 per cent. In the cases of shops other than in Nicholson Street, the possible errors would be from 1 to 1½ feet in the normal frontage. This would be a probable error of 10%. For this reason, in dealing with shopping properties, those whose improved to unimproved ratios lie between the limits 3.4 and 4.0 have been regarded as substantially unaffected in their rates under either system. In Nicholson Street the probable error would not exceed 5%.

PART II—HOW HOUSES ARE AFFECTED.

5. ERRORS IN PRELIMINARY CHECKS.

Great importance has been given in this inquiry to the study of the relative rates upon houses under the two systems. This has been necessary because houses form more than 90% of all buildings in the district and the effects upon them will probably over-ride all other considerations.

For this special study upon housing, two areas were chosen by the Sub-Finance Committee of the Footscray Council. One of these areas was in the Kingsville Ward and the other in the Middle Ward. Both areas were in the more closely built portions of their districts, the Middle Ward area containing no vacant lots.

These areas were both presented to the Group as areas in which preliminary checks had indicated that houses would pay more were a change made to the land value rating basis. They were thus regarded as problem areas.

It was found as a result of the special study that the preliminary impression that houses would pay more in these areas was groundless. In fact, it proved that houses in both of these areas would make considerable rate savings by a change to land value rating.

The reason for results turning out so differently from what had been expected was that two important errors had been made in the assumptions used in the original approximations. The Annual Values which had been used were those established at the last general valuation which had been made in 1937, while the unimproved land values used were those of 1942, which showed a very considerable appreciation in the interval. It was found that the Annual Values had to be increased generally by 15% to bring them into line with the 1942 figures and even more in limited areas.

The second error lay in the estimate of the rate in the £ of unimproved land value required to return the same revenue as 2/3 in the £ of annual value. This had been assumed to be 6d. in the £ in the absence of any definite figure as to the total unimproved value of the district. The field study showed the appropriate rate required to be 4½d. in the £.

Either of these two factors, singly, was sufficient to completely change the nature of the incidence. The two, working together, completely reversed the position.

In the study on these two areas every property has been investigated and its annual value graphed on the sheets forming the appendix to this study. No arbitrary assumptions have been used in proving the incidence to be as found. In the case of the area in the Kingsville Ward, not even the 15% increase in Annual Values has been applied but the ratable (1937) values for land and improved properties have been used directly from the ratebooks.

6. A LARGE AREA IN THE KINGSVILLE WARD.

Bounded by Somerville Rd., Williamstown Rd., Geelong Rd., and Wales Street.

This area is the oldest in the Kingsville Ward. The houses are of very ordinary quality, being weatherboard with galvanised iron roofs contrasting with the tiled roofs of more recently settled sections of this Ward. In this block there are 781 houses and shops. In the rest of the Kingsville Ward put together there are only about 950 houses. It is evident, therefore, that the area studied is very considerable. The streets in this area have been laid out on a 33 feet frontage sub-division, which enables direct comparisons of the rated values between properties to be used more safely than where frontages varied greatly. There are, however, some variations in the frontages, particularly in the few shops on Somerville Rd.

The results of the study in this area are summarised below and the details for each property are given on Graphs J to K in the Appendix.

Name of Street	No. of Built Properties Which					
	Gain on Un. Val.	Lose on Un. Val.	Same on Un. Val.	Total Built	Vacant Lots	Av. Extent of Gain %
Williamstown (east)	57	18	10	85	7	18
Chirnside (east)	70	5	4	79	4	25
Chirnside (west)	62	2	13	77	3	25
Coronation (east)	54	2	2	58	8	35
Coronation (west)	56	—	1	57	—	35
Empress (east)	71	—	1	72	2	24
Empress (west)	65	1	1	67	5	30
Queensville (east)	86	—	—	86	2	30
Queensville (west)	78	1	3	82	4	26
Wales (east)	53	2	1	56	5	30
Somerville (north)	24	—	1	25	—	17
Geelong Rd. (south)	36	—	1	37	5	20
Totals	712	31	38	781	45	—

Note.—Where the rated value was within 2 points of the average line on the graph, whether above or below, the rates have been treated as the same under either system.

Houses Would Gain Under Land Value Rating.

Of the 781 built properties in this section, no less than 91 per cent. would gain a substantial reduction in their rates by a change to land value rating. This reduction would be of the order of 25 per cent. In 5 per cent. of built properties, the rates would be substantially the same under either rating system, while in only 4 per cent. of the properties would there be a loss by the change.

On the other hand the 45 vacant lots among these houses would pay approximately 3½ times as much as the nominal rates they now pay. It is evident that these vacant lots are at present being bonussed in low rates at the expense of the owners of built properties in this area.

It should be noted that the figures above are based upon the proportions of improved to unimproved value, appropriate to the reduced net annual value rate of 2/1 in the £1 referred to in section 4 (ii) of this study. Had the current rate of 2/3 in the £ been used the proportion gaining under the unimproved value system would have been even greater. On this basis, 723 would gain, 17 would lose and 41 would have rates substantially the same.

Aggregate Saving for Area.

The total net annual value of this area, in 1942 values, amounted to £34,000 which, at the rate of 2/1 in the £, would yield a revenue to the council of £3,550. Of this amount, houses would contribute £3,510, and the 45 vacant lots only £40 between them.

The total unimproved value of this area amounted to £147,000 which, at 4½d. in the £, would yield a rate revenue of £2,900 for the section. Of this amount houses would contribute £2,750 and the 45 vacant lots £150.

Thus, the net result in this area, if a change were made, would be to reduce rates on the houses by £760 and increase the rates on vacant lots by £110. The average saving over the houses would be 19/2, while the vacant lots would contribute the same amount as if they were built upon.

As this area comprises the streets in which land is dearest and houses least valuable in this ward, it will be evident that there will be hardly a house upon a normal block of land in the rest of the Kingsville Ward, which would not gain reduced rates under the site value rating system. This is confirmed by the study made for each street as described later.

7. A LARGE AREA IN THE MIDDLE WARD.

Bounded by Gamon, Station, Hamilton and Browning Streets.

This area contains 147 houses of average good quality for the Ward. It is fully built upon and contains no vacant lots. The summarised results of the study in this area are given in the table below.

Street	Number of Houses which				
	Gain by Change	Lose by Change	Total	Average Extent of Gain per Cent.	Average Extent of Loss per Cent.
Gamon (West Side)	16	6	22	15	10
Station (South Side)	20	—	20	25	—
Tennyson (North Side)	19	—	19	15	—
Tennyson (South Side)	17	—	17	15	—
Seddon (North Side)	17	—	17	10	—
Seddon (South Side)	17	—	17	18	—
Browning (North Side)	15	—	15	15	—
Hamilton (East Side)	20	—	20	14	—
Totals	141	6	147	—	—

Of the 147 Houses in this area, no fewer than 141 would gain appreciably by a change to the land value rating basis. Thus approximately 97% of the houses in this area gain by rate reductions of the order of 15%.

Aggregate Saving for Area.

The total net annual value of this area, at 1942, amounted to £6,150, which, at 2/1 in the £, would yield a rate return of £640. On the unimproved land value of £27,450, the rate yield at 4½d. in the £ would be £545, and the total saving in rates between these 147 houses would be £95, this being an average extent of gain overall of 15%. Among the 141 houses gaining, the average saving would be 13/6 per house.

Had the current rate of 2/3 in the £ of annual value been used, the saving would be even more substantial under the land value rating system.

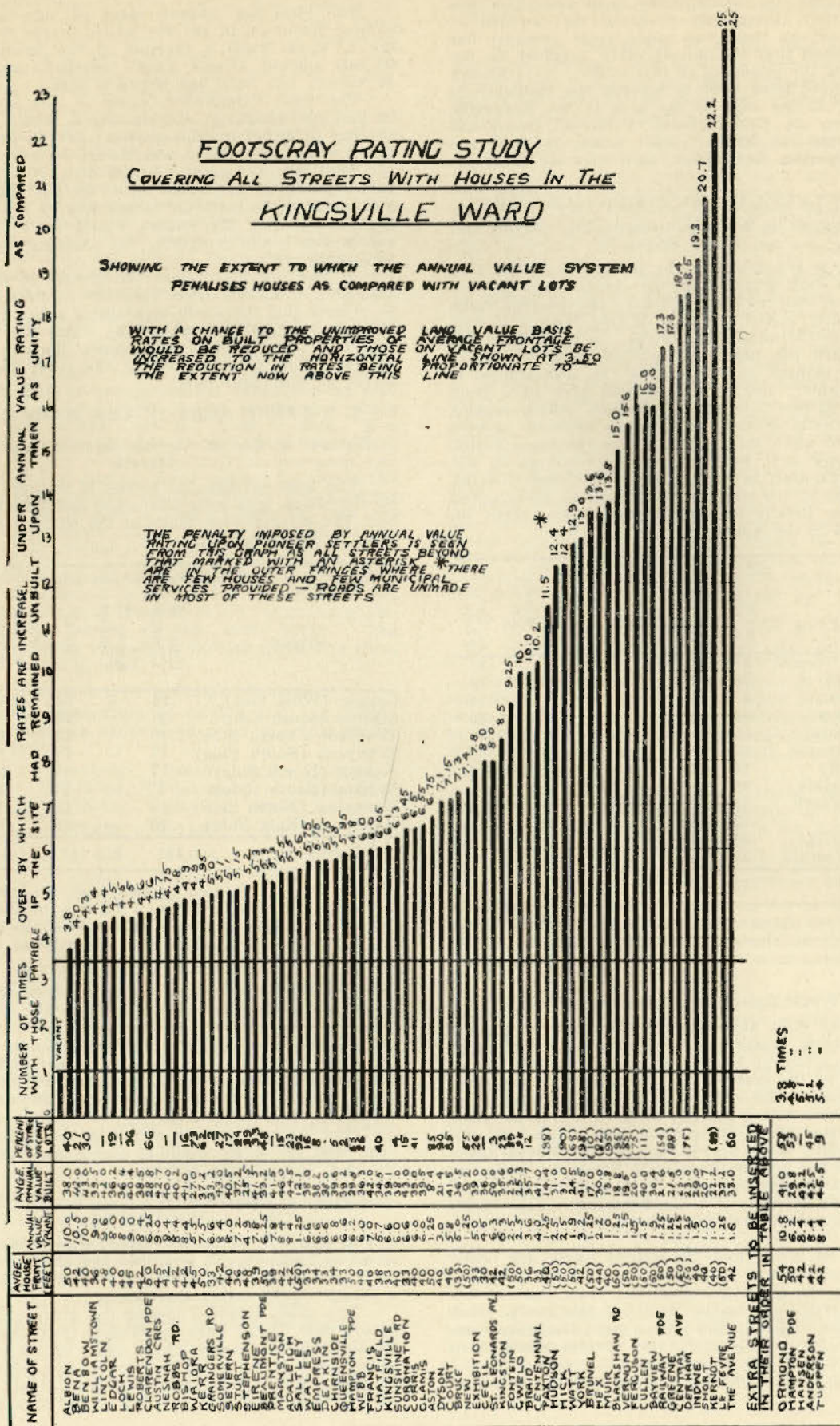
8. THE AVERAGE HOUSE IN EACH STREET IN FOOTSCRAY.

A further exhaustive study was extended to each street in Footscray, to ascertain how the house of average frontage and average value for that street, would fare by a change of the rating system.

This study involved finding the average frontages for each street. These were established from the field survey by dividing the ratable length (less vacant frontages) by the number of houses in the street, as a general practice. In some streets, particularly those largely vacant, the total ratable front was divided by the number of lots. In

WITH A CHANGE TO THE UNIMPROVED LAND VALUE BASIS
RATES ON BUILT PROPERTIES OF AVERAGE FRONTAGE
WOULD BE REDUCED TO THE SAME AS THE AVERAGE FRONTAGE
INCREASED TO THE HORIZONTAL LINE SHOWN AT 3.50
THE REDUCTION IN RATES BEING PROPORTIONATE TO
THE EXTENT NOW ABOVE THIS LINE

THE PENALTY IMPOSED BY ANNUAL VALUE RATING UPON PIONEER SETTLERS IS SEEN FROM THIS GRAPH AS ALL STREETS BEYOND THAT MARKED WITH AN ASTERISK * THERE ARE FEW HOUSES AND FEW MUNICIPAL SERVICES PROVIDED - ROADS ARE UNMADE IN MOST OF THESE STREETS



others, again, as where the streets had smaller shopping sections mixed with residential, actual measurements were made of a considerable number of properties.

The average annual rental values of houses in each street were found from the Municipal Voters' Rolls. An average of 20 houses in each street was taken, where possible, and where less than that number exist in a street, the averages of all in the street. The houses averaged comprised the first 20 appearing in the Voters' Roll for the street considered. This rigid rule was followed to prevent any personal element of selection influencing the houses averaged.

To the average frontages, as ascertained, the average unimproved values per foot were applied to get the average unimproved value per dwelling site. One twentieth of this amount (5%) forms the annual rental value of the site alone.

By dividing this figure into the average rental value of the houses, the result gives the number of times over by which, under the annual value rating, the rates upon a site with a house upon it are multiplied, as compared with the rates on the same site if it had remained vacant.

These results have been plotted in a series of graphs covering each ward in turn, and showing the extent to which the land owner who builds upon his site is penalised by the rating system for doing so. (See Graphs A to D.)

These graphs also show the comparative level on which rates would rest with a change to land value rating. This is indicated by the horizontal line at 3.50 shown on each graph. A property having only the average degree of improvement of the district as a whole would have an annual value agreeing with this line. Its rates would be the same under either system of rating. All streets in which the value shown is above this line (so far as housing properties are concerned) would gain under unimproved value rating. The extent of the gain is in direct proportion to the amount above the average line.

Similarly, properties improved to less than the average extent will have their rates increased up to the 3.5 line. The least improved of all is vacant land. The lower line at 1.0 shows the present level at which such land is rated.

On the graphs for the Kingsville, South and North-west wards, a separate column is shown giving the percentage of the total ratable length which is still held vacant in each street. It will be seen that practically all streets have some vacant land, even in the longest settled streets. In some streets the proportions still vacant are very high. It is at the expense of such land that the heavy reductions in rates on houses become possible.

9. AVERAGE HOUSES WOULD GAIN UNDER SITE VALUE RATING.

Reference to the four graphs covering the wards shows that out of 402 streets with houses in the whole of Footscray, only in 8 streets (all of them in the North Ward) does the average house have a rental value which brings it below the 3.5 line.

The value of 3.5 corresponds to the present rate of 2/3 in the £, and has been used on the graphs. However, as it has been pointed out that a re-valuation would enable a rate of 2/1 to be used instead by the Council on the nett annual value basis, the figure 3.7 appropriate to this gives a more accurate idea of the general incidence.

With this modification, there are only 11 streets in the North Ward, 3 in the South Ward, 12 in the Middle Ward, 1 in the North-west Ward, and none at all in the Kingsville Ward, in which the average house has a value even slightly below the dividing line between loss and gain.

In the case of the 17 streets with values between 3.5 and 3.7, the difference is so small that it may be taken that, for the average house in these streets, there is little change in rates between the systems.

It is only in the eastern end of Geelong Road, Ballarat Road, Leeds Street, Paisley Street, the northern end of Nicholson Street, Irving Street, and Pickett Street, that

appreciable increases would be felt by average residential properties. In the other 375 streets, average residential properties would gain by a change to the land value rating basis. In the great majority of these streets the gain would be very considerable.

Even in the streets mentioned above there are considerable sections which would gain under land value rating. For instance, frontages are smaller and land values lower on the south side of Geelong Road than on the north side. The mansions on that side with larger frontages will in general have the increased rates while the properties on the south side gain reduced rates.

In Nicholson Street the position is similar, frontages on the west side being generally less than on the east side. In Ballarat Road, which is a very long street, it is the eastern end in which rates are increased due to the larger frontages of the mansions in that section. Further along this street, houses generally gain reduced rates.

It is significant to note that the streets listed above in which rate increase would commonly attend a change to land value rating, are those in which the wealthier sections of the Footscray population reside, and which, presumably, have the greatest "ability to pay."

10. HOW TO FIND THE PERCENTAGE REDUCTION IN RATES FROM THE GRAPHS.

The percentage reduction in the rates on the average house in the street can be readily found from the graphs. It is simply the amount above the dividing horizontal line, divided by the total length of the line, and multiplied by 100 to bring it to a percentage figure.

Thus, in the Kingsville Ward, The Avenue is the street where houses are most penalised by annual value rating. They pay twenty-five times as much as the site would pay if it remained vacant. The percentage reduction in rates on houses in this street would be:

$$\frac{25 - 3.7}{25} \times 100 \text{ equals a most } 90\%.$$

Thus, the rates on houses in this street under land value rating would be only one-tenth of what they are at present. On the other hand, over half the ratable length of this street is held in vacant lots, and upon these the rates would be increased to 3½ times what they now pay. At present the owners of the vacant lots are being bonussed by the rating system at the expense of house owners in the same streets.

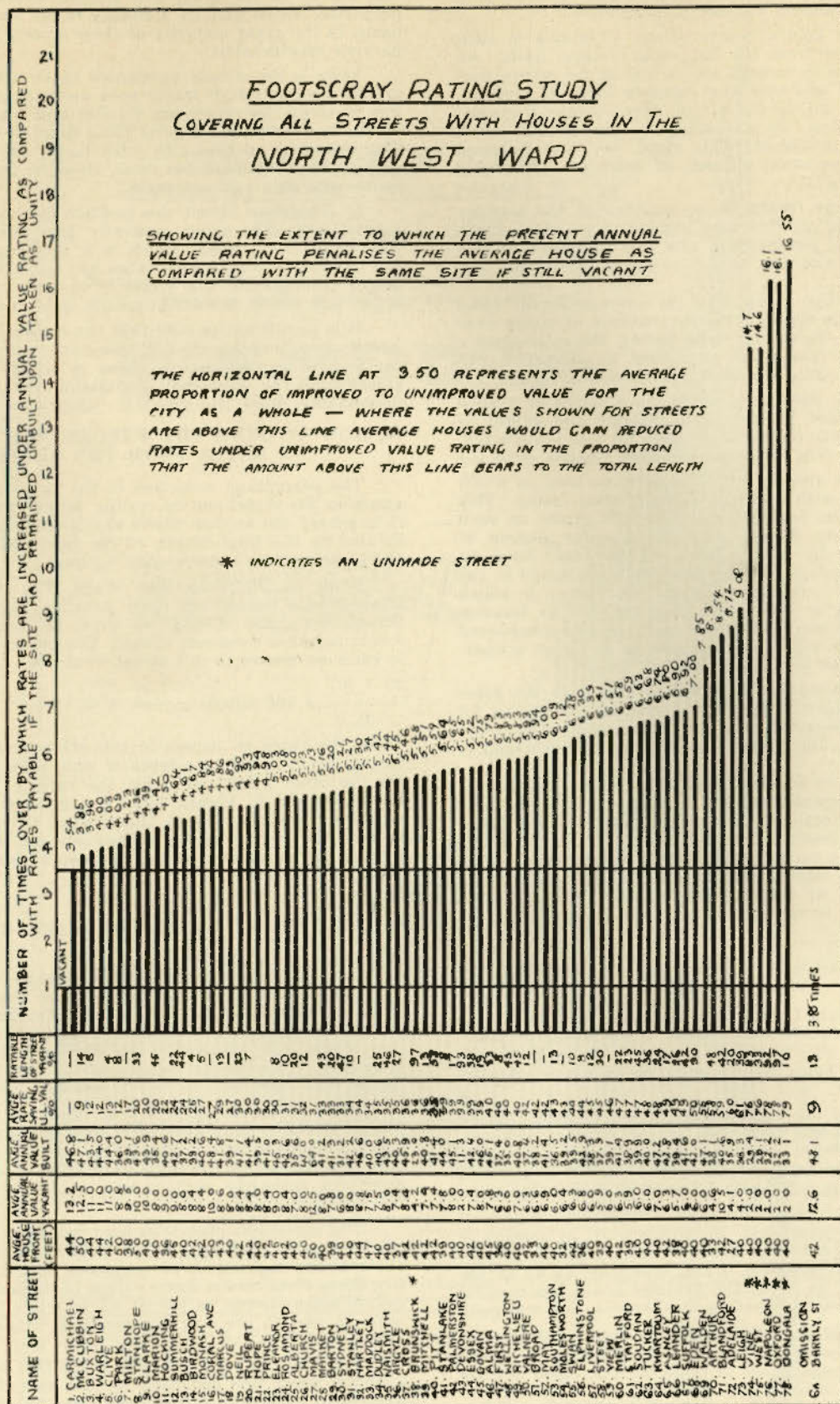
11. DECADENT AREAS BONUSSSED BY ANNUAL VALUE RATING.

Footscray is an old City, and contains many portions in a blighted or decadent condition. The South Ward particularly contains areas in this class. That the annual value rating system acts in such a way as to make this condition worse will be evident by further reference to the graph D of residential properties in the streets in the South Ward, and also to Plate 7 showing the problem area.

The first dozen streets will illustrate the tendency. These streets contain a very high proportion of their ratable length in vacant lots. These lots are very unsightly and, combined with the high proportion of old dilapidated dwellings, make the sections very unattractive to prospective home builders.

The result has been that land values in these sections are lower than elsewhere in the South Ward, simply because the area has such an air of decadence that no one wants to live there from choice. Land values in these decadent areas are, in some streets, as low as £2/10/0 per foot, compared with £4 and £5 per foot commonly in other parts of the Ward.

Yet it will be seen from the graph that houses in these problem areas are penalised by the annual value rating system to a greater extent than those in other areas. On the other hand, the owners of the vacant lots which are the primary cause of the decadence are given a bonus in low rates at the expense of the house owners in these streets.



It should be noted that the great gain in reduced rates on houses in these areas, under site value rating, is purely due to the depressed value of land, and not to the good quality of the dwellings. This is shown by the low rental values set on the dwellings. The few houses of good type, as commonly found in other streets, are penalised to a much higher extent than the average under the present rating.

Site value rating, however, by offering no discouragement to the improvement of the vacant or dilapidated properties, would work towards improvement of the area. Even more strongly operative would be the increase of rates on the vacant lots by 3½ times, which would tend to make uneconomic the holding of such lots in the vacant condition.

12. COST OF HOUSES INCREASED BY ANNUAL VALUE RATING.

One important fact emerging from this study is that the annual value rating system substantially increases the cost of new houses. Moreover, the extent of the increase is greater the further the house from the main body of settlement.

It does this through the heavy rate charge annually on the new dwelling, which is equivalent to a capital levy on the property. It is not sufficiently realised that in many respects annual charges and capital charges are interchangeable. The imposition of an annual charge of a given amount upon a house has a similar effect on the house purchaser to increasing the price of his house by 20 times the amount of the annual charge (assuming 5% interest rate).

The extent of this added cost of houses will be seen by considering the rates payable on average houses in a number of streets in the Kingsville Ward, the particulars being obtained from Graph A. Four streets are taken and the full computations worked out so that the method can be applied to other streets as desired.

The annual rental value is obtainable from column 3 of the graph, and to this figure the rate of 2/1 in the £ should be applied to get the rate payable under annual value rating.

Multiplying the figure given in column 2 of the graph, for annual value of the vacant site, by 20, gives the unimproved land value of the site. To this figure the rate of 4½d. in the £ should be applied to get the rate payable under land value rating.

Rating System	Coronation Street	Maryston Street	The Avenue	St. Leonard's Avenue
Annual Value Rating				
Annual Value	£43	£46	£33	£50
Rate payable	£4/10/0	£4/16/0	£3/8/0	£5/4/0
Unimproved Value Rating				
Unimproved Value	£132	£168	£32	£126
Rate payable	£2/12/0	£3/6/0	£0/13/0	£2/10/0
Difference in Annual Charge	£1/10/0	£1/10/0	£2/15/0	£2/14/0
Increased capital cost of house on annual value system over unimproved value system	£38	£30	£55	£54

The additional cost of housing is greater the further from the main body of settlement. As the house becomes older, or the land value round it rises with continued expansion of settlement, the difference tends to close up.

However, the fact that the annual value rating increases the cost of housing at the outset, when all other charges on the property are high, must be regarded as a very serious disadvantage under existing conditions of house purchase. It is at this stage that the home purchaser has least equity in the property and the effect of the rating system is to make it more difficult for him to acquire such an equity.

It might be noted also, that home purchase is commonly embarked upon at an early age before earning power has reached its peak. Annual value rating, therefore, tends to impose high rates initially on houses at a time when the owner can least afford to pay them, and to

give reduced rates as the property deteriorates when the capacity to pay is greatest.

13. EFFECT UPON PIONEER SETTLEMENT.

Particular attention has been given to the effect of the rating system on pioneer settlers. Those who are willing to accept the disadvantages of lack of municipal services in roads, lighting, garbage and sometimes sanitary facilities, entailed in building homes beyond the main settlement, are deserving of perhaps more consideration than those within the settled area.

It will generally be conceded that whatever system gives lower rates to this class of house-owner is the better, so far as the pioneering aspect is concerned.

Upon this item, the evidence is overwhelming that the present rating imposes extremely severe burdens upon these pioneer settlers. Reference to the street graph A of the Kingsville Ward, shows that all streets beyond the asterisk are those in such pioneer areas. These streets are predominantly vacant land with a few isolated houses. Most of the streets are unmade. It will be seen that the houses in these streets, under annual rating, are called upon to pay from 12 to 25 times as much in rates as the sites would pay had they remained vacant. It has already been pointed out how the cost of buildings in these streets is increased.

Site value rating would reduce the rates on houses in these streets to between one-tenth and one-third of the present rates.

Nor would the increasing of the rates on vacant land under site value rating act as a bar to holding of land by these pioneer settlers. Houseowners in these streets would actually be far better able to take up and hold additional lots than they are at present.

Two examples from different areas will make this clear. The streets concerned are in the Spotswood and Tottenham sectors respectively.

	The Avenue	Indwe Street
Annual Value of Average House ..	£33	£29
Unimproved value of site	£32	£30
Rates on House (An. Value Basis) ..	£3 8 0	£3 0 0
Rates on House (Unim. Value Basis)	£0 12 6	£0 12 0
Rate Saving Unimpd. Value Basis ..	£2 15 6	£2 8 0
Rates on Vacant Lots (U.V. Basis) .	£0 12 6	£0 12 0
Rates on Vacant Lots (N.A.V. Basis)	£0 3 6	£0 3 3
Saving on house rates would cover payments on vacant lots to number ..	4½	4

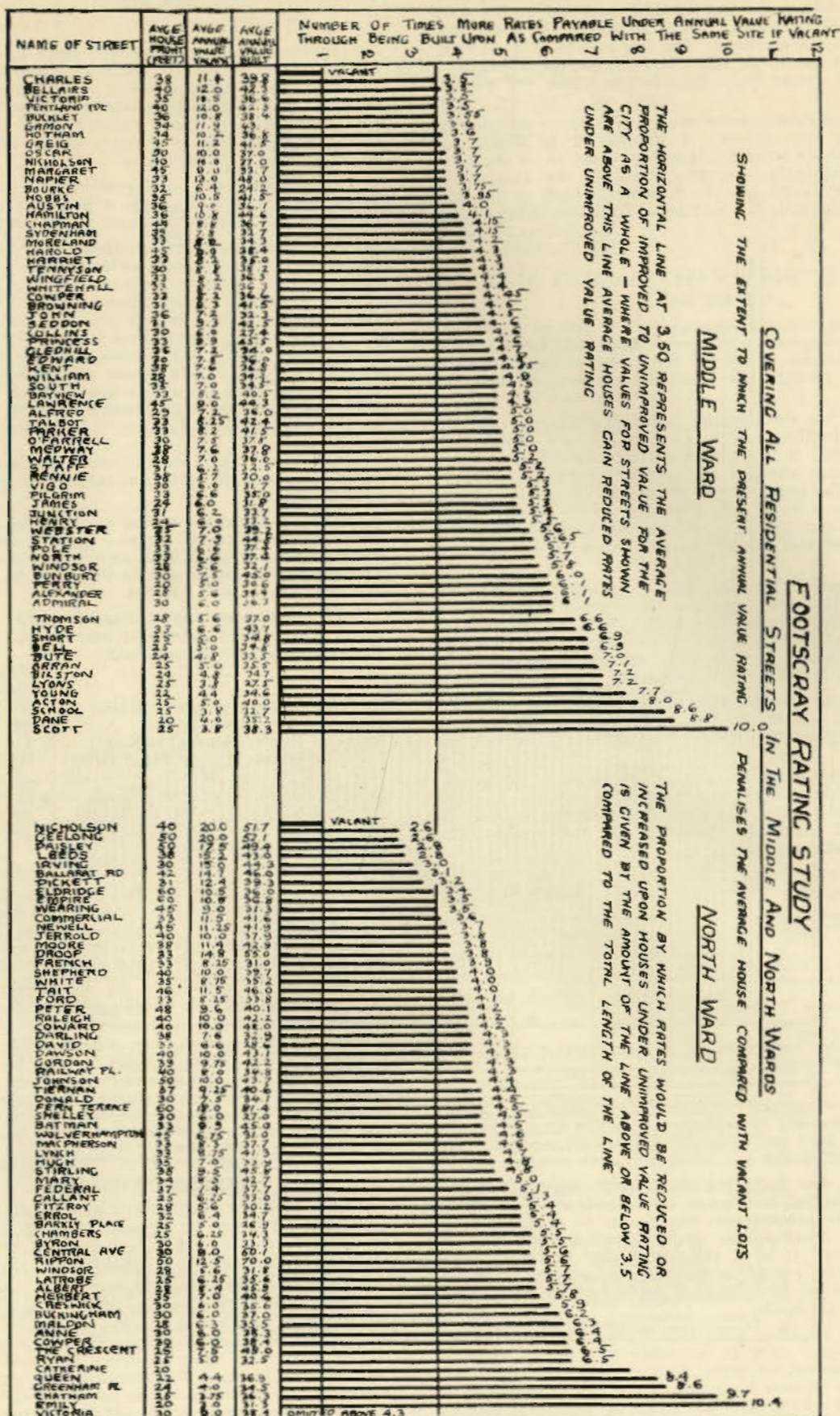
Thus, on their rates saving on the house, these pioneer residents would be able to take up and hold a further 4 vacant lots without any more rate payment than at present. Under these conditions there is unlikely to be any discouragement to the owning of land in these areas.

This result, in favoring the resident land owner, may be considered preferable to the present system which favors the absentee speculator. Land in these outer sections is largely owned by such absentee speculators, who, under unimproved value rating, would have no house-rate-reduction to offset the increases on their vacant holdings. Unquestionably, the resident pioneer is of more value to the district than the absentee speculator, and this feature of the change will be viewed with satisfaction.

14. THE EFFECTS UPON THE BUILDING AND ALLIED INDUSTRIES.

The building construction and allied industries are seen to be burdened by annual value rating in a number of ways, which all work cumulatively to the detriment of these industries and those employed by them.

First is the direct burden of the rate incidence. Of the total £83,000 rate-revenue, under annual value rating, no less than £60,500 falls upon the buildings, and only £22,500 upon the sites. Under site value rating, no part of the rates falls upon buildings, the whole of the rates being carried by sites. As compared with site value rating, therefore, the building industries are penalised by annual value rating to the extent of £60,500 for this City.



This direct burden falls mainly upon the industries concerned in maintenance and renovation of existing improvements. Apart from discouraging the making of repairs and alterations, on account of prospective rate increases, the heavy rate incidence upon the buildings impairs the owners' financial capacity to make the improvements.

There is a further direct burden upon construction of new buildings under annual value rating as compared with site value rating, due to the increased cost of houses and other buildings under the former.

In Section 12 it was shown that annual value rating increases the cost of houses in Footscray by a variable amount, commonly about £50, through the general rate alone. As the Metropolitan Board of Works uses the same method of rating for water and sewerage purposes, there is a further increase in cost of about £37, due to this rate. The total increase in the cost of houses, as compared with that under site value rating, is thus commonly about £87.

By reducing the cost level of housing to such an extent, site value rating would directly benefit the building construction and allied industries. It would extend demand for the products of these industries to a new population group, whose income now compels them to tenancy, but who would be enabled by lower costs to become home purchasers.

The reduction of cost levels in this way would also enable higher income groups to build better classes of houses, or instal better fittings, without increasing their annual charges. Similar considerations apply to the construction of all classes of business and industrial premises.

The tendency to make sites available more cheaply under site value rating also works in the direction of stimulating the building construction industries. Other studies, conducted by the Research Group, have shown that both the numbers and values of building permits, per acre available for building, are more than twice as great in the districts rating site values as in their counterparts rating annual values.

Site value rating would, therefore, directly benefit employment prospects of carpenters, bricklayers, plumbers, plasterers, painters, electricians, glaziers and others employed in the building construction industries. It would equally benefit employers and employees in the manufacture and supply of materials such as timber, cement, bricks, tiles, glass, paint, iron and steel, and other related products used in the building industry.

PART III—HOW VACANT LAND IS AFFECTED.

15. THE EXTENT OF VACANT HOLDINGS.

The fact that vacant land is the only class of property which would inevitably have to meet increases in rates with a change to the unimproved land value basis justifies a special section in this study.

As part of this study, an exhaustive investigation has been made of the number and distribution of such vacant holdings. The proportions in which such holdings are held by residents and by absentees have also been determined.

There are some 4,400 vacant lots representing 25% of the total holdings. Many of these lots are acres in extent, so that the proportion of vacant land is greater than appears above.

The following dissection has been made from the Municipal Rolls, and summarises the holdings of vacant land only for each ward. It does not include holdings of vacant land held in conjunction with other built lots. Nor does it

Holdings of Vacant Land Only.

Ward	Number of Holders	Annual Value of Holdings	Unimproved Value
North	25	£538	£10,760
Middle	22	£384	£7,680
South	61	£687	£13,740
North-west . .	226	£2,364	£47,280
Kingsville . .	336	£8,190	£163,800
Totals	670	£12,163	£243,260

include holdings less than £100 unimproved value, which is the qualification required to carry a vote.

Values given are for 1937, and do not take account of appreciation to 1942.

Vacant Land Held in Conjunction With Dwellings.

In addition to the group owning vacant land only, is another owning vacant land in addition to dwellings. The two assessments are lumped together on the rolls, but an approximation to the amount has been obtained by deducting the average rental value of houses from the total to leave the land value. The result is given below.

Ward	Number of Holders	Annual Value of Holdings	Unimproved Value
North	50	£635	£12,700
Middle	36	£418	£8,360
South	86	£580	£11,600
North-west . .	95	£1,009	£20,180
Kingsville . .	143	£1,045	£20,900
Totals	410	£3,687	£73,740

These figures do not include very considerable areas held vacant by a number of factories, and which cannot be separated from the figures for their works. Again, the values are for 1937, no addition being made for 1942 values.

It will be surprising to many to see the small proportion of the Footscray residents who actually own land in addition to their residence. Practically all such persons will be included in the figure of 410 above.

Holdings Below the Voter's Qualification.

The number of holders of vacant sites below the value of £100 which qualifies for a vote could not be found exactly, but an approximation to it is given by the difference between the total number of ratepayers and the number qualified to vote.

The total of ratepayers was 15,137, and the number of voters on the roll was 14,325; the difference being 812. This is the minimum figure for the number of land owners below the voting qualification. But a check of the rolls showed that there were approximately 740 ratepayers duplicated on the rolls where two separate persons share the same property. Hence there are in all about 1,550 holders of land below the voting qualification. These holders are almost exclusively absentees, since residents generally will be included in the table above.

The value of land owned by this group cannot be ascertained exactly. A reasonable approximation is obtained by taking the average between the minimum value of a single site £20, and the maximum of £100, which would confer a vote, the average value being £60. This gives an approximate total of £93,000 for the unimproved land value held by this group with an annual value of £4,650.

16. TOTAL VACANT HOLDINGS AND THE RATE INCREASE UPON THEM.

The total in the three classes of vacant holdings above is an unimproved value of £410,000 distributed over 2,630 owners. To this should be added appreciation in value between 1937 and 1942. This will vary greatly, in some parts being little and in others a good deal. As an overall average, the value of 15% found with residential properties will be fairly close, bringing the total value in these groups to £470,000 unimproved. These holdings contribute on the annual value basis £2,440 in rates. On the unimproved value basis, the rate contribution would be £9,300.*

This total still does not include vacant land held in conjunction with factories. Nor does it include considerable areas nominally counted as built although the buildings are of little value, or only occupy part of the site.

* An independent check from the field study showed that the unimproved value above was actually £520,000 and the rate contribution under site value rating would be £10,300.

FOOTSCRAY RATING STUDY

COVERING ALL RESIDENTIAL STREETS IN THE SOUTH WARD

SHOWING THE EXTENT TO WHICH THE PRESENT ANNUAL VALUE RATING

PENALISES HOUSES AS COMPARED WITH VACANT LOTS

WITH A CHANGE TO THE UNIMPROVED LAND VALUE BASIS RATES ON BUILT IMPROVEMENTS BE REDUCED TO THE EXTENT OF THE REDUCTION BEING PROPORTIONATE TO THE EXTENT NOW ABOVE THE LINE

NAME OF STREET	AVERAGE HOUSE FRONT (FEET)	AVERAGE ANNUAL VALUE VACANT (£)	AVERAGE ANNUAL VALUE BUILT (£)	PERCENTAGE OF STREET LENGTH VACANT	NUMBER OF TIMES OVER BY WHICH RATES ARE INCREASED UNDER ANNUAL VALUE RATING THROUGH BEING BUILT UPON AS COMPARED WITH RATES HAD THE SITE REMAINED VACANT
Ovens	32	3.2	30.9	11	9.7
Aston	25	3.1	28.7	52	9.2
Ducker	26	3.9	35.5	22	9.1
Kent	32	4.0	33.2	18	8.3
VICTORIA PL.	30	4.5	37.4		8.3
BUNINYONG	27	4.0	33.0	29	8.25
DICKENS	34	5.1	38.4	25	7.5
EARDSON	25	3.75	27.6	32	7.4
BLACKWOOD	33	5.0	35.9	33	7.2
BROOKS PL.	25	5.0	35.9	39	7.2
GORDON PDE	33	5.0	35.8	30	7.2
MINNIE	36	4.2	29.9	50	7.1
WILSON	30	4.5	31.2	-	6.9
NEWCASTLE	35	4.4	30.1	28	6.8
SANDFORD GVE	25	3.75	25.3	37	6.75
SIMPSON	33	5.0	33.3	17	6.7
THOMAS	33	5.0	33.7	16	6.7
YORK	38	5.7	38.4	10	6.7
GRAY	30	4.5	30.1	20	6.7
BLANCHE	27	5.4	36.0	-	6.7
ALICE	28	5.6	36.5	-	6.5
HALL	30	4.5	28.8	42	6.4
SUSSEX	33	5.0	31.8	4	6.4
ELIZABETH	30	6.0	38.3	-	6.4
FREDERICK	40	6.0	38.4	9	6.4
TARTENCOWER	34	5.1	31.7	12	6.25
PEARCE	33	5.0	31.0	-	6.2
HUGHES	40	6.0	37.2	12	6.2
BURNS	31	6.2	38.2	4	6.2
CASTLEMAINE	38	5.7	35.1	6	6.2
BANDOL	40	6.0	36.8	14	6.1
BEVERLEY	40	6.0	36.1	-	6.0
LENNOX	43	6.5	39.0	11	6.0
MAGGIE	31	6.2	37.0	-	6.0
HAWTHORN	40	6.0	35.7	-	5.96
WHITEHALL	30	6.5	38.6	36	5.95
FREE	33	5.0	29.5	-	5.9
MURRAY	40	7.0	40.8	5	5.8
CAMPBELL	25	3.75	21.8	41	5.8
GLOBE	36	4.5	26.4	-	5.8
BALLARAT	25	5.6	32.2	18	5.75
LORNE	45	6.75	38.8	14	5.75
AVOCA	33	6.6	37.7	-	5.7
NORFOLK	40	5.0	28.5	30	5.7
MONTAGUE	30	6.0	33.9	-	5.65
WILLIAMSTOWN	36	3.0	40.7	32	5.6
POWELL	38	7.1	39.4	10	5.5
SALISBURY	33	5.8	31.6	58	5.5
CLADSTONE	36	5.4	29.8	34	5.45
SOMERVILLE	42	10.5	57.5	7	5.45
FEILDING	30	7.5	40.7	-	5.4
CANTERBURY	40	8.0	43.4	4	5.4
BIRMINGHAM	22	6.6	35.7	18	5.4
SCHILD	36	7.2	38.8	15	5.4
DERN	40	6.0	32.2	36	5.4
MATJURY	42	7.3	39.0	37	5.3
MORVEN	40	6.0	31.7	-	5.3
LITTLE HYDE	30	3.7	19.2	60	5.2
STONE	38	5.7	29.5	-	5.2
FEHON	37	7.4	39.4	13	5.2
KNOX	40	8.0	40.7	-	5.1
LEEK	40	6.0	30.1	5	5.0
HYDE	40	8.0	39.9	17	5.0
GRACE	36	7.2	35.8	16	5.0
STEPHEN	33	8.75	43.3	18	4.95
O'FARRELL	31	7.75	38.0	-	4.9
FORREST	33	6.6	31.2	21	4.7
CUMING	37	7.4	34.2	-	4.6
AGNES	36	7.2	33.5	-	4.6
BERRY	35	8.75	40.4	19	4.6
GAMON	33	11.5	48.7	8	4.25
BEATRICE	38	9.7	40.7	-	4.2
BARNET	35	10.5	42.2	-	4.0
HOOD	40	10.0	39.8	-	4.0
PENTLAND PDE	40	12.0	47.0	4	3.9
REGENT	40	10.0	39.4	13	3.9
BAYVIEW	33	8.25	37.0	1	3.85
STEWART	37	9.25	35.5	-	3.8
FAIRLIE	36	10.8	41.5	-	3.8
GOULBURN	30	7.5	29.2	4	3.8
MACKAY	40	12.0	45.1	-	3.7
ANDERSON	30	10.5	38.6	-	3.7
TONGUE	36	10.8	40.0	-	3.6
HAMILTON	36	10.8	38.8	2	3.5
BELLARS	40	12.0	42.7	-	3.5

17. THE RELATIVE PROPORTIONS OF ABSENTEE AND RESIDENT HOLDERS OF VACANT LAND.

An exhaustive analysis of the vacant holdings has been made to find the proportions in which they are held by residents and absentee speculators respectively. The figures below dissect the holdings of vacant land only, above £100 in unimproved value.

Distribution of Vacant Land Between Residents and Absentees.

Ward	Number of Holders Residents	Number of Holders Absentees	Annual Value of Holdings of	
			Residents	Absentees
North .. .	12	13	£367	£271
Middle .. .	15	7	£166	£218
South .. .	40	21	£474	£213
North-west	148	78	£1,276	£1,088
Kingsville .	129	207	£1,250	£6,940
Total .. .	344	326	£3,533	£8,730

Of the total annual value of £12,263 above, it will be seen that no less than 71% is held by absentees. In the Kingsville Ward the proportion is 85%.

Of the £3,687 annual value of land held in conjunction with dwellings, the great bulk will be held by residents. On the other hand, the great bulk of the minimum figure of £4,650 in holdings below the voting qualification is held by absentees.

An approximation to the distribution of the total between residents and absentees is, therefore, £7,220 Residents, and £13,380 Absentees.

Thus, of the increase of approximately £8,000 in rates on vacant land under the unimproved value rating system, £5,200 would be contributed by absentees living in other districts, and £2,800 by residents of Footscray.

The study has shown that, whether owned by residents or absentees, these vacant holdings are highly speculative. The indications of high pressure land salesmanship are very strong. One evidence of the speculative nature of these holdings is the fact that no less than 213 of the 670 detailed above, are owned by females. These are extremely unlikely to be holding the land with the intention of building homes in Footscray.

The main point of distinction between resident and absentee speculators lies in the fact that with the latter, their low rate bonus is spent in other districts than Footscray, and is a clear loss to the district.

18. THE LARGEST HOLDINGS OF VACANT LAND.

All the holdings of purely vacant land exceeding £500 in unimproved value are listed in Table No. 3 of the Appendix. There are 43 such holdings of which 24 are owned by absentees and 19 by Footscray residents. The rates now paid on this land are £822, and those payable under site value rating are £2,900. Reference to the occupation column shows that these holders are in a much better position to pay more rates than the house and factory owners who would be relieved by the change.

It will be seen that one holder (Sir Wm. Angliss) holds more than all the other 42 holdings put together. In fact, this one holder has more vacant land than the holdings of all the other absentees put together (£4,900 out of £8,730 annual value).

This holder occupies a unique position in Footscray as an industrialist, owner of shop and house properties, and as a land speculator. The magnitude of these operations merits a special section to consider the effect of a rating change.

19. EFFECT UPON SIR W. ANGLISS INTERESTS.

The Angliss interests in Footscray comprise the meat canning factory with an annual value of £20,700, and unimproved value of £37,800. There are three blocks of shops,

two in Barkly Street (17 shops), and the other in Williamstown Road (6 shops). The former have an annual value of £2,770 and unimproved value of £18,750. The latter have an annual value of £660, and unimproved value of £720. The vacant land, of which some 200 acres are still unsubdivided, has an annual value of £5,437, and an unimproved value of £108,735 (allowing 10% appreciation on the 1937 valuation figure). The comparative rate position on balance would be as follows.

Item	Rates on N.A. Value @ 2/1 in £	Rates on Un. Value @ 4½d. in £	Change
Factory	£2,156	£746	Dec. £1,410
Shops (Barkly St.) .	£288	£370	Inc. £82
Shops (Wmstn. Rd.)	£69	£14	Dec. £55
Vacant Land	£565	£2,154	Inc. £1,590
Totals	£3,078	£3,285	Inc. £207

It would seem that the site value rating system is more in accord with common sense than the annual value method in the treatment of this individual. The site value rating method gives this ratepayer lower rates in his capacity as a manufacturer, in which he is performing a public service and providing a livelihood for a great number of employees. On the other hand it would increase his rates in his capacity as a land speculator, in which he performs no useful public service and gives employment to none. It is further more appropriate to give reduced rates on the Williamstown Road shops, which are on the outer fringes of settlement, than to those in Barkly Street, which have a turnover much greater.

On the other hand, the annual value rating penalises this ratepayer in his capacity as manufacturer and rewards him in his capacity as land speculator.

20. WEMBLY PARK ESTATE.

This is an area of land bounded by Geelong Road, Robert Street, Francis Street, Richard Street, in the Kingsville Ward. It contains 576 allotments of land. It forms portion of the land in the Angliss interests which was subdivided and of which a large part was sold to individuals many years ago. In this whole block there are only 9 houses, 7 being in Robert Street.

This block was drawn to the attention of the Land Values Research Group by the sub-Finance Committee of the Council for special study. It was required to know whether the increased rates on this vacant land would be unreasonable or beyond the capacity of the owners.

The nett annual value (1937) for this block is £1,812 and the present rate at 2/3 in the £ yields £203. The unimproved value is £29,000 and the rate on this at 4½d. in the £ would yield £575, an increase of £372.

A dissection of ownership of holdings in this area has been made from the municipal voters' roll for all the streets (other than the four bounding streets which extend beyond this area). The results of this dissection are given in detail in Table No. 4 of the Appendix.

Reference to this Table shows that there is not a single genuine intending home builder among all these holders. There is only one Footscray resident in the list, and this a speculator to the extent of three lots. With the exception of two other holders, all are located in country towns in Victoria and N.S.W. These owners can have no intention of settling in Footscray and have obviously been induced to buy land in this city as a speculation by unscrupulous land salesmen.

The conclusion seems inescapable that this whole block has not been built upon, purely because the lots have been bought by speculators who wish to re-sell at a profit to genuine home buyers. The net result here of subdivision, is that of disposal from a large scale speculator to small scale speculators.

The increase in rates on these lots cannot possibly do anything but benefit Footscray residents, since they fall almost exclusively upon absentees.

PART IV—HOW SHOPPING CENTERS ARE AFFECTED.

21. THE DISTRIBUTION OF THE SHOPPING CENTERS.

The main shopping centers in Footscray are, pre-eminently, a short section of Nicholson Street between Barkly Street and Irving Place on the West side, and between Hopkins Street and Irving Street on the East side. Sales have been effected recently at over £350 per foot on the West side, and £250 on the East side. Other less busy but very prosperous streets are Paisley, Leeds, Hopkins and Barkly Streets, and Anderson Street in the South Ward.

In addition to these main centers, there are a number of well defined subsidiary shopping centers. These centers (which are listed later), are more numerous and take in a much greater proportion of the total shopping properties, than might at first be supposed.

Outside of the defined shopping centers there are a great number of isolated shops scattered here and there in residential streets. There are at least 194 of the total of over 1047 shop and business properties, in this class.

22. SCOPE OF THE SHOPPING INVESTIGATION.

An exhaustive investigation has been made to find how the rates are distributed under the two rating systems, between the shopping centers and between sections of the same centers. The incidence of the rates upon owners and tenants has been investigated, and also the question of "ability to pay." The effect upon shop rentals has been examined. The extent to which changes in the rates upon other classes of property will be likely to affect business in the shopping centers has been investigated.

Exhaustive treatment has been given to each property in the main shopping center, and these properties are tabulated. In those centers where increased rates are common, special examination has been made of all properties carrying increases.

In addition, a series of graphs has been prepared, covering every shop and business property in the main and subsidiary centers, from which it can be readily seen whether a change to site value rating would result in higher or lower rates.

23. MOST SHOPS CARRY LOWER RATES UNDER SITE VALUE RATING.

The investigation has shown that an overwhelming majority of the shop and business properties would carry reduced rates under a change to site value rating. Of the total of 1,047 built sites studied, no less than 692 (66%) would have their rates reduced by such a change, while a further 69 (6%) would carry substantially the same rates. Only in 286 cases (28%) would the rates be increased.

The results in each of the shopping centers are summarised in the Table 6, together with the net result, for that center, of balancing the rate increases and decreases.

Inspection of this table will show that it is only in the main shopping center, on the West and East sides of Nicholson Street, that really considerable increases in rates occur. These increases are carried by 76 shop sites, the increase averaging £62 per annum, which is an increase of 140%. This is a considerable increase and the ability to meet it is specially investigated later.

Outside of this center, the only other areas in which rate increases are common are in Leeds, Paisley, and parts of Barkly, Hopkins and Anderson Street centers. These centers are also specially examined later, but it may be noted here that the increases are much more modest in these centers, both as a percentage and in amount.

The table covers only sites which are built. In these same shopping centers there are no less than 85 shop sites vacant, the owners evidently holding in anticipation of higher prices. Site value rating would increase rates on these by 275%.

It may be noted that the streets in which reductions

in rates are general, under site value rating, are those streets in which the turnover or general scale of business is at a much lower level than in the main business centers. This is reflected in the lower scale of land values.

Thus, site value rating tends to compensate the less prosperous centers for their disabilities, whereas annual value rating gives lower rates to the most favored business centers at the expense of the less favored.

24. HOW INDIVIDUAL SHOP SITES FARE

The position of each individual shop site is shown for the various shopping centers, on a series of graphs, L to T, from which it can be seen immediately which properties would gain reduced rates by a change to site value rating and the extent of the reduction, or vice versa.

In those streets where rate reductions are general, it has not been considered necessary to calculate the actual amount of the rates for inclusion in this study, the relative position being sufficient.

For those sections in which rate increases under site value rating are common, however, a detailed treatment has been given. Of these streets, Nicholson is the most important, since the aggregate rates for this street would be increased by £4,440.

Every property in the shopping sections of this street has been tabulated in Table No. 9, which shows the owner of the site and also the occupier and nature of business, together with the respective rates under the two systems.

A further dissection is made for this and the other streets, covering each property which carries increased rates, tabulated in Table No. 7, according to whether ownership is by: (a) a resident of Footscray; (b) a resident of some other municipality; (c) held as a part of an estate or in the hands of executors.

25. INCREASES IN RATES FALL UPON THE SITE OWNER AND NOT UPON THE TENANT

In considering the cases where increased rates occur under site value rating, it should be borne in mind that these increases fall upon the site owner and cannot generally be passed on to the tenant.

Even where the lease agreements stipulate that the tenant is to pay the rates, it merely defers the owner's liability till a new lease is negotiated.

This fact is not sufficiently recognised by the general public, although well understood by economists. The matter is thoroughly dealt with in "Economics for Commerce," by J. K. Gifford, M.A., Lecturer in Economics, University of Queensland, this work being a text book for students at Melbourne University (see pp. 195-211).

It will, however, be obvious that the owners of the 76 sites having rate increases in Nicholson Street would find it very difficult to get increased rents from their tenants when there are 692 other shop sites carrying reduced rates.

Further, as the increased rates upon the 85 vacant sites in shopping centers would tend to induce building upon them, the competition for tenants for these new shops would tend to reduce shop rents.

In this study, however, it has been found that the general conclusions would be unaffected whether the owners or the tenants bore the rates. In either case these localities are able to bear the increases.

26. THE ABILITY OF NICHOLSON STREET SITES TO CARRY HIGHER RATES AS COMPARED WITH OTHER SHOPPING CENTERS.

The study shows that the rate contribution of sites in this main center under annual value rating is out of proportion with that required from other much less prosperous shopping centers.

The volume of business on Nicholson Street is many times greater than in other shopping centers, and particularly than in the minor centers. So also is the wear

and tear on the roads from the extra traffic carried by this street. The road has been specially constructed with wood blocks on concrete to handle this traffic. Not only is the capital and maintenance cost of this section to be considered, but a considerable proportion of the costs for other main roads are incurred on behalf of this area for deliveries to and from it, and to enable customers to reach it easily.

Notwithstanding these advantages to the site, and extra costs to the Council, the average single shop site in the main center contributes to Council revenue only as much as 3 or 4 shops in the minor streets, and only as much as 5 average type houses.

(The actual figures are given in Table No. 10 in the Appendix.)

27. THE RELATIVE VOLUME OF BUSINESS BETWEEN CENTERS COMPARED WITH THEIR RATE CONTRIBUTION.

Some idea of the difference in the volume of business between the various main and minor shopping centers, is obtainable from the comparative statistics of business done by the branches of the State Savings Bank, as published in the Annual Report for 1944.

There are branches serving four of these shopping areas. Footscray Branch (Barkly Street), Yarraville Branch (Ballarat Street), Seddon Branch (Pentland Parade), and Footscray South Branch (Charles Street).

The comparative statistics are given for these centers, the actual figures being quoted first, followed by the relative volume of business, the Footscray Branch being considered as the standard 100.

TABLE No. 6.

HOW BUILT PROPERTIES IN SHOP AND BUSINESS CENTERS WOULD FARE UNDER A CHANGE TO SITE VALUE RATING.

Street Center	Total Built Sites	Number Gaining Site Val. Rating	Number With No Change	Number Losing Site Val. Rating	Annual Value £	Total Rates Site Value £	Under Change In Rates £
Nicholson Street (West)							
Barkly-Irving Place ..	37	..	—	..	37	2,092	.. + 3,032
Irving Place-Buckley ..	25	..	22	.. 1	2	478	.. — 226
Nicholson Street (East)							
Byron-Hopkins	5	..	3	.. 2	—	58	.. — 18
Hopkins-Irving	39	..	—	..	39	1,244	.. + 1,652
Paisley Street							
Leeds-Nicholson	27	..	3	.. —	24	665	.. + 255
Leeds Street							
Irving-Hopkins	28	..	3	.. 2	23	426	.. + 216
Hopkins Street							
North Side (82 on) .. .	36	..	20	.. 2	14	413	.. + 22
South Side (85 on) .. .	25	..	9	.. 1	15	517	.. + 30
Barkly Street							
South to Geelong Road .	82	..	7	.. 7	68	1,700	.. + 580
South, Geelong Road on	39	..	33	.. 5	1	288	.. — 113
North to Geelong Road	39	..	15	.. 6	18	700	.. — 24
North, Geelong Road on	34	..	33	.. —	1	309	.. — 140
Anderson Street							
North to Railway .. .	22	..	3	.. 5	14	298	.. + 135
South to Railway .. .	29	..	9	.. 8	12	490	.. —
Beyond Rly., Nth. & Sth.	15	..	15	.. —	—	96	.. — 31
Ballarat Street							
Full length	35	..	30	.. 5	—	240	.. — 122
Ballarat Road							
Rosamond End	11	..	11	.. —	—	117	.. — 76
Irving Street							
Full length	25	..	20	.. 3	2	215	.. — 68
Bellairs Street							
Seddon Station	6	..	4	.. 2	—	31	.. — 9
Birmingham Street							
Full length	12	..	12	.. —	—	88	.. — 54
Buckley Street							
Victoria-Nicholson .. .	56	..	46	.. 7	3	340	.. — 159
Charles Street							
Victoria-Gamon	27	..	21	.. 1	5	267	.. — 69
Droop Street							
Both ends	17	..	11	.. 4	2	150	.. — 50
Gamon Street							
Full length	21	..	19	.. 2	—	146	.. — 61
Pentland Parade							
Seddon Station	16	..	15	.. —	1	108	.. — 34
Somerville Road							
Railway to W'stown Rd.	33	..	28	.. 3	2	222	.. — 92
Williamstown Road on .	27	..	26	.. 1	—	—	.. — 118
Stephen Street							
Full length	28	..	27	.. —	1	148	.. — 85
Victoria Street							
Full length	38	..	34	.. 2	—	—	.. — 107
Williamstown Road							
Full length	19	..	19	.. —	—	163	.. — 115
Shops distributed in resi- dential streets	194	..	194	.. —	—	1,230	.. — 766
Totals	1,047	..	692	.. 69	286	13,747	.. + 3,385

State Savings Bank Statistics, Year ended 30th June, 1944.

Branch	No. of Transactions		No. of Depositors		Amount of Balances	
	Actual	Relative	Actual	Relative	Actual	Relative
Footscray ..	171,864	100	30,825	100	£'000 2,175	100
Yarraville ..	80,742	35	8,818	29	676	31
Seddon	23,406	13	3,127	10	292	13
Footscray Sth.	15,990	9	1,638	5	140	7

The above figures are striking, but understate the difference between the main center (Nicholson, Barkly, Paisley, Leeds Streets) and all others. In addition to the State Savings Banks, this main center holds branches of the Commonwealth Bank, E.S. & A. Bank, Union Bank, Commercial Banking Coy. of Sydney, Bank of New South Wales, Bank of Australasia, National Bank and Commercial Bank, whose figures should be added to those of the main center, but are not available.

On the other hand there is only one of the other shopping centers which has any other banking branch. This is the National Bank in Yarraville.

Reference to the shopping center summary in Table No. 6 shows that, in the main shopping sector comprising Nicholson, Paisley, Leeds, Barkly (to Geelong Road), part of Hopkins Street, there are 333 shop and business sites (nearly one third of the total number).

Under annual value rating, this area contributes a little over half of the total rates carried by all shops covered in the study. The proportion carried by this center is quite inadequate compared with the greater volume of business done in this sector, and the other centers are at present paying far more than their fair share of the rate burden.

Under land value rating the 333 sites in the main area would carry 80 per cent. of the rates on shop-sites, a proportion much more closely following the difference in volume of business. Not all of these sites would carry rate increases, however, 82 receiving reductions in their rates.

Site value rating, therefore, would give more equitable apportionment of rates between the shopping centers as distinct from the incidence on individual sites within the centers.

28. EFFECTS UPON THE BUSINESS CENTERS OF A CHANGE IN THE DISTRIBUTION OF THE RATES.

It has been found that a change to site value rating would bring important changes in the distribution of income within the city, which would have an important effect upon trading conditions.

It has been shown earlier that 80 to 90 per cent. of the houses in Footscray would carry lower rates under site value rating than under annual value rating. This saving benefits the lower and middle income groups of the population, whose spending is predominantly in the local shopping centers. It is upon this group that the shopping community relies for its trade.

On the other hand those receiving the rate benefits at present, under annual value rating, are a comparatively small group of higher income people whose spending is largely in investments which confer no benefits to the shopping community, and a much greater proportion of outlay on goods is spent in other districts. Almost the whole of the rate savings of absentee holders of vacant land is spent elsewhere.

The actual rate saving by the individual house is not a very large figure, but in the aggregate it means a very large sum available for spending in the shopping centers. The average saving per house in each street, after balancing gains and losses, ranges from nil to £3/10/-, and a round figure of £1 overall may be used as a rough estimate. (Individual properties in some cases will make much greater savings than this average figure.) Applied to the 12,000 odd dwellings, this indicates that about £12,000 more would be in the hands of the income group whose spending is predominantly local.

SOME RESIDENTIAL PROPERTIES

(See Plate I opposite)

CHIRNSIDE STREET

Four consecutive houses, three of average quality and one of poor type, all of 33ft. frontage..

SCHILD STREET

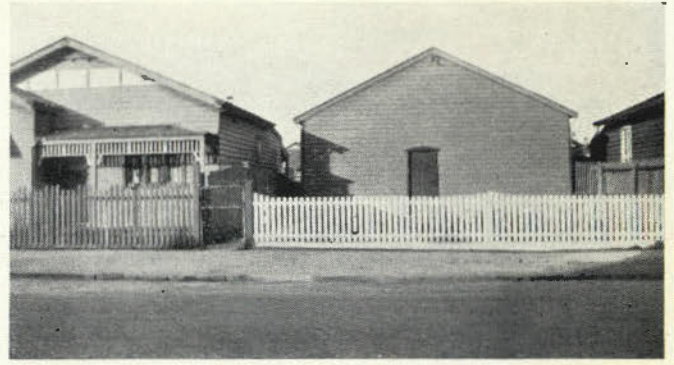
Two houses, one of fair type but old, its neighbour newer and of more modern type, both of 42ft. frontage.

LENNOX STREET

A good type timber house with a large frontage (66ft.) and nice garden improving a rather poor street. Its neighbour is a poorer type old timber house, also with a large frontage (54ft.).

SOUTHAMPTON STREET

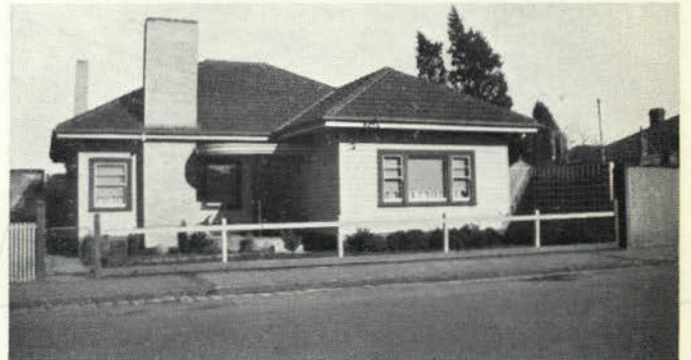
A good type of house, improving a rather poor street. Opposite is an inferior type house tending to depreciate the values of better properties. Both are of the same frontage (50ft.)



	No. 41	No. 43
N.A.V. Rate	£4 1 0	£3 16 6
U.C.V. Rate	£2 12 0	£2 12 0

CHIRNSIDE STREET

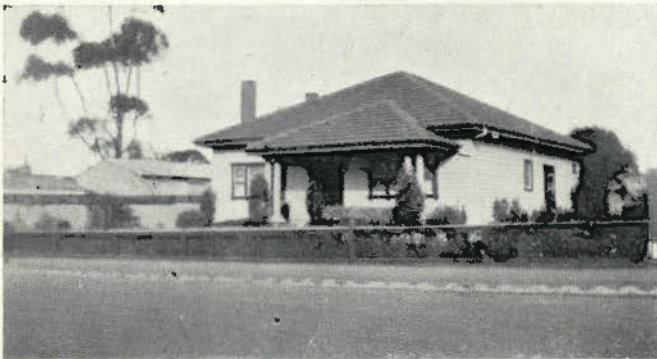
	No. 45	No. 47
N.A.V. Rate	£3 12 0	£2 9 6
U.C.V. Rate	£2 12 0	£2 12 0



	No. 15
N.A.V. Rate	£4 1 0
U.C.V. Rate	£3 6 6

SCHILD STREET

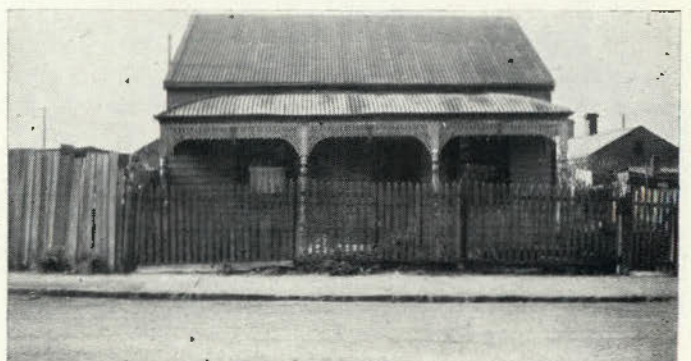
	No. 17
N.A.V. Rate	£5 17 0
U.C.V. Rate	£3 6 6



	No. 13
N.A.V. Rate	£5 1 0
U.C.V. Rate	£3 19 6

LENNOX STREET

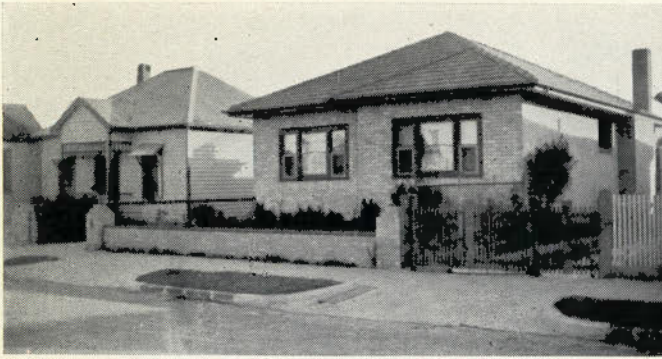
	No. 5
N.A.V. Rate	£3 7 6
U.C.V. Rate	£3 4 0



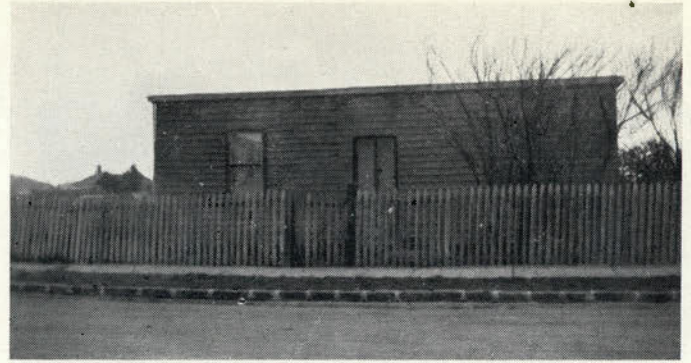
	No. 40
N.A.V. Rate	£4 5 0
U.C.V. Rate	£4 0 0

SOUTHAMPTON STREET

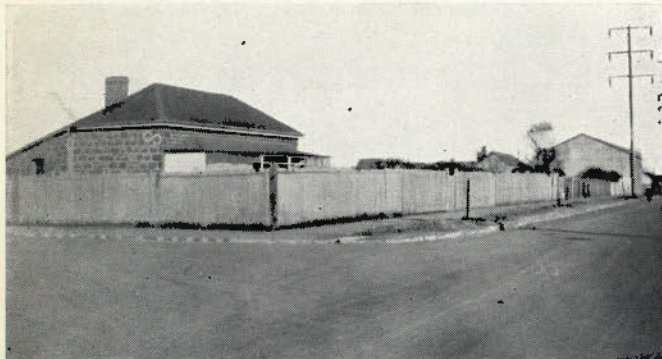
	No. 13
N.A.V. Rate	£2 9 6
U.C.V. Rate	£2 19 9



No. 60
N.A.V. Rate £5 1 0 U.C.V. Rate £2 17 0



No. 24
N.A.V. Rate £3 16 6 U.C.V. Rate £11 18 0



No. 191
N.A.V. Rate £3 12 0 £1 7 0 (vacant)
U.C.V. Rate £8 14 0 £4 15 0 (vacant)



No. 152
N.A.V. Rate £4 14 6 U.C.V. Rate £3 11 6



	No. 108	No. 106 (part)
Frontage	42ft.	45ft.
N.A.V. Rates	£2 9 6	£3 16 6
U.C.V. Rates	£3 15 6	£4 0 0



	No. 104A (part)	No. 104
Frontage	50ft.	50ft.
N.A.V. Rates	£5 17 0	£5 17 0
U.C.V. Rates	£4 9 0	£4 9 0



HYDE STREET
No. 162
N.A.V. Rate £2 9 6 £1 2 0
U.C.V. Rate £3 19 0 £3 19 0



CASTLEMAINE STREET
No. 27
A Deteriorated Property (see page 17)

SOME HOUSING CONTRASTS (See Plate II opposite)

EDGAR STREET

A fine modern brick home, improving a rather poor street. Frontage, 36ft. Opposite is a very inferior type house with four times the frontage (150ft.), depreciating the value of neighboring properties.

HYDE STREET

A very inferior old house with a large frontage (110ft.), and beyond is a vacant lot of 66ft. frontage held by the same owner. This is a poor usage of a corner site.

Opposite is an attractive modern home making excellent use of a corner site and improving a decadent part of the Yarraville section. Frontage is 30ft.

STEPHEN STREET

Four consecutive houses with a wide variation in quality. On the left is a very inferior old house with that adjoining also a little below average quality. Both are favored by annual value rating.

On the right are two good type timber houses which are an asset to a rather poor looking sector. Both are penalised by annual value rating.

HYDE STREET

A poor type house with a vacant lot alongside it. Both are of 30ft. frontage. This sector is among the longest settled parts of Footscray, but has many such vacant lots.

CASTLEMAINE STREET

At the last general revaluation, made in 1937, this house was valued and rated the same as its neighbors. It would then have gained under site-value rating. It has since been allowed to deteriorate and the annual value rates would be reduced on revaluation.

Although this income would be spent over all shops, if distributed in the same proportions as present trade between the various centers, about 80 per cent. would be spent in the main center, Nicholson, Paisley, Leeds, Hopkins, Barkly (to Geelong Road). The summary on Table 6 shows that this area as a whole carries rate increases totalling £5,529 under site value rating, whereas, on the same distribution of trade as at present, it would receive about £10,000 of the rate savings.

Even if the tenants of the shops in the main center had to meet the increased rates on these sites instead of the site-owners, the increased business would compensate for the rate increases. As the charge falls upon the site-owner, however, the tenants of the shops in these centers must gain considerably by the augmented trade.

Nor does the spending of the rate saving above represent the full gain to the business community. The 714 shops outside the main center gain reduced rates to an aggregate of £2,430 under site value rating. In contrast to the main center in which the shops are largely run by chain store organisations, these shops in minor centers are almost exclusively locally run. In most cases, there are residences attached and in any case the proprietors are themselves local residents whose spending is with other shops and local tradespeople. Both their rate savings and profits from the increased spending in their shops of householders' rate savings are turned back largely into the district.

Again, we have merely considered the present trading position as static. In other Melbourne municipalities where site value rating is in force it has been found that house-building activity is twice as great per acre available for building as in those using annual value rating. Increase of houses and occupiers brings increased volume of business and prosperity for the trading community. We make no estimate of the extent of this benefit, although it must be very considerable.

29. RATE INCREASES IN THE MAIN CENTER WOULD FALL MAINLY UPON ABSENTEE SITE-OWNERS.

If all site-owners were local residents, while site-value rating would change the distribution of rates between individuals, it would leave the total trade of the district unaffected, except to the extent that the individuals previously benefited by annual value rating are largely investors instead of consumers of commodities sold by the shops.

Where site-value rating removes the rate burden from local householders and places it upon absentee site-owners, the aggregate spendings within the district are increased.

So far as purely vacant land is concerned, it has been seen in Section 17 that a minimum of £4,500 increase in rates would fall upon persons living in other districts.

A dissection of all sites which carry increased rates within the main shopping streets, shows that over 70 per cent. of the increases fall upon absentees or estates in the hands of executors, the beneficiaries being largely residents of other districts.

The distribution is summarised below for the various streets in which rate increases are common, and the detailed figures for individual properties are given on Table 7 and Table 9.

Street	Rates Carried by Absentee Owners		Rates Carried by Local Owners		Rates Carried by Estates or Executors	
	Annual Value	Site Value	Annual Value	Site Value	Annual Value	Site Value
Nicholson (West Side)	640	1393	927	2197	515	1352
Nicholson (East Side)	200	457	645	1470	353	869
Paisley	212	323	191	336	77	119
Leeds	84	167	262	410	32	83
Hopkins	112	169	61	82	241	320
Barkly (to Geelong Rd.)	461	972	854	1368	30	42
Anderson ..	189	259	40	68	123	163
Totals	1898	3740	2980	5931	1371	2957

Increases are: local owners, £1,842; Absentees, £2,951; Estates, £1,586.

Of the total increase of £6,379, only £1,842 falls upon locally resident owners and £4,537, on the other two classifications.

Reference to the detailed tables shows that it is only in Nicholson Street that considerable rate increases occur on shops under site value rating, the amounts in other streets being very small as a business cost.

There are only 11 local owners in this main center and of these 7 operate the shopping business as well as owning the site. These seven thus draw part of their income from site rent as well as ordinary trading profits. They are, thus, in a privileged trading position as compared with their competitors and the increased rates merely take a portion of the site-rent for municipal purposes, still leaving them much more favorably placed than their competitors.

This site rent is something not created by their own efforts, but is due to the presence of a large population in the district and to the various civic and state amenities provided. It represents an income presented gratis to the owner by the municipality, and no real hardship can be involved if the municipality decides to take an increased portion for its own needs.

The ability to meet additional charges may be illustrated in the case of Forge's Pty. Ltd. This firm has a large frontage (82 ft.), in the best situation and operates a drapery store. The land is valued at £28,800, so that the firm is receiving, in its returns, a site rent of £1,440, apart from the ordinary business return of its competitors on tenanted premises. Site value rating would increase the rates by £373 up to £555. This is a very considerable increase, but still leaves the owner with an annual income in site rent of £900 above his competitive trading profit. The ability to carry this charge is indicated in the fact that the owner, only this year, purchased the site of Woolworth's Stores in the same street, valued at £11,550. The rates in this case are paid by Woolworth's.

This firm has a much larger increase in its rates than any other because it occupies as much as 5 ordinary shop frontages in the most valuable section, and because the premises were of very little value. They formed a fire-risk, and were burnt out while this study was in progress. When they are re-built, they will carry a substantially increased rate under annual value rating, because the improvements will be new and modern.

Of the other local owners of sites in this street, Scovell & Spurling are large investors in property in Footscray, both vacant and built. Caldecott and Hudson also are investors in other properties, some of which would gain reduced rates under site value rating.

Of the absentee owners in this street, 10 are firms whose head office is elsewhere, but which own the site of their business. The remainder are individuals or investment agencies. As the firm's income includes site rent as well as ordinary business profit, they are well able to absorb increased charges and are still better off than similar firms on rented premises.

30. AGREEMENTS UNDER WHICH THE TENANT PAYS THE RATES.

While it is clear that owners can afford to contribute a larger part of a value which is due to the community at large and not the result of their own efforts, the question arises as to whether the owner always pays the rates.

It is true that owners cannot usually pass on to their tenants rates falling on site values, but there are temporary exceptions in cases where terms of leases require the tenant to pay the rates. In these cases, of course, the rent is reduced by the rates normally expected, and in fact, the owner is really paying them just as he would in the absence of an agreement. However, with a change in the rating system, which increases the rates, under such an agreement the tenant would have to pay the increase for the balance of the term of his lease. This would not usually be a long period as ordinary leases are commonly only for 3 to 5 years.

With this in mind, the terms of tenancies were investigated to find to what extent tenants would be called upon to meet such increases temporarily, and whether they could afford them. Irrespective of the extent of such agreements, it has been shown in section 28 that, even if the tenants were called upon to pay these increases, the increased spending power in their shops would compensate for the charge.

In considering ability to meet such charges, it is considered that chain organisations, with a number of branches either in the same or other districts, are better able to afford the payment than those where the proprietor must pay the whole amount from his own pocket.

Nicholson Street Tenancy.

A complete analysis of the conditions of the occupiers of shops in the Nicholson Street shopping center is given in Table 8. Distinction is made between occupiers who are purely tenants and those who own their sites. This Table also shows whether the firm is a chain organisation, or under a single operator. It also shows whether the owner or the tenant pays the rates.

The west side of this street is much more valuable than the east side, and the increase in rates upon a normal frontage is higher than on the east side. The average increase on the west side is about £70 per annum.

Nicholson Street, West Side.

Between Barkly Street and Irving Place there are 37 shops, of which 25 are occupied by tenants and 12 owned by the occupiers.

Of the 25 occupied by tenants, 15 are branches of chain organisations, which could readily absorb the rate increase if their contracts required it. Of the remainder, 1 is an hotel which is able to absorb the increase readily, 2 are proprietary companies, and only 7 are controlled by single individuals.

Of the 15 chain branches, 9 have leases which require the tenant to pay the rates, the other 6 are paid by the owner direct. The hotel and one of the two proprietary companies also pay the rates.

Of the 7 shops which are not chain branches or companies, in the case of 5 the owner pays the rates and only in two cases does the tenant pay. As leases have not usually been renewed during the war, it will probably be found that even these two are no longer required to pay the increased rates.

Of the 12 owner occupied properties, 9 are chain organisations, which can readily absorb the increases, 1 is a proprietary company, and the other two, Forge and Scovell & Spurling, have been seen to be in a good position to meet these charges.

Nicholson Street, East Side.

Land values on this side are only about two-thirds of those on the west side and, in consequence, the rate increases are much smaller. The average increase for a 16 foot frontage on this side would be about £37.

Between Hopkins Street and Irving Street there are 39 shops and business premises, of which 31 are occupied by tenants and 8 are owned by the occupiers.

Of the 31 tenant occupied shops, 6 are branches of chain organisations which can readily absorb the increases if their contracts required it.

Of the whole 31, only in 7 cases does the tenant pay the rates, the remaining 24 being paid by the owner directly. Of the 7 in which the tenant pays, one is a chain organisation.

In the remaining 6 cases in which the tenant pays the rates, the increases range between £6 and £39. This would form a comparatively small increase in their business costs, this amount being from 4 to 16 per cent. of their net rental value and considerably less of the actual rents they pay. The increase in their case would be compensated by the increased volume of trade referred to in Section 28.

Other Shopping Centers

Investigation shows that there are very few shops

indeed outside of Nicholson Street in which agreements require tenants to pay the rates. Of these few cases a number would receive rate reductions under site value rating, while the increases in the remainder would be small as business costs. These cases are also included on Table No. 8.

In general, the position of the whole shopping community would be improved with the stimulation to business, and the increased rates on properties would be carried by the owners of the sites and not by the tenants.

31. HOW SHOP AND HOUSE RENTS ARE AFFECTED BY RATES.

It has been shown earlier in this study that approximately 90 per cent. of the houses and 66 per cent. of the shops would actually carry reduced rates under site value rating, while a further proportion would have no appreciable change in their rates.

This limits to a very small figure, the proportion of cases in which any attempt at increasing rentals would be possible. The competition from the large majority of sites which get rate reductions would tend to prevent the owners, in the few cases of increases, from passing them to the tenants.

Further, the owners of this very high proportion of tenanted houses and shops could afford to take so much less rent from their tenants and still have exactly the same return as before.

The operation of the law of supply and demand would ensure that the rate saving is shared by both owner and tenant. On the other hand, in the minority of cases where rate increases occurred, they could not be passed to the tenant.

The inevitability of a trend towards reduced rentals under site value rating will be evident from the following explanation of the process.

How Rents are Fixed.

Although paid by the tenant in one sum, the rent for a shop or house is a composite of two different rents, (a) rent for the improvements, (b) rent for the site.

Both of these component rents are fixed by the interplay of supply and demand. The rent for improvements is fixed by the number of people wanting houses and shops compared with the number of houses and shops available. This quantity depends directly upon the profitableness of buildings as investments.

The rent for the site depends upon the demand for shops or houses compared with the number of suitable sites available. This supply is limited in the ultimate by nature, but immediately by the number of owners willing to sell.

The effect upon rents of rates falling on those two items (a) improvements and, (b) sites, is diametrically opposite in nature.

(a) RATES FALLING ON IMPROVEMENTS.

If a rate is imposed upon improvements, such as houses and shops, demand for these improvements is unaltered. The supply, however, is immediately checked. The rate on the buildings reduces the return which the owner would get by investing in buildings as against other channels of investment. Supply becomes checked until the demand of tenants raises rents to cover the rate imposed on improvements and restores the margin of profit to investors in buildings. Thus, rates falling upon improvements are paid by tenants.

(b) RATES FALLING UPON SITE VALUES.

If a rate is imposed upon the site only, the demand for houses and shops again remains unaltered. The effect upon supply is entirely different. In the case of a rate upon improvements, the site owner could avoid the charge altogether by holding the site unimproved. A rate upon the site cannot be avoided in any way. In this case, an owner who holds the site vacant or poorly improved is faced with a payment in rates without a revenue from improvements to cover the charge. The number of owners willing to sell

is immediately increased, and demand remaining as before, the site rent is reduced. At the same time, owners who do not sell but are induced to build, by increasing the supply of buildings tend to reduce rents. Thus rates falling upon sites must be borne by the owners of sites only.

32. THE DIAMETRICALLY OPPOSITE EFFECT OF RATES FALLING UPON

(a) Improvements Only.

(b) Site Only.

Immediate Effects.

- | | |
|--|---|
| 1. Vacant site escapes the rate altogether. | Vacant site pays the same rate as if built upon. |
| 2. Return to investment in buildings is reduced by the rate. | Return to investment in buildings unaffected by the rate. |
| 3. Capital investment in buildings is reduced and diverted to: | Investment in vacant sites is reduced and diverted to: |
| 4. Increased investment in sites. | Increased investment in buildings. |
| 5. Speculation in sites encouraged. | Speculation in sites discouraged. |
| 6. Price of sites increased. | Price of sites reduced. |
| 7. Cost of building increased. | Cost of building reduced. |

Final Effects.

- | | |
|---|---|
| 8. Demand for buildings constant.* | Demand for buildings constant.* |
| 9. Supply of buildings restricted. | Supply of buildings increased. |
| 10. Tenant pays the rate charge in increased rent for improvements. | Site owner pays the rate charge and tenants' rents reduced. |

* Demand for buildings would actually be augmented to some extent.

33. THE AGGREGATE RATE BURDEN UPON IMPROVEMENTS.

Under the net annual rental value system of rating in use in Footscray, the major part of the rates falls upon the improvements and only the minor part upon the site.

The study showed that in its improved condition the annual rental value of the district as a whole was 3.7 times that of the sites alone. That means, for every pound of rates contributed by sites, there were £2.7 contributed by improvements. Of the total rates raised, £60,500 fell upon improvements and only £22,500 upon site values.

The proportion is not uniform over the district. In houses and shops away from the main areas, as much as 90 per cent. of the rate payment now falls on the buildings. In the main Nicholson Street shopping center, the greater part falls on the site and a minor part only on the buildings.

This portion of the rates which falls on improvements is already being paid by the tenant in his rent, except where the rents may be below market rents. The effect of transfer of rates wholly to the sites will tend to reduce the rents to the extent that they now fall on improvements. Even where no actual reduction of existing rents is made immediately, it would occur by preventing increases which would otherwise occur with the upward trend of market rents.

In the main shopping center, where rate increases are common, attempts to pass the increase to tenants would be restrained by the fact that the tenant may decide to move to another center, and that if the outgoing tenant was not prepared to pay an increase, it would be difficult to get another to do so. On the other hand, if the owner had his shop vacant for a few weeks, the loss of income would be greater than the amount of the rate itself.

It may be noted that there is a good deal more fluidity between the main and minor shopping centers (so far as tenants are concerned), than is generally thought. The return to tenants is not greatly different, the vastly greater volume of business in the main center being absorbed by the site owner in higher site rent, leaving only ordinary business profits with the tenants in whatever center they may be.

PART V.

HOW FACTORIES AND INDUSTRIAL CONCERNS ARE AFFECTED.

34. FOOTSCRAY AS A MANUFACTURING CENTER.

Footscray is second only to Melbourne City itself as an industrial center in the State of Victoria. In 1940-41, it contained 231 factories. There were seven other municipalities with a greater number of factories, but the magnitude and scale of operations of the Footscray undertakings is considerably greater than for any other, with the exception of Melbourne City. This will be evident from the following factory statistics for Footscray, which, for almost each item, are in excess of those for any other Municipality. The figures are for the year 1940-41.

Item	Footscray	Next Largest City
Persons Employed	19,510	19,160
Salaries & Wages Paid .	£4,761,899	£4,240,508
Value of Land and Buildings	3,147,107	3,350,823
Value of Plant and Machinery	4,521,743	3,190,798
Value of Materials Used	11,261,448	8,946,655
Value of Production . .	20,011,945	17,174,416

The industrial concerns of Footscray vary greatly among themselves, as in every Municipality. Some are modern, of pleasing appearance and an asset to the locality in which they are situated. Others are old, dilapidated, and eyesores, tending to depreciate values of residential and other properties in their vicinity. Some have a high degree of economic development of their sites, while others have improvements altogether disproportionate to the value of the sites occupied.

35. THE DEGREE OF ECONOMIC DEVELOPMENT OF THE SITE.

In this study the various industrial undertakings have been classified and compared according to the degree of economic development of the sites they occupy. That is to say, according to the ratio which the value of the improvements upon the site bears to the value of the site itself.

This is a vital measure of the desirability of undertakings from a municipal and social viewpoint. Given a particular site of an undertaking, the municipal services provided will be practically the same whether the site is poorly or highly improved. The interests of the district and the community generally, however, are clearly best served by a high degree of development of the site.

The study has, therefore, sought to find how the two rating systems affect industrial undertakings, according to their degree of economic development.

A. HIGHLY IMPROVED INDUSTRIAL PROPERTIES GROUP SUMMARY.

For details, see Table II, List A.

Group	Number of Properties	Total Value of Sites	Total Value of Improvements	Ratio Impvmts. Sites	Annual Value Rates	Site Value Rates	Rate Excess Under Annual Value Rating
1st	10	£65,755	£1,114,087	17.2	£6,065	£1,298	£4,767 (368%)
2nd	11	34,156	374,524	10.9	2,119	674	1,445 (215%)
3rd	11	51,748	432,717	8.4	2,518	1,031	1,487 (145%)
4th	10	31,310	221,030	7.1	1,306	621	685 (110%)
5th	10	10,841	63,139	5.85	383	216	167 (77%)
6th	10	117,038	507,402	4.4	3,246	2,318	928 (40%)
7th	9	25,782	82,454	3.2	562	512	50 (10%)
Total	71	£336,630	£2,795,353	8.3	£16,199	6,670	£9,529 (143%)

It will be evident that there is a very wide variation in the degree of economic improvement of sites within the groupings. The first group has a very high degree of development, probably nearly at the maximum obtainable from the sites. The others are capable of much more development of their sites with advantage to the district. Yet if they were as highly improved as those in the first group it is evident that their rates would be increased heavily under annual value rating without any

36. THE SCOPE OF THE FACTORY INVESTIGATION.

All considerable undertakings in Footscray have been classified into the accompanying lists covering some 121 properties. Although this is only a little over half of the total factories according to returns, the remainder (apart from a very few small concerns which may have been missed) appear upon factory returns only because they use some machinery or employ more than four persons. For all practical purposes, it may be taken that the investigation has covered all factories.

All of these undertakings have been classified according to the degree of economic development of the sites. In some cases, firms have other holdings in the district in addition to their works. It has been the aim in this study to include all such holdings of an interest, as far as possible, to give a true overall picture. At the same time, the degree of economic development of the sections has been given separately.

37. INDUSTRIAL PROPERTIES CLASSIFIED.

When the industrial properties were classified according to their degree of economic development, it was found that they fell into two distinct groups so far as the incidence of the rating system was concerned.

All of those with an improvement to land value ratio above about 2.9 were in one group which was benefited by site value rating. It was found that the degree of rate benefit in this group became more marked, the higher the degree of improvement. This group includes all of the factories which may be regarded as the greatest assets of the district.

All of those with an improvement to land value ratio less than about 2.9 formed another group which was benefited in lower rates by nett annual value rating. In this group the degree of rate benefit was found to increase as the degree of improvement fell. This group includes all the factories which are least improved and, from many viewpoints, a liability to the district.

At about 2.9, the rates were found to be the same under either system, and the disparity between the rating systems became most marked in the extremes of improvement to land value ratio. Site value rating was seen to favor the best improved and to penalise the least improved properties. Annual value rating was seen to favor the least improved and to penalise the most improved properties.

These tendencies will be obvious from the detailed Table II, showing individual properties. Two lists are given, List A, showing all concerns with an improvement to land value ratio of 3.0 or more, all of which are benefited by site value rating. List B, shows all concerns with improvement to land value ratios of 2.9 downwards, these properties benefiting under annual value rating.

The lists are summarised in groups of 10 and the summarised results are given below.

extra Municipal costs commensurate with the increase.

The measure of the penalty imposed upon improvements may be seen best by comparing the last group with the second. These two groups have about the same site values, but the second group has about four times as valuable improvements. Yet, if the last group were improved as it should be, the annual value rating system would impose increased rates of about £1,400.

B. POORLY IMPROVED INDUSTRIAL PROPERTIES BENEFIT BY ANNUAL VALUE RATING GROUP SUMMARY.

For details see Table II, List B.

Group	Number of Properties	Total Value of Sites	Total Value of Improvements	Ratio Impvmts. Sites	Annual Value Rates	Site Value Rates	Rate Excess Under Site Value Rating
1st	10	£24,080	£2,240	0.09	£136	£479	£343 (250%)
2nd	10	52,450	50,580	0.96	534	1,041	507 (95%)
3rd	10	25,268	37,572	1.49	327	501	174 (53%)
4th	10	19,651	35,051	1.8	278	371	93 (33%)
5th	10	178,332	452,903	2.55	3,276	3,546	270 (8%)
Total	50	£299,781	£578,346	1.93	4,551	5,938	£1,387 (24%)

It is evident from this table that the less improved industrial firm's properties are, the more they are bonussed by the annual value rating system. This bonus is given at the expense of the firms with highly improved properties in the first list.

33. THE EFFECT OF RATES UPON IMPROVEMENT OF HOLDINGS.

Comparison of the two group summaries shows that the annual value rating system has a pronounced anti-social effect in discouraging improvement of factories, and inducing the erection of poor structures with a low rating value.

There can be no question but that high improvement ratios are in the best interests of any district for all classes of the community. Where valuable buildings and machinery are located, many more people are employed, generally, than where there are poorer improvements. The provision of the better improvements in itself, by giving a greater demand for labor and for the products of other industries, reacts to the good of the community generally. Good quality modern factories have better working conditions for staff. They tend to make people content to live near them, as against poor class factories which deteriorate the values around them.

Despite the desirability of stimulating improvement of these factories, it is found that the annual value rating system works strongly against this result. This will be evident by collecting the totals for the two groupings of industrial properties as under:

Item Compared	List A	List B
	Well Improved	Poorly Improved
Number of Firms ..	71	50
Total Site Values ..	£336,630	£299,781
Total Improvements Value	2,795,353	578,346
Site Value Rates ..	6,670	5,938
Annual Value Rates	16,199	4,551

It will be seen that although there is little difference between the site values of the firms in the two groupings, the improvements in the first group are more than five times as valuable as those in the second. The difference is much more startling when the first group of 10 firms in List A is compared with the first group of List B. The improvements for the former are over a million pounds in value, against a mere two thousand pounds in the latter. Yet the annual value rates on the more highly improved group are 44 times as great as those on the less improved group.

39. ABILITY TO PAY EXAMINED.

It is often thought that because some firms are prosperous and have a large capital investment, the annual value rating system will automatically rate them according to their ability to pay. Even if this contention were true, the discouragement of improvements seen from this study would tend to outweigh it. However, closer examination of the firms in Lists A and B shows that this contention is quite fallacious.

The first ten firms in List A are prosperous firms with a high capital investment and financial resources, which permit them to make improvements.

But the same thing is true of firms in all sections in Lists A and B. For example, compare the fifth group in List A with the first. This group contains Commonwealth Chemicals and Fertilisers Ltd., G. Bramall & Co., Laughton's Pty. Ltd., G. Mowling & Son Pty. Ltd., Colonial Sugar Refining Company Ltd., Sheetleather Pty. Ltd., all particularly strong financially.

These firms, too, are penalised by annual value rating, but only to a small extent compared with those at the head of the list. On the other hand, the firms in this bracket are making comparatively poor use of their sites. They have abundant financial resources to enable improvement to be effected, but the rating system discourages improvements which would be attended with greatly increased rates.

Similarly, in the List B which is called upon to pay increased rates under site value rating, the second group contains Lord's Quarries Pty. Ltd., Victor Leggo & Co. & Farmers Ltd, Gibbins Farm Implements Ltd., Standard Quarries Pty. Ltd., Co-operative Box Co. Pty. Ltd., Massey Pty. Ltd., Boon Spa Pty. Ltd., Mitchell Agricultural Implements Pty. Ltd., Nobel (Aust.) Ltd. (I.C.I.), which are all financially strong and able to make improvements or pay increased rates.

Investment in Improvements or in Land Values?

It is not currently realised that strong financial firms may have their capital invested either in buildings and machinery, or in holding large areas of valuable land.

Capital investment in buildings and machinery performs a definite public service. It creates a demand for further materials to replace those used up and stimulates all related industries. It gives added demand and sustains demand for labor which tends to improve the financial and working conditions of employees.

Capital investment in land does not have any such beneficial effect upon industry, for no materials involving labor are consumed to need replacement.

The annual value rating system penalises most heavily the firms which have their capital invested mostly in buildings and plant, while rewarding with lower rates those whose capital is largely invested in land values. Those whose capital is entirely invested in speculative holding of land receive the greatest rate bonus of all. This result is highly anti-social.

40. ANNUAL VALUE RATES INCREASE COSTS OF PRODUCTION.

The study has shown that annual value rating is responsible for a considerable increase in the costs of production of factories over those under site value rating. This increase is greatest for the most improved factories and tapers down the scale. The least developed and most inefficient concerns actually receive a bonus.

A Capital Levy.

The effect upon costs of production will be best illustrated by considering the first and most highly improved group of ten factories summarised in the Table A of section 37. These ten firms between them pay in rates £4,767 more under annual value rating than under site value rating.

This is a high annual charge imposed on the firms merely because of the degree to which their improvements are above the average for the district. This additional charge is equal to the annual charges which the business would be called upon to carry with an increase in its capital outlay equal to the charge capitalised. At 5% interest this amounts to £95,340.

In effect, these ten most improved factories are being subjected through the annual value rating system to a capital levy of over £95,000. On the total capital value of the land and buildings and plant, £1,170,000, this represents 8.1%.

This is only a part of the burden placed upon these most improved factories. In estimating the full burden imposed by the rating system, account must also be taken of the Melbourne and Metropolitan Board of Works rates, which are levied upon the same annual value, and are additional to the general rate.

The rate imposed by this authority is 1/8 in the pound, which means an additional charge of £3,820 above what would be paid on the site value rating basis. This, in turn, is equal to the charges for interest on a capital outlay of £76,400, or an additional 6.5% on the capital improved value of the undertakings.

EXTENT OF INCREASE IN PRODUCTION COSTS DUE TO RATING ON ANNUAL VALUES.

Summary for Each Group.

Group	Number of Firms in Group	Ratio Improvements Site Value	Total Value of Undertakings (Land and Improvements)	Rate Difference between A.V. & Site Value (See Note 1)	Rate Difference Capitalised	Per Cent. Difference In Costs (Note 2)
Most Improved						
1.	10	17.2	£1,180,000	Increase £8,587	Increase £171,000	Increase 14.6
2.	11	10.9	409,000	2,605	52,000	12.7
3.	11	8.4	484,000	2,677	53,500	11.1
4.	10	7.1	252,000	1,230	25,000	9.9
5.	10	5.85	74,000	301	6,000	8.0
6.	10	4.4	624,000	1,668	33,000	5.3
7.	9	3.2	108,000	90	2,000	1.8
District Average		2.80	—	Decrease	Decrease	Decrease
8.	10	2.55	631,000	485	9,700	1.5
9.	10	1.8	55,000	168	3,400	6.2
10.	10	1.49	63,000	322	6,400	10.2
11.	10	0.96	103,000	917	18,400	17.8
12.	10	0.09	26,000	618	12,400	47.6
Least Improved				Subsidy	Subsidy	Subsidy

Note 1: The rate difference is the combination of the Municipal General rate and the M. & M. Board of Works Rate as compared with site value rate. The General Rate alone accounts for 55.1% of the figures in the last three columns.

Note 2: Percentage difference in cost is on the total value of land and improvements and not upon share capital.

INEFFICIENCY AND LAND SPECULATION SUBSIDISED.

It is seen that the whole trend of the annual value rating system is to subsidise those firms with large areas of poorly developed land, and to greatly increase the production costs of those adequately developing their holdings. The proportionate subsidy to those with the poorest improvements is extremely heavy—equivalent to a capital bonus to 47.6% of the total value of the holdings.

These results are very disturbing, and must be reckoned as a fundamental weakness of the annual value rating system. They are characteristic of the system itself, and not a mere peculiarity of the rating system in Footscray.

Rates are commonly thought to be of little importance in production, chiefly because it is assumed that they apply with equal force between one firm and another, and are a common factor. This view evidently needs complete revision in the light of this study, which shows that a firm in the most improved group will pay sixteen times as much in rates as one in the least improved group holding land of an equal total value.

41. PRODUCTION COSTS AND PLANT EXTENSIONS.

The figures already given for added costs of production

The two charges together amount to an additional annual outlay of £8,587, equivalent to an increase in capital cost of £171,000, and an increase in the costs of production of these firms by 14.6% of the capital value of land, buildings and plant.

Relative Injustice Between Firms.

If the very considerable increase in costs shown above applied equally to all factories and firms, there would be no relative injustice between them. Actually, the increase is concentrated over the most efficient and improved firms, and tapers down to nil with those of only the average improvement ratio of the district. With those less improved than the district average an actual subsidy is given.

For example, in the seventh group of Table A in section 37, the rate difference is only £50, equal to an increase in costs of £1,000 for the General Rate, or only 1% of the capital value in land, buildings and plant of the group. In the least improved group of all (the first listed in Table B of Section 37), the rate bonus under annual value rating as against site value rating is £343. This is equivalent to a capital subsidy of £6,860, due to the general rate alone. The position for the various groups is shown in the summary below:

due to annual value rating, although striking, considerably understate the full incidence upon production costs. In them the excess rate payments under annual value rating have been linked with the capital value of the whole undertaking in land, buildings and plant.

The crippling influence of the rating system is only seen at its full force when extensions of plant are undertaken. This will be best seen by considering some actual cases of plant extension.

During the last year three large firms made very extensive additions to their plant and their rates were revised in consequence. These firms were Imperial Chemical Industries Ltd., H. B. Dickie Ltd., and Creamoata Ltd. The ratable annual values were increased by £1,250, £2,300, and £450 respectively, as a result of these extensions.

The following paragraph shows the proportionate effect of the increased rates (general rate and M.M.B.W. rate) compared with the cost of making the improvements.

Firm	Capital Cost	Increase in Rates	Capitalised Rate Increase	Per Cent. Increase on Cost
Imp. Chem. Ind. of Extensions Ltd.	£25,000	£234	£4,680	18.7
H. B. Dickie Ltd.	46,000	482	8,640	18.7
Creamoata Ltd.	9,000	84.5	1,690	18.7

The proportionate increase in costs of production due

to the rates on improvements varies between one firm and another according to the proportions in which the total value is distributed between land and improvements.

But in respect of each particular extension, addition or improvement, the mere fact of making that improvement saddles the enterprise with an additional annual charge in rates, under annual value rating, equivalent to an increase in the capital cost of making the improvements by 18.7 per cent.

This effect is inherent in the system, and not peculiar to Footscray. It will operate in all localities, only the percentage varying with the different rates in the £ imposed. For Footscray, the percentage is that quoted, but for most other districts, where the rate in the £ is higher, the percentage increase in costs will be higher. The Footscray rates in the £ are relatively low, largely due to municipal profits on sale of electricity being applied to reduce rates.

With a Municipality using a rate of 2/6 in the £, the extra cost would amount to 20.8%, and with a general rate of 3/- in the £, the figure would be 23.3%.

This increase in costs of production due to increased rates attending additions, extensions or improvements of plant is of deep significance, for it affects plants great or small. It faces even those poorly improved properties at present gaining a bonus in low rates, as soon as they develop their properties.

42. EFFECTS UPON MARKETS AND INDUSTRIAL EMPLOYMENT.

The incidence of annual value rating, in raising costs of production, reacts against the interest of employers and employees alike. It means that reductions in costs which should be obtainable from the improved machines, plant and premises of the most enterprising firms, are offset artificially by the rating system. This tends to leave inefficient firms on the same level as those that do modernise their plant and so lessens the incentive to improve.

Reduction of costs to the most efficient firms, obtainable under site value rating, would tend to be passed to the public, in whole or part, in lower prices. Lower prices would tend to widen the markets with increased demand for the products. Increased demand for products would tend to greater employment than would otherwise be needed.

Reference to the firms in Lists A and B of Table II will show that those in List A give vastly more employment than their corresponding groupings in List B. This follows as a matter of course, for where there is heavy capital investment in buildings, plant and machinery, there is generally a heavy demand for labor to operate and use them. On the other hand, where there is little investment in such plant there is little to require the services of labor.

Under these conditions the incidence of the annual value rating system seems opposed to commonsense, in that it takes a heavy imposition from those firms which have shown a willingness to make heavy capital outlay on plant which will give a livelihood to many thousands of people. On the other hand, it actually gives a rate bonus to those firms which have shown no willingness to make such expenditure.

By contrast, the site value rate being a definite amount whether the property is improved or not, offers every inducement to the fullest development.

43. FACTORY RATES COMPARED WITH MUNICIPAL SERVICES RECEIVED BY FACTORIES.

Municipal rates are intended to be payments for services rendered, and should, therefore, bear a definite relation to the services received or available for use. This angle is so generally forgotten and yet so all important, that a special section is given to it in this study.

It is found that the rate contribution from the most improved factories is altogether disproportionate to the value of the services received, while that of the least improved firms is well below the value of the services received from the Council.

In the case of factories, the Municipal services rendered are practically confined to road maintenance and a share in the overhead charges of the Municipality. Other facilities which are availed of by residential sections and add to residential land values (such as parks and gardens, public libraries, creches and baby health centers, garbage collection, etc.) are little availed of by factories.

On the other hand, a large proportion of the wear on the main roads must be credited to factories, owing to the heavy usage by their vehicles. Nevertheless, that the factory contribution is relatively too great, having regard to the services rendered is evident from estimated maintenance and replacement costs supplied by the City Engineer.

In the section of Whitehall Street between Lyons Street and Francis Street, there are found thirteen of the firms listed in Table II. The estimated annual maintenance cost on this section serving the factories is £580, which, with an additional £196 annually as a charge towards replacement at the end of its useful life, gives a total annual cost for this section of £776. Under annual value rating, the rate contribution of these firms is £4,160, under site value rating, it would be £2,830.

Even if it be assumed that only the factories contribute to local revenue in this section, and that the few residences and two hotels contribute nothing, it is evident that under site value rating, these factories contribute four times the annual costs on the whole section of road, while under annual value rating they contribute nearly six times the cost.

Actually, it is not appropriate to debit the whole cost of this section against the factories concerned. For a considerable part of its length, this street is a main highway to approach the City, used by all classes of vehicles and not exclusively for factory traffic. Further, although the annual costs quoted cover the whole length of the section, almost a third of the length is not fairly chargeable to these factories. Counting both sides of the street, there are 140 chains of frontage of which 26 chains front the Electricity Commission store yard, which is exempt from rates. A further thirteen chains is frontage to Hanmer Reserve and Yarraville Gardens which are municipal property and non-ratable. The costs for these sections are most appropriately to be spread over the whole Municipality in proportion to the value of holdings.

While this does not take account of other municipal services and the share of overhead expenses, it deals with the main one concerning factories. It is evident that these factories would not be escaping lightly under site value rating, and that their contribution under annual value rating is quite disproportionate to the value of services received.

High Proportion of Revenue in Factory Rates.

Analysis shows that the 71 well-improved factories of List A, Table II, contribute, under annual value rating, £16,199 of the total rate revenue, £83,000, i.e., 19.5 per cent. of the total. This is an enormous figure coming from less than half of 1 per cent. of the total holdings in the Municipality.

Under site value rating these factories would contribute £6,670, i.e., 8 per cent. of the total rate revenue, which is still a high figure from such a small number.

The poorer group of factories in List B, Table II, pay £4,551 under annual value rating, or 5.5 per cent. of the total, spread over the 50 factories or firms in the group. Under site value rating their rates would actually be increased to £5,938 or 7.1 per cent. of the total rate revenue.

It would appear that the relative rate share of these two factory groups is much more equitable under site value rating than annual value rating, having regard to the relative numbers (71-50) of firms in the groups.

14. HIGH FACTORY RATES DO NOT MEAN LOW HOUSE RATES.

Many people view with equanimity, high rates imposed upon factories, in the belief that these high rates mean correspondingly low rates upon houses. This view is quite understandable, as the residents of the district, as

well as forming the great majority of the ratepayers, are those who contribute most to its continued prosperity. If the annual value rating system were found to give lower rates to homes generally, that would be a strong influence to nullify the disadvantages seen in its incidence on factories.

However, it needs to be stressed that the facts shown by the study are the very reverse of what has been currently assumed. So far from houses gaining by the high rates on factories under annual value rating, the overwhelming majority of houses as well as factories pay considerably more under annual value rating than under site value rating.

The higher rates on good factories mean lower rates not for houses, but for holders of vacant land, very poorly improved land, and for owners of most valuable shop-sites in Nicholson Street, as well as for the poorest and least developed firms and factories.

Houses Gain More Than Factories Under Site Value Rating.

It has been found that houses gain proportionately greater reductions in rates than do factories under site value rating. On the whole, homes have a higher improvement to land value ratio than have factories, and it is only the much larger size of the latter that makes their rate saving look larger.

The highest ratio for any factory is the Victorian Woollen Mills Pty. Ltd., with 29.0, and this high ratio is only due to the land being cheaper than normal, as it is on the edge of a swamp. There are only two other firms with ratios of as high as 20. In fact, reference to the firms on List A of Table 11 shows that there are only 19 factories with an improvement ratio of 10 or over in the whole City.

By contrast, there are no less than 32 streets in which the average houses have improvement ratios greater than 10, and ranging up to 25. In many other streets individual houses often exceed these values. On the other hand, it is very rarely that houses are found with such low improvement values as in the factories in list B of Table II.

A further reference to the Housing Section of this study shows that approximately 90 per cent. of the houses would have rate reductions under site value rating. On the other hand, only 59 per cent. of the firms and factories gain reduced rates under site value rating.

These proportions are substantially the same as in other districts in which the rate incidence has been studied.

45. THE TEN MOST IMPROVED FACTORIES.*

Some interesting features of the ten most improved firms in Table II, List A, should be remarked upon. The most creditable factory in the district, in appearance, is that of Warren & Brown Pty. Ltd., Engineers, which appears fourth on the list. It does not head the list because land values are relatively high in its locality in Ballarat Road. It is a comparatively small concern alongside the others in the group. The building is new and of a very attractive appearance, and a decided asset to the district.

In this group of ten firms penalised most by annual value rating are two others of the very few which have shown some civic pride in the design and layout of their factories. These two are the Olympic Tyre & Rubber Co. Ltd., and Southern Can Co. Pty. Ltd.

The former has a splendid factory in Cross Street, designed with a view to ornament as well as utility. It stands back from the road and is set in well kept gardens and lawn. The civic pride of the management has extended to levelling off and turning into rock gardens and lawn, at its own expense, the land on the opposite side of the street, which belongs to the Railway Department.

This firm has a second factory which is not very attractive in appearance, being surrounded by a galvanised iron corrugated fence. It houses valuable machinery which is heavily rated, but the buildings are not nearly in the same class. Nevertheless, the "show" factory carries nearly twice the rates, although the site value is almost the same in each.

SOME HOUSING CONTRASTS (See Plate III. opposite)

BAYVIEW ROAD

On the left are two very attractive working-class homes with well kept gardens, penalised by annual value rating.

On the right is an old type residence of equal frontage, but much inferior quality and with no garden. All of these three houses would pay about the same under site-value rating.

HOTHAM STREET

On the left is a poor type house with a larger than average frontage, 57ft. Such properties depreciate the value of neighboring properties. On the right is the adjoining house of good type, with well kept garden and good frontage, 48ft.

BENA STREET

A very attractive worker's home with well kept garden, trellis work and ornamental pergola work which have increased the annual value rates on this property to above the average for the street. On either side of this house are vacant lots of the same frontage, 40ft. Compare the rates on the built and vacant lots.

GEELONG ROAD

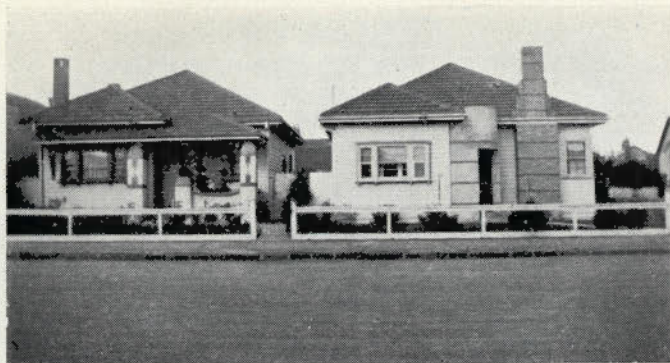
Geelong Road is, in the main, a very good residential street, but is spoilt by properties such as the fuel yard and large vacant lot seen in the right hand photo. Such properties contribute little in rates under annual value rating.

CORAL AVENUE

A street of good, modern timber homes with tiled roofs, all penalised by annual value rating. Frontages are 42ft.

HANSEN STREET

A street of good type modern brick and timber homes with tiled roofs, all favored by site-value rating. Such properties are an asset to a city. Frontages are 42ft.

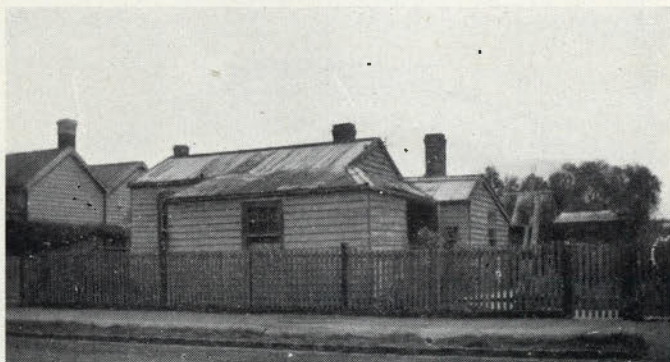


Frontage No. 73 33ft. No. 75 36ft.
 N.A.V. Rate £4 14 6 £5 1 0
 U.C.V. Rate £3 5 0 £3 12 0

BAYVIEW ROAD

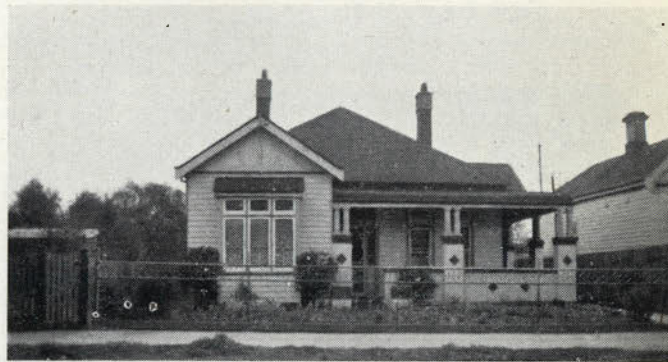


No. 79
 Front., 36ft.; N.A.V. Rate, £2/18/6; U.C.V. Rate, £3/12/-

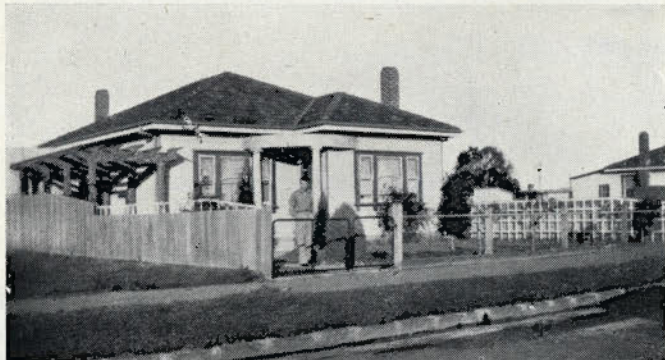


No. 14
 N.A.V. Rate £2 14 0 U.C.V. Rate £5 17 0

HOTHAM STREET



No. 10
 N.A.V. Rate £5 7 0 U.C.V. Rate £4 17 0



BENA STREET

	No. 9 (vac.) 40ft.	No. 11 (house) 40ft.	No. 13 (vac.) 40ft.
Frontages			
N.A.V. Rate	£1 2 0	£5 1 0	£1 2 0
U.C.V. Rate	£3 19 6	£3 19 6	£3 19 6



GEELONG ROAD

	Fuel Yard 66ft.	Shop 18ft.	Vacant Land 100ft.
Frontages			
N.A.V. Rate	£2 5 0	£4 10 0	£3 16 6
U.C.V. Rate	£8 0 0	£2 3 0	£13 10 0



CORAL AVENUE

Nos. 1, 3, 5 etc.
 Frontages 42ft.
 N.A.V. Rate £4 10 0 U.C.V. Rate £4 3 0



HANSEN STREET

	No. 67	No. 69	No. 71	No. 73
N.A.V. Rates	£4 10 0	£4 14 6	£4 6 0	£4 14 6
U.C.V. Rates	£3 7 0	£3 7 0	£3 7 0	£3 7 0



FIRE STATION IN DROOP STREET
Frontage, 111ft. N.A.V. Rate, £102; U.C.V. Rate, £22.



FINE THEATRE IN HOPKINS STREET
Frontage, 88ft. N.A.V. Rate, £145; U.C.V. Rate, £122.

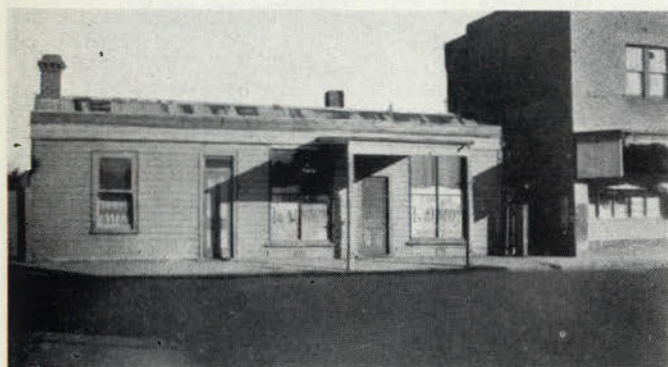


Y.W.C.A. RESIDENTIAL IN GORDON STREET
Frontage, 100ft. N.A.V. Rate, £102; U.C.V. Rate, £14.



BALLARAT ROAD
Frontage, 18ft. N.A.V. Rate, £10/1/-; U.C.V. Rate, £2/17/-

AND SOME WHICH ARE NOT



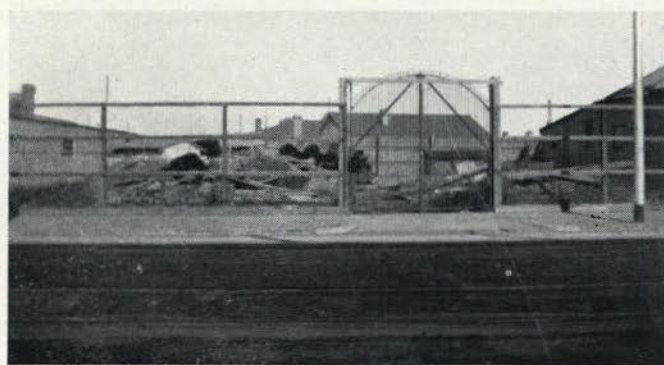
ANDERSON STREET
Frontage, 48ft. N.A.V. Rate, £3/7/6; U.C.V. Rate, £9/10/-



GAMON STREET
Frontage, 84ft. N.A.V. Rate, £2/16/-; U.C.V. Rate, £10.



BARKLY STREET
Shops:— 48ft. N.A.V. Rate, £6/1/-; U.C.V. Rate, £18/11/-
Vacant:— 45ft. N.A.V. Rate, £5/1/-; U.C.V. Rate, £17/16/-



BALLARAT ROAD
Frontage, 69ft. N.A.V. Rate, £2/14/-; U.C.V. Rate, £9/10/-

**BUSINESSES WHICH ARE A CREDIT TO
THE CITY ARE PENALISED BY ANNUAL
VALUE RATING**

DROOP STREET

A fine residential fire-station of which residents are justly proud. The municipality makes a grant to the Fire Brigade, but takes a large sum back in rates under annual value rating upon such a well improved property.

HOPKINS STREET

On the right is a splendid theatre which is an asset to the business section.

GORDON STREET

On the left is the Y.W.C.A. residential club built by the Commonwealth War Workers' Housing Trust at an inflated war-time cost of £20,000. Buildings constructed at these modern cost-levels are treated more harshly under annual value rating than those built at lower cost levels.

BALLARAT ROAD

A fine modern block of shops on the intersection with Summerhill Road. Although right at the extreme boundary of the city, this block is rated among the highest shops, apart from Nicholson-st.

**BUSINESS SITES WHICH ARE NOT A
CREDIT TO THE CITY ARE FAVORED BY
ANNUAL VALUE RATING**

ANDERSON STREET

Left, a poor timber building, used as a laundry. A fire-risk spoiling a good shopping centre.

GAMON STREET

Right, a poorly improved property owned by an absentee firm in Werribee. A poor usage for a main street.

BARKLY STREET

These inferior shops and vacant land adjoin the fine Girls' High School seen in the background.

BALLARAT ROAD

An unsightly junk yard on the intersection with Droop Street.

(See Plate IV. opposite)

Southern Can Coy. is very well laid out, and raises the tone of its surroundings. It is set back from the street with well kept lawn and gardens.

The others in the group have their high ratio in the costliness of the buildings and machinery, with the exception of the Central Wool Committee stores, which owe their high ratio to the low cost of the land. These stores are located on the extreme limits of the district, where land is cheaper.

It should be noticed that in this group (and in all others in the tables) there are firms which have a high degree of improvement for their works, but which also have other holdings of low improvement value, which tend to reduce and offset the gain on the highly improved properties.

In some cases, in List B, the gain on the works is more than offset by the increased rates on vacant or poorly developed holdings additional to the works. This shows the importance of taking account of all holdings in order to get a true picture overall for the firms concerned.

* Most of these firms are included in the photographs of industrial properties shown in Plate V. of this study.

46. THE TEN LEAST IMPROVED FIRMS.

Of the firms least improved, most have considerable areas of vacant land associated with them. The first two hold particularly valuable factory sites, completely vacant, not even being fenced. At the head of the list is the Australian Mercantile Land and Finance Coy. Ltd., a very prosperous firm holding 8½ acres. The second on the list is a South Melbourne firm, with 2½ acres.

Nos. 5 and 6 are timber merchants on main streets (Gamon and Barkly), the latter being particularly unsightly and holding up the development of this important shopping street. These classes of business have heavy wear on roads.

The higher rates on the quarries are appropriate, as the existing rates are quite disproportionate to the heavy wear on the roads associated with this class of business.

The firms with ratios below 1.0 in the first twenty firms of List B are mainly poor looking, and tend to drag down the areas around them.*

Other Types of Poor Business Properties.

Apart from factories, there is a more numerous class of poor business premises which contributes little in rates on annual value rating, but would contribute more under site value rating. In this class are woodyards, junk yards, storage yards and a proportion of old business properties which have become decadent and derelict, having only demolition value. Such properties often occupy land in good streets with a high value per foot. The rate contribution from this class of property, in the aggregate, is considerable under site value rating.

**47. CONCLUSIONS REGARDING INCIDENCE OF
FACTORY RATES.**

- (i) The present annual value rating system operates against the best interests of the district by bonussing poorly improved factories through the rating system, at the expense of heavily increased rates to the highly improved factories and the home owners of the district.
- (ii) A change to site value rating would work towards improvement of the district by encouraging better and more frequent improvements to be made, in the knowledge that the capital and production costs would not be inflated by extra annual charges through making the improvements.
- (iii) Firms which were not willing to improve their properties under site value rating would be called upon to pay their fair share towards Municipal expenses under site value rating.
- (iv) Stimulation of improvements under site value rating would mean added demand for labor and make the district more attractive to live in.

* Many of these properties are included in the photographs of industrial properties on Plate VI. of this study.

PART VI.

MUNICIPAL FINANCE ANALYSIS.

HOW RATE PAYMENTS COMPARE WITH THE VALUE OF SERVICES RECEIVED.

48. THE NATURE OF RATES AND THE SCOPE OF INVESTIGATION.

In considering the merits of alternative rating systems, it is most important to bear in mind that municipal councils exist to render certain definite services to the ratepayers, and that the rate payments are, in essence, payments for the services received.

Some of these services are general commitments for the municipality as a whole, of the nature of overhead expenses, and the cost of these must be spread over all ratepayers in some definite proportion.

Other services, such as road and street maintenance and capital costs, are localised in particular localities, and the payment for these may be shared in a different proportion to that for the overhead and related items.

In equity, it should be possible to show that the rates payable are at least roughly proportionate to the value of the benefits received under whatever form of rating is regarded as best.

Under both the annual rental value and the site or unimproved land value rating systems, the rates are borne only by property owners. In the former, rates are proportionate to the value of the land and improvements combined. In the latter, they are proportionate to the value of the site exclusive of the improvements.

We have, therefore, to compare the rate incidence upon two broad classes of properties, i.e., built properties, and unbuilt or vacant properties, respectively.

The object, in this section of the study, is to find out which of the two systems of rating requires a rate payment most closely proportionate to the value of the benefits received.

With this object, municipal expenditure has been dissected and classified into two distinct groups: (A) Items connected with localised services, and (B) Overhead items for the district as a whole.

49. THE METHODS OF COMPARISON USED.

Of the items connected with localised services, by far the greatest is expenditure on maintenance of roads and streets and replacement of the surface at the end of its useful life. These items account for more than half of the total expenditure in the category of localised services. They have, therefore, been used as a basic starting point to compare the adequacy of the rate contribution on built and unbuilt sites.

Comprehensive figures for the average annual costs for road maintenance and replacement at the end of the useful life, for various classes of roads and streets, have been supplied by the City Engineer. These costs have been reduced to a cost "per foot of frontage" basis and compared with the rate payment per foot of frontage for built and for unbuilt sites.

A separate sub-section is devoted to the comparison of road costs for these two classes of properties. Groups of streets are considered in newly established residential areas, older residential areas, and factory areas respectively. In a later sub-section the other localised services are examined and, finally, the appropriate share of the general or overhead charges of the municipality is considered.

50. SHARING THE ROAD MAINTENANCE COSTS BETWEEN BUILT AND VACANT SITES.

In most of the residential streets, the initial costs of roadmaking are a special charge upon the individual ratepayers concerned. Capital cost has therefore been ignored in this comparison for such properties. The figures used are exclusively average annual road maintenance

charges, and the annual share towards reconstruction of the road at the end of its useful life.

Nevertheless, there are a good number of important roads, the capital cost of which is met by the Council. It would be appropriate to expect an extra contribution beyond maintenance in these cases.

The Minimum Rate Share.

As the basic point in this inquiry, we assume that the very minimum rate which can be expected of any ratepayer must be sufficient to cover the maintenance cost and share of replacement cost at the end of its useful life, for the frontage of roadway (and footpath) serving his own property.

In addition, the minimum must include not only such cost for his own frontage, but also a pro-rata share of the rate-exempt frontages, road intersections, opening roads and others which do not contribute to council revenue and for which the cost must be spread over all ratepayers.

The proportion of non-ratable to ratable frontages varies widely in different streets, and the fairest allocation is to use the overall proportion for the district as a whole or, better still, that for the ward in which the street is located.

The proportion of non-ratable to ratable lengths in the various wards was given in the Section 4 (3) of this Study, and from it we find that the minimum share must cover maintenance and replacement charges for an additional 54 per cent. (North Ward), 50 per cent. (Middle Ward), 33½ per cent. (South Ward), 39 per cent. (North-West Ward), and 27 per cent. (Kingsville Ward), above the frontage of the particular ratepayer in question, as the share of the non-ratable frontage costs.

It should be stressed that the appropriate rate figure must be something higher than this maintenance cost. On top of this there will be some addition for the other localised services and the share of the overhead expenses of the Council. This figure merely forms the lower irreducible limit of the rate payment which may fairly be expected for any property.

Rates on Vacant Lots Do Not Cover Annual Maintenance Costs.

This Study has shown that in none of the residential streets do the annual value rates on vacant land anywhere nearly reach this minimum figure required to cover the maintenance on their own frontage of roadway, let alone any contribution to the other expenses of the Council.

It is not merely a matter of being slightly below the required figure. In the great majority of the streets the contribution of vacant lots under annual value rating amounts to only between a quarter and a half of this required minimum figure.

This feature of the study is regarded as of the greatest importance, not merely to Footscray, but to all municipalities using annual value rating. If vacant and poorly improved properties are contributing less than their own maintenance costs, it means that the least desirable class of ratepayers are being subsidised through the rating system, at the expense of those who are an asset to the district. This conclusion is supported by the other sections of the Study.

ROAD MAINTENANCE AND REPLACEMENT COSTS COMPARED WITH THE RATE YIELD OF VACANT SITES AND BUILT SITES UNDER ANNUAL VALUE AND SITE VALUE RATING RESPECTIVELY.

Comparisons are made of costs per foot of frontage.

(a) RESIDENTIAL STREETS.

These streets are all macadam roads for which the district average maintenance costs are 5½d. per square yard of road surface, and for which the provision for replacement at the end of the useful life of the surface is 2d. per square yard.

Annual values per foot, built and unbuilt, are obtained by dividing the average annual values on the street graphs of Section 8 of this Study, by the average frontages on the same graphs A to D.

* Figures for costs include the share for the rate-exempt frontages to the average proportion for the Ward in question. For each ratable property, this share additional to that for its own actual frontage amounts to: South Ward (33½ per cent.), Kingsville Ward (27 per cent.), North-West Ward (39 per cent.), Middle Ward (50 per cent.), North Ward (54 per cent.).

The accompanying table gives comparisons of the actual cost per foot of ratable frontage in residential streets of the type of road construction which is employed in the overwhelming majority of the residential streets. The details are given fully in the table to enable the basis of working to be readily checked. The last four columns are the ones to be compared, these four showing the average cost to the Council compared with the rate which the Council receives under annual value rating and site value rating respectively. All of these figures are reduced to a figure per foot of ratable frontage.

The rate yield under annual value rating is shown separately for vacant lots and for built lots (average). The site value rates being the same for vacant as for built lots, only one column is needed.

The streets for which particulars are given cover compact blocks of residential streets in three different wards. All of these streets have vacant lots. In some, the vacant frontage is very large.

What The Table Shows.

Compare the column headed "cost per foot of ratable frontage" with the next one which shows the rate yield

of vacant lots in these streets, under Annual Value Rating. It is seen that in no case is the rate contribution anywhere nearly adequate to meet road costs, let alone overhead charges in which vacant lots should share.

On the other hand, compare the next column showing the contribution of built properties per foot of frontage. In all these cases the built properties contribute much more than sufficient to meet the costs. It is evident that vacant lots are not contributing their fair share of the council costs in respect of their frontages, and that built properties are compelled to make up the deficiency by contributing more than their fair share to rate revenue.

It will be evident that the last column, showing the rate yield per foot under value rating, is a far nearer approximation to the costs incurred than is represented by either of the other columns.

Further, as road charges form such a large part of Council expenses for services rendered, and this service is rendered alike to the vacant as to the built frontage, the enormous difference in rate contribution per foot on these two classes of property cannot be regarded with equanimity.

Can a rating system be regarded as economically or morally sound which differentiates in the payment required for the same service between built and vacant properties, to the degree shown? If differentiation in payment is justified at all, should it not rather be in favor of the built property which is an asset to the district, rather than the reverse? Is it economically sound to bonus vacant holders at the expense of those who build?

Road or Street	Width of Metalled Surface Feet	Area Per Ft. Length Sq. Yds.	Cost per Ft. of Road d.	Cost per Ft. of Ratable Frontage * d.	Rate Yield per Foot Frontage		
					Annual Value Vacant d.	On Built d.	Site Value on Either d.
SOUTH WARD							
Blackwood	24	2.6	18.8	12.5	3.75	27.2	14.3
Dickens	24	2.6	18.8	12.5	3.75	28.0	14.3
Buninyong	26	2.9	21.0	14.0	3.75	30.5	14.3
Fehon	40	4.4	32.0	21.3	5.05	26.5	19.0
Gladstone	23	2.5	18.2	12.1	3.75	20.6	14.3
Frederick	25	2.8	20.2	13.4	3.75	24.0	14.3
Ducker	40	4.4	32.0	21.3	3.75	34.0	14.3
Gray	30	3.3	24.0	16.0	3.75	25.0	14.3
Hall	24	2.6	18.8	12.5	3.75	24.1	14.3
Hughes	28	3.1	22.4	15.0	3.75	23.1	14.3
Kent	22	2.4	17.4	11.6	3.1	25.9	12.0
Lennox	32	3.5	25.4	17.0	3.75	22.6	14.3
Marjory	15	1.7	12.3	8.3	4.2	23.2	16.5
Newcastle	24	2.6	18.8	12.5	3.1	21.5	12.0
Ovens	24	2.6	18.8	12.5	2.5	22.5	9.5
Powell	40	4.4	32.0	21.3	5.0	25.8	19.0
Simpson	24	2.6	18.8	12.5	3.75	25.4	14.3
Sussex	25	2.8	20.2	13.4	3.75	24.0	14.3
Tarrengower	24	2.6	18.8	12.5	3.75	23.1	14.3
KINGSVILLE WARD							
Chirnside	25	2.8	20.2	12.8	5.0	28.1	19.0
Coronation	26	2.9	21.0	13.4	5.0	32.5	19.0
Empress	26	2.9	21.0	13.4	5.0	28.0	19.0
Edgar	38	4.2	30.0	19.0	5.0	22.6	19.0
Queensville	25	2.8	20.2	12.8	5.0	29.6	19.0
Geelong	25	2.8	20.2	25.6	6.25	25.0	23.8
Wales	28	3.1	22.4	14.2	5.0	28.8	19.0
Bena	20	2.2	16.0	10.2	6.25	25.0	23.8
Eirene	20	2.2	16.0	10.2	5.0	26.7	19.0
Kingston	20	2.2	16.0	10.2	3.75	21.2	14.3
Severn	24	2.6	18.8	11.9	5.0	25.2	19.0
NORTH-WEST WARD							
Adelaide	24	2.6	18.8	13.0	3.75	23.1	14.3
Swan	23	2.5	18.1	12.5	3.75	23.2	14.3
Southampton .. .	23	2.5	18.1	12.5	3.75	22.8	14.3
Everard	23	2.5	18.1	12.5	3.75	25.0	14.3
Eleanor	25	2.8	20.2	14.0	5.0	25.0	19.0
Leander	24	2.6	18.8	13.0	3.75	25.9	14.3
Stafford	21	2.2	16.0	11.1	3.75	24.9	14.3
Dudley	24	2.6	18.8	13.0	3.75	25.5	14.3
Liverpool	22	2.4	17.4	12.1	3.75	24.1	14.3
Summerhill	38	4.2	30.0	20.8	5.0	28.7	19.0
Market	31	3.4	24.6	17.0	5.0	25.7	19.0

* Each foot of road has two feet of frontage.

Road Costs For Other Than Residential Streets.

The road maintenance cost can only be regarded as a minimum figure which may be rightly expected to be recovered in rates. In some classes of sites, it is reasonable to expect considerably more than this amount to be recouped. For example, the shopping sections are focussing points for traffic over the district and much of the wear on arterial and subsidiary roads, as well as that actually fronting the shops themselves, can be rightly debited to these centers. It would, therefore, be inadequate only to cover the actual maintenance on the frontage to these centers in the rate receipts. Similarly, factory sites may be expected to cover more than the bare road maintenance on their own frontages.

51. THE OTHER ITEMS OF EXPENDITURE ON SERVICES.

Municipal Expenditure Dissected.

Other municipal services which are localised in particular localities must be considered besides roads. These services are listed below with the amounts provided for each of them in the Accounts for 1944-45.

A. Items Connected with Localised Services.

Item	Amount
(a) Capital Expenditure on Roads & Streets.	
(i) Recouped by special charge to Ratepayer	£250
(ii) Not paid for by individual Ratepayer	9,269
(b) Maintenance Expenditure on Roads & Streets	37,017
(c) Street Lighting	3,200
(d) Parks, Gardens, etc.	12,944
(e) Street Cleaning	10,713
(f) Drains, Culverts, etc.	2,950
(g) Garbage collection	6,690
(h) Baby Welfare Centers	1,920
(i) Health	5,769
(j) Municipal Baths	1,944
(k) Children's Library	655
(l) Town Hall	1,850
	<hr/> £95,171

It will be seen that items (a) and (b) covering the maintenance and reconstruction of roads and streets, account together for £46,386 of the total expenditure on services. This is almost half of the total gross expenditure, and considerably more than half of the net expenditure, taking account of revenue received from items (d), (i), (j), (k), which return £7,100 between them. In normal peacetime years, an additional expenditure would be incurred on footpath maintenance to about £3,500 annually.

The item (i) Health, principally covers sanitary pan services for unsewered properties in the municipality, and costs of meat supervision. A special charge of 33/6 per pan is made for the former, and charges are also made for the latter. The revenue received from this item is £3,032 and the nett expenditure is therefore £2,737.

52. THE MOST SUITABLE BASIS OF PAYMENT.

Of these services, roads and streets have already been treated, and for this item it was seen that the site value basis represented a closer approximation to the value of the service than did annual value rating.

With regard to all of the remaining items, we have to find the rating method which best approximates the value of the service rendered. The value of these services will be variable according to the distance from the point at which the service is rendered. The effect of the availability of each of these services is to make it more desirable for people to live in the neighbourhoods with the street lighting, the parks and gardens, welfare centers, baths and library.

The value of these services is evidently greater in their immediate vicinity than remote from them. Hence, it is reasonable to expect heavier contribution towards them in their immediate vicinity than at a distance.

For all of these services, the effect is to increase or sustain land values in their immediate vicinity, and beyond. That the services have such an effect upon land values is well recognised and needs no elaboration here. The effect is greatest in the vicinity of the service and diminishes by gradations with the distance.

So far as rates are required to cover these localised services, therefore, the level of land values forms an ideal measure of the value of the service received, and the rate payment based upon site value is a most appropriate form of rate payment.

The alternative form, annual value rating, bears little relation, if any at all, to the value of this service to the ratepayer. Under that system, the rate payment is far more directly dependent upon the improvements made upon the site by the owner. It is only affected to a very minor degree by the variations in the value of the service received as reflected in the land value. Thus, although two properties may be identical so far as site and the value of the services to the site are concerned, the rate payment on the one will be several times that upon the other, if the former is more highly improved. Again, a house in the most distant part of the district is called upon to pay only slightly less in rates than if the same house were in the central area, notwithstanding that the outermost parts receive only a very minor fraction of the value of the municipal services received by the inner areas.

Of the services listed, garbage collection is the only one paid for in the general rate, and only rendered to householders. It might at first be thought that this would justify a special and separate rate for the service limited only to householders and not owners of vacant lots. Reflection will show that the value of garbage collection is reflected in land values, which would be much reduced if the service were not available or to be withdrawn. Again, although garbage is only collected from the houses and not vacant lots, the collectors have almost as much travelling and work to do in serving the few houses in a largely vacant street as they would if the street were fully built. There seems no reason to think that the obvious suitability of site values as a rate basis for the other services does not apply equally to the payment for garbage collection.

53. THE OVERHEAD ITEMS OF COUNCIL EXPENDITURE.

In addition to the expenses of the actual services provided, there are standing costs which the Municipality is committed to, irrespective of these services. These costs have to be distributed to the ratepayers in their rate payments. The items in this overhead class are listed below:

B. Overhead Items.

(a) Interest & Principal payments on Loans	£31,030
(b) Staff, Wages, Salaries, etc., other than already included under service items	8,550
(c) Spencer St. Bridge contribution	201
(d) Infectious Diseases Hospital Contribution	1,803
(dd) Heatherton Sanatorium Contribution	112
(e) Fire Brigade Contribution	2,454
(f) Donations, Various	2,013
(g) Printing, Stationery, Books, Telephones, Advertising, Elections, Insurance, etc.	3,135
(h) Air Raids Precautions	1,935
(i) Retiring Allowances	235
(j) Part Wages Employees on Active Service	1,000
(k) Pay Roll Tax	1,650
	<hr/> £54,118

Distributing The Costs.

These items have to be covered by rates from the property owners quite independently of whether their lots are built or vacant, used or unused. In apportioning the rates to cover them, the guiding principle, in fairness, should be to apportion the charges according to the general benefits received by the site owners from the existence of a

municipal organisation. These benefits obviously vary with location, being concentrated in the central areas and few in the outermost sections. The differing degrees of benefit are most faithfully recorded in the variations of land value per foot or acre in the various parts of the district.

To base the rate payment needed to cover overhead items upon the site value basis, therefore, appears the fairest and indeed, the only logical means of distributing the obligation.

The annual value method is sometimes claimed to apportion the payment according to the income received by the owner. It is noted that built properties bring in cash income, whereas vacant lots do not.

This view overlooks the fact that the value of land is itself due to the existence and continued operation of municipal and other public services, and not to the individual efforts of the owner. This value is due to the fact that the municipality and other public bodies have presented the owner with a nett income, of which the selling price of the land is the capitalised amount. In the case of the owner who builds upon his property, this income is received continuously as he goes along. In the case of the vacant holder, it is stored up and received finally in a lump sum on sale. In either case, this income is real and is fairly chargeable for municipal costs.

Annual value rating, however, charges rates many times greater to the built property than the vacant one in which the income is stored up. When sale of the vacant lot is effected, there is no means of the municipality sharing in the appreciated price. The result is that owners of built sites are penalised as compared with those of vacant sites. The position is aggravated by the fact that the actual income of the owner of built property is also subject to heavy income taxation annually, whereas the vacant holder escapes any such contribution, and even on final sale is not called upon to contribute for the taxation avoided over the period. The nett effect is to disadvantage the owner who develops his site as compared with the mere speculator, and to give a premium to land speculation. Site owners of built and unbuilt lots are placed on the same footing under site value rating.

54. MUNICIPAL REVENUE OTHER THAN RATES.

The items of total municipal expenditure previously listed may be grouped in the following three sections with the most appropriate means of charging for each:

Classification	Amount	Most Suitable Rate Base
1. Road maintenance & re-construction	£46,286	Cost, most closely given by site value rating.
2. Other localised services	48,635	Site value rating.
3. Overhead items	54,118	Site value rating.
	<u>£149,039</u>	

This expenditure, however, does not have to be wholly met from general rates, being offset by considerable items of revenue received from other sources. In the estimates the sums available were set down at £67,564, and the sums required at £149,714, leaving a balance of £82,150 to be raised by the general rate, which in turn, required a rate of 2/3 in the £ of annual value.

This rate in the £ is particularly low, and is brought about by the fact that the sums available from other sources to Footscray Council are much greater than for most councils. They include no less than £30,553 profits from the Electric Supply Department. In being a distributor of electric power on such a scale, Footscray is unusually favorably situated, and this revenue applied to reduction of rates is somewhat fortuitous. Without this profit and on the same basis as other municipalities, so much more would have to be raised in rates, and the rate in the £ required would be 3/1.

In arriving at the relative costs incurred for the other localised services and overhead items on the same basis as already done in section 50 for roads, the aggregate actual expenditure must be used and the results rebated by the share of the £67,564 revenue from sources other than rates.

55. THE COST TO THE COUNCIL FOR ALL ITEMS COMPARED WITH RATE RECEIPTS IN VARIOUS PARTS OF THE CITY—PER FOOT OF FRONTAGE.

The two tables below summarise the three classes of expenditure per foot of frontage in various localities, and compare the rate yield per foot under annual value and site value rating. The first four columns of figures are the approximate costs for the items and the last is the rebated amount which the rates should be expected to cover after making allowance for the other revenue referred to above.

A restricted number of streets are given illustrative of various parts of the municipality, but the tendencies shown are perfectly general and could be extended to all streets.

Road costs are on the basis of average maintenance and reconstruction costs having regard to the class of road as in the previous list of Section 50. The "other service" and "overhead" items are distributed proportionately to the levels of site-value per foot.

Allowance has been made for the fact, shown earlier in this study, that the proportion of rate-exempt property varies widely in the different wards, and that those wards with a higher than average proportion of rate exempt property should bear a somewhat higher allocation of the costs for these items and vice-versa. The average proportion of rate-exempt property for the district being 37%, the following multipliers are used according to the ward concerned.

	North Ward	Middle Ward	South Ward	North West	Kingsville
Per cent. Rate-Exempt to Ratable	54 ..	50 ..	33½ ..	39 ..	27
Multiplier Used	1.12 ..	1.09 ..	0.97 ..	1.01 ..	0.93

(a) COSTS TABULATED.

Class of Area and Name of Street	Land Value per ft. £	Approx. Costs per Foot Front				Rebated Cost d.	Ward
		Road Mtce. d.	Other Services d.	Overhead Items d.	Total d.		
Main Shopping Section							
Nicholson (Barkly-Rly.) ..	350	27 *	1100	1210	2337	1290	North
Shopping Areas							
Paisley (Nich.-Leeds) .. .	75	11.5*	236	260	508	278	North
Barkly (Nich.-Victoria) ..	50	16 *	157	174	347	191	North
Victoria (Charles-Buckley)	10	21.6	30.8	34	86.4	47.5	Middle
Somerville (Wmstn.-Rly.) ..	10	35.2	27.2	30	92.4	51	South
Geelong Wmstn.-S'ville) ..	8	25.6	20.9	23	68.9	37.7	K'ville
Ballarat (Droop-S'hill) ..	10	10.8	22.3	26.7	59.8	33	N. West
Factory Area							
Whitehall (Lyons-Francis) ..	5	26.6	13.6	15.0	54.2	29.7	South

Costs per Foot (Continued)

Class of Area and Name of Street	Land Value per ft.	Approximate Costs per Foot Frontage				Ward	
		Road Mtee.	Other Service	Overhead Items	Total		Rebated Cost
Residential (Macadam Roads)							
Blackwood	3	12.5	8.2	9.0	29.7	16.4	South
Hall	3	12.5	8.2	9.0	29.7	16.4	South
Newcastle	2½	12.5	6.8	7.5	26.8	14.8	South
Fehon	4	21.3	10.9	12.0	44.2	24.2	South
Simpson	3	12.5	8.2	9.0	29.7	16.4	South
Chirnside	4	12.8	10.4	11.5	34.7	19.0	K'ville
Coronation	4	13.4	10.4	11.5	35.3	19.3	K'ville
Edgar	4	19.0	10.4	11.5	40.9	22.4	K'ville
Geelong†	5	25.6	13.7	15.1	54.4	30.0	K'ville
Bena	5	10.2	13.7	15.1	39.0	21.4	K'ville
Kingston	3	10.2	8.3	9.1	27.6	15.2	K'ville
Severn	4	11.9	10.4	11.5	33.8	18.6	K'ville
Southampton	3	12.5	8.4	9.3	30.2	16.6	N. West
Leander	3	13.0	8.4	9.3	30.7	16.8	N. West
Market	4	17.0	11.2	12.4	40.6	22.4	N. West
Summerhill	4	20.8	11.2	12.4	44.4	24.2	N. West
Unmade Streets with Houses							
Aston	½	—	1.4	1.6	3.0	1.6	K'ville
Brunel	½	—	1.4	1.6	3.0	1.6	K'ville
Blackshaw's	½	—	1.4	1.6	3.0	1.6	K'ville
Braid	2	—	5.5	6.2	11.7	6.5	K'ville
Cullen	1	—	2.7	3.1	5.8	3.3	K'ville
Fontein	1	—	2.7	3.1	5.8	3.3	K'ville
Indwe	¾	—	2.1	2.3	4.4	2.4	K'ville
Kernot	¾	—	1.4	1.6	3.0	1.6	K'ville
Hex	1	—	2.7	3.1	5.8	3.3	K'ville
Saltley	¾	—	1.4	1.6	3.0	1.6	K'ville
Vernon	¾	—	1.4	1.6	3.0	1.6	K'ville
Dongala	1	—	2.8	3.1	5.9	3.3	N. West
Napoleon	1	—	2.8	3.1	5.9	3.3	N. West
Oxford	1	—	2.8	3.1	5.9	3.3	N. West
West	1	—	2.8	3.1	5.9	3.3	N. West
Sub-divided, But No Houses							
Angliss	1	—	2.7	3.1	5.8	3.3	K'ville
Adeney	¾	—	1.4	1.6	3.0	1.6	K'ville
Ballard	¾	—	1.4	1.6	3.0	1.6	K'ville
Kidman	1	—	2.7	3.1	5.8	3.3	K'ville

† Side road maintenance only considered. This is a three lane roadway, and no allowance has been made for the main central section towards which the Country Roads Board contributes part.

* See Footnote to Part (b) of Table.

(b) RATE YIELD COMPARED WITH COST

This table compares the rate yield per foot of frontage with the rebated cost above, i.e., the cost which should be recovered in rates after allowance has been made for other revenue than rates, which offsets the actual cost.

Class of Area and Name of Street	Cost to be Covered by Rates (per ft.) d.	Site Value Rating on Built or Vacant Lots d.	Rate Yield per foot Under	
			Annual Value Rating On	
			Built Lots (Average) d.	Vacant Lots d.
Main Shopping				
Nicholson (see above)*	1290*	1660*	530	440
Shopping Areas				
Paisley (see above)*	278*	356*	250	93
Barkly (see above)	191*	237*	125	62
Victoria (see above)	47.5	47.5	60	13.5
Somerville (see above)	51	47.5	70	13.5
Geelong (see above)	37.7	38.0	81	10
Ballarat Road (see above)	33	38.0	115	10
Factory Area (Specially Treated)	29.7	204	390	56
See Comment In Conclusions				

Class of Area and Name of Street	Cost to be Recovered by Rates (per ft.) d.	Site Value Rating on Built or Vacant Lots d.	Rate Yield per Foot Under	
			Annual Value Rating On	
			Built Lots (Average) d.	Vacant Lots d.
Residential, Macadam Roads				
Blackwood .. .				

* Road costs are only included on the actual frontage to these centers, but a considerable portion of the maintenance upon arterial and subsidiary roads may be rightly debited against the shopping areas which they serve.

56. CONCLUSIONS UPON COSTS AND RATE PAYMENTS.

In these comparisons, it is evident that rates based upon site value rating very closely approximate to the correct proportion of the costs and represent a far fairer distribution than the annual value rating basis.

In practically all areas the annual value rates upon built lots are considerably greater than the share of council costs for which they are supposed to be a payment. The rates on vacant lots, on the other hand, are much below the council costs. In few cases only is the annual value rate on built properties closer to the appropriate share than are the site value rates, and in these exceptional cases the disproportion of the annual value rates on vacant lots is all the more accentuated. The conclusion seems fully justified that it is a characteristic of annual value rating to bonus vacant sites at the expense of built sites.

In the main shopping center, the rate contribution under annual value rating, for both built and vacant properties is much below the appropriate share. It appears that these centers (on the surface view) pay a little above

the shared costs under site value rating, although the margin is considerably less than the present deficiency under annual value rating. Closer consideration of table (a) shows that the road maintenance shown is absurdly low considering that these centers are focal points for the district, and that a large part of the maintenance on main and subsidiary roads could be appropriately charged against these centers. The actual road figure used is that for the shopping street itself.

The disproportion between the costs and the rate payments is particularly marked in the unmade streets with houses already built. The houses in these areas are particularly penalised by annual value rating, compared to the value of the services received.

Even where no roads are provided and maintained as yet, the annual value rate contribution upon vacant land is only about a third of the appropriate share of the overhead and other costs of the council.

The impression that factories would not contribute a fair share under site value rating is quite erroneous. The figures quoted relate to the whole section of Whitehall

Street on the East side, between Somerville and Francis Streets. They include four of the largest concerns: Commonwealth Fertilisers Pty. Ltd., Imperial Chemical Industries Ltd., Colonial Sugar Refining Company, Albright and Wilson. Whitehall Street is the main road serving these and other concerns, and there are 40 chains of it included in this section.

While portion of the maintenance costs on other arterial and subsidiary roads can rightly be regarded as chargeable to these concerns, the fact that the site value yield per foot is some six times that of a property with normal depth, shows there is a very considerable margin to meet council costs. It is evident that the higher rate under annual value rating is extortionate, having regard to the services rendered. Road services form the most important rendered to the factories, and in concerns of large area, road provision per unit of area is comparatively small (see Factory Section 43).

57. FINAL NOTE ON ROAD MAINTENANCE.

In recent discussions upon the merits of alternative rating systems, it has been suggested by advocates of the annual value system, that as the owners of vacant lots fronting roads do not themselves use the roads, the cost of maintenance should be entirely borne by the holders of

built property, and none by the owners of the vacant lots. It has been inferred that the annual value method in which the rates upon vacant lots are very nominal, is therefore the better.

This contention is hardly likely to prove acceptable generally since, even though the service is not actually used by vacant owners, the fact that it is available when required is capitalised into land values. Again, the usage of the road in residential streets is mainly by the tradespeople serving the houses—dairyman, baker, butcher, greengrocer, etc., and the wear on the surface is substantially the same in serving a few houses in a largely vacant street, as it would be if the street were fully built with houses. The fact that the tradesmen do traverse the street is itself a factor that works to increase the value of the vacant lots.

Further light upon this point has been provided by the present study. The Footscray City Engineer has advised that the light traffic, such as found on most purely residential streets, is actually beneficial to the road surface. Indeed, if there is no traffic or insufficient road traffic to keep the surface compacted and prevent cracks, the sealing of the road is affected and deterioration hastened. It is evident, therefore, that failure of vacant lot owners to make use of the roads in residential streets is not a virtue justifying low rates. It may, on the other hand, be damaging and justify penalty rates.

PART VII—A BALANCE SHEET.

58. An Approximate Distribution of Rate Gains and Losses.

Class of Property	Gain Under Site Value Rating		Gain Under Annual Value Rating	
	Number	Amount £	Number	Amount £
1. Houses	10,000	15,000	1,760)	
2. Poor utility buildings not included elsewhere . . .			250)	11,900
3. Nicholson Street, Shop and Business	28	244	78	4,684
4. Other Shop and Business	750	3,046	194	1,896
5. Well Improved Industrial	71	9,500		
6. Poorly Improved Industrial			50	1,400
7. Vacant Land only			4,400	8,000
Totals	10,849	27,880	6,732	27,880

APPENDIX.

TABLE No. 1.

UNIMPROVED LAND VALUE IN EACH WARD

The totals given below are approximate only, as some streets, part of which lie in each of two wards, have been wholly included in one or the other in the figures below.

Ward	Unimproved Land Value
North	£1,530,000
Middle	£491,000
South	£843,000
North-west	£597,000
Kingsville	£626,000
Total	£4,087,000

TABLE No. 2.

DISTRIBUTION OF NON-RATABLE FRONTAGES

An approximate allocation of the non-ratable frontages for which the cost must be spread over the ratable frontages is as follows.

Heading	Frontage in Feet
Churches and Charitable	8,800
Municipal Parks, Gardens, Reserves . . .	39,000
Other Municipal	3,400
Frontages to Railways	23,800
Commonwealth Government	5,800
State Electricity Commission	3,300
Schools	5,500
Lost Fronts at corners	212,000
Roadway squares at street intersections . .	168,000
Total	469,600

TABLE No. 3.
LISTING ALL HOLDINGS OF VACANT LAND ABOVE
£500 IN UNIMPROVED LAND VALUE
(Not including vacant land held in conjunction with
factories or other buildings)

Name of Owner or Nominee	Locality Where Resident	Occupation	Annual Value of Land	Unimproved Value of Land
Angliss, Sir Wm. Mason	Auburn	Director Canterbury Manager (Nom.)	£4,900	£98,000
Siverson	Canterbury	Manager (Nom.)	£108	£2,160
Loftus	Yarra-wonga	Turner	£95	£1,900
Lord, A.B. & A.	Footscray	Contractor and wife	£108	£2,160
Slatterie Sayer, A. & G.	Melbourne	?	£86	£1,720
	Toorak	Manufr. & wife	£95	£1,900
Mitchell Hansen	Brighton	Nominee	£90	£1,800
Binge	Footscray	Builder	£80	£1,600
Milnes	Footscray	Contractor	£70	£1,400
	Parkville	Manager (Nom.)	£71	£1,420
Murphy W. & N.	Footscray	Contractor	£50	£1,000
Furneaux	Footscray	Tanner	£70	£1,400
McDougal	Brim	Retired	£63	£1,260
Massey W. & I. A.	Footscray	Coy. Dir. & wife	£80	£1,600
Carter	Caulfield	Home Duties	£62	£1,240
Hills	Footscray	Timber Merchant	£65	£1,300
Smith	Footscray	Estate Agent	£58	£1,160
Shillabeer	Melbourne	Contractor	£56	£1,120
Fowler	Bentleigh	Nominee	£49	£980
Westwood	Footscray	Estate Agent	£47	£940
Bunting	Footscray	Director (Nom.)	£46	£920
Cronnelly	Footscray	Laborer	£46	£920
Box	Essendon	Engineer	£45	£900
Spurling	Footscray	Tailor	£44	£880
Grassick	Kew	?	£42	£840
Harold	Abbotsford	Manufacturer	£41	£810
Sleep	Wmstown.	Traveller	£40	£800
Gray	Hawthorn	Home Duties	£36	£720
McCubbin	Footscray	Clerk	£35	£700
McCubbin	Footscray	Butcher	£34	£680
Bates	Footscray	Laborer	£40	£800
Kay	St. Kilda	Manager	£32	£640
Fathers	Footscray	Contractor	£30	£600
Collie, G. & W.	Melbourne	Manufacturer	£30	£600
Wales, A. G.	Toorak	Director (Nom.)	£30	£600
Weickhart	Footscray	Manufacturer	£30	£600
Robertson	Bacchus Marsh	?	£29	£580
Gaudion	Footscray	Engineer	£28	£560
Lester	Footscray	Hotelkeeper	£26	£520
Kennedy	Ivanhoe	Secretary	£25	£500
Green	Carnegie	Home Duties	£25	£500
Taylor	Werribee	Wood Dealer	£25	£500

These holdings have been listed at their rated (1937) values, and do not include appreciation in value to 1942.

The Total Holdings above number 43, of which 24 are absentees, and 19 are resident in Footscray. The total annual value of these holdings is £7,312, and the unimproved land value is £146,240 at 1937 values. Rates on present Annual Value basis are £822; on Unimproved Value basis would be £2,900.

TABLE No. 4.

WEMBLY PARK ESTATE.

Dissection showing the extent of absentee speculative holding in this estate. Holdings of annual value sufficient to qualify for a vote are listed for those streets which lie purely within the area bounded by Geelong Road, Robert Street, Francis Street, and Richard Street.

There are holdings of lesser value which do not appear on the Roll, but which may be expected to follow the same proportions between absentee and local holders. The Voters' Roll No., District in which the owner lives, and annual value of land as rated are given. The land is in Ballard, Urwin, Stooke, Kidman, Angliss, Adeney, Sanderson, Stanger Streets.

Voters' Roll No.	Locality Residence	Annual Value	No. of Lots
327	Stratford	£6	2
405	Melton	£6	2
462	N. S. Wales	£6	2
610	Donald	£6	2
1102	Daylesford	£6	2
1061	Loch	£6	2
1301	Malmsbury	£15	5
1653	Yea	£6	2
1880	Leongatha	£6	2
1881	Leongatha	£12	4
1954	Corowa, N.S.W.	£6	3
2196	Ballidale, N.S.W.	£11	5
2226	Bacchus Marsh	£29	10
2215	Neerim North	£6	2
2299	Warrnambool	£9	3
2306	Corowa, N.S.W.	£6	2
2379	Elwood	£6	2
2498	Broadford	£6	2
2512	Footscray	£9	3
2558	Parwan	£6	2
2634	Coburg	£6	2
2748	Hamilton	£6	2

Total of 22 Holders—63 lots. Only 1 Footscray Holder and this holding speculative.

TABLE No. 5.

ANALYSIS OF ROBERT STREET HOLDINGS.

The annual values here for single lots are £4 or £5, so that almost all holdings in this street are covered. Most are within Wemply Park Estate, but some in the extension of Robert Street.

Roll No.	Residence	No. Lots	Roll No.	Residence	No. Lots
1353	Brighton	1	156	Moonee Ponds	1
1538	Warragul	1	162	Footscray	1
1553	Footscray	3	375	Leongatha	3
2724	Kyneton	1	394	Footscray	2
2742	Benalla	1	442	Footscray	1
2871	Kyneton	3	489	Jindivick	1
1574	Regent	1	490	Footscray	1
1680	Kyneton	1	497	Brooklea	1
1719	Kyneton	1	2043	Jindivick	1
1845	Footscray	1	2044	Ripplebrook	1
1868	Yarram	2	2496	Lang Lang	2
1923	Footscray	2	628	Footscray	1
1961	Malvern	1	711	Carnegie	5
1969	Elwood	3	930	Footscray	2
2873	Kyneton	3	968	Footscray	5
2883	Neerim	1	1235	Strezleckie	2

22 of 32 Holders are absentees. 13 Holders own more than 1 lot.

TABLE No. 7.

ANALYSIS OF SHOP SITES IN MAIN SHOPPING CENTERS WHICH WOULD HAVE THEIR RATES INCREASED UNDER A CHANGE TO SITE VALUE RATING.

Listing all owners of sites which would carry increased rates within the main Shopping Sections, according to the ownership of the Site.
 Sites which would carry reduced rates under site value rating are not included in this table. (See Footnote.)

Owned by Local Resident			Owned by Absentee or Firm with Head Office in another District			An Estate or in hands of Executors		
St. No.	Owner's Name	Rates Under Annul. Site Value Value £ £	St. No.	Owner's Name	Rates Under Annul. Site Value Value £ £	St. No.	Owner's Name	Rates Under Annul. Site Value Value £ £
NICHOLSON ST. (WEST)								
78	Scovel & Sperling	110 177	80	Davis	56 121	112-118	McFee	172 449
82-90	Forge	182 555	92	Cant	42 113	128	Storen	46 111
94	Lloyd	42 113	102	White Pty.	42 113	130	Hendry	49 112
98	Lees	42 113	104	Sassella Pty.	49 124	132	Brown	49 111
108-10	Forge	91 228	106	Jones	49 124	138-42	Ewars, W. A.	106 304
166-8	Arnot	153 207	120-2	City Mutual In.	113 202	152-54	Ewars, W. A.	93 265
			134	Herbt. Adams Pty.	63 113			
			136	Botanical Invest.	63 128			
			144-50	Patersons Pty.	200 424			
			156-60	Sassella Pty.	79 178			
			162-4	Clarke & Co.	39 123			
			170-82	Allied Agencies	132 434			
		620 1393			927 2197			515 1352
NICHOLSON ST. (EAST)								
107	Taylor	41 100	79-89	Shaw, J. W.	130 167	121-7	Mitchell	108 252
117	Griffiths	41 95	91	Kidd & Co.	36 100	129-31	Buzza	45 111
119	Eymer	27 75	93-7	Colehurst Pty.	80 192	135-41	Clark	97 254
155	Caldecott	28 67	99	Batwood	37 100	147-53	Mitchell	104 252
159-63	Hudson	63 120	101	Berbett Pty.	42 100			
			109	E. L. Torr	38 100			
			111-3	Maples	130 336			
			115	Commercial Bank	45 130			
			133	Miller	27 55			
			143-5	Stewart	54 127			
			157	H. E. Caldecott	26 63			
		200 457			645 1470			354 869
PAISLEY STREET								
7	P. Frith	21½ 29½	1-5	A. T. Johnson	53 88	9-11	Armstrong	39 59
13	A. L. Frith	21 29	17	Schafer	19 29	15	Malouley	19 29
19	Aston	19 29	2	Bank of N.S.W.	40 98	25	Storey	19 31
21-3	C. Munro	40 60	6A	L. A. Ward Pty.	11 22			
27	Debinson	19 34	12	Colonial Gas	32 50			
29	P. Frith	21 41	14-6	E. L. Gauld	36 49			
31-3	U. F. Society	37 57						
4	Carroll	19 22						
6	O'Callaghan	15 22						
		212 323			191 336			77 119
LEEDS STREET								
33-5	Wilson	28 38	29-31	A. Carter	22 50	25-7	Mitchell	17 59
37	Gilbank	14 20	41-3	Launder	20 44	53	Wittner	15 24
39	Rankin	8 20	45-7	Wittner	24 49			
49-51	Ross	16 49	57 & A	Moroney	24 25			
55	Shallard	12 24	59	Morgan	15 23			
38	Douglas	6 16	61-3	Appleton	27 49			
			48-54	A. Johnson	75 96			
			56-66	Harris	55 74			
		84 167			262 410			32 83

SHOP SITES IN MAIN CENTERS WHICH WOULD CARRY INCREASED RATES UNDER SITE VALUE RATING CLASSIFIED ACCORDING TO OWNERSHIP.

Sites owned by Local Residents				Site Owned by Absentee or Firm with Head Office in another District				Site part of an Estate or in hands of Executors			
St. No.	Owner's Name	Rates Annl. Value £	Under Site Value £	St. No.	Owner's Name	Rates Annl. Value £	Under Site Value £	St. No.	Owner's Name	Rates Annl. Value £	Under Site Value £
HOPKINS STREET											
125-7	T. V. Marson	24	38	145	J. & R. Davidson	16	26	129-31	Friedman	19	32
135	A. Dewar	12	20	155	J. & W. Shaw	15	19	133 & A	G. Mitchell	31	37
141	N. Griffin	20	26					137-9	G. Nathan	27	34
149-53	Dr. Box	45	67					126	J. Brodrick	11	13
130	N. Griffin	11	18	132-4	M. Davidson	30	37	136-4	J. G. Russell	36	44
								142-6	J. Goodman	29	51
								148-56	J. Box	88	118
		112	169			61	82			241	329
ANDERSON STREET											
29-31	Haslam	24	30	34-6	R. Nickel	27	43	37-43	E. J. Smith	52	56
53-55	Williams	27	33	38	Moran & Cato	13	25	23-25	Ridout	15	24
47-51	P. Coxhead	29	32					26-30	Pedley	42	54
45	G. Wilson	11	13					32	H. M. Proctor	14	29
17-21	R. McPherson	20	26								
11-15	A. C. Holmes	14	19								
1-3	G. Hunter	6	10								
40	E. White	14	26								
42	Simmers & Co.	14	28								
44	W. Long & Co.	5	14								
46-8	A. C. Holmes	25	28								
		189	259			40	68			123	163
BARKLY STREET											
(To Geelong Road)											
163-5	Cakebread	30	62	159-61	E. Fraser	42	75	255-7	J. Cordy	30	42
173-5	Smith	32	67	167-9	National Bank	47	99				
183-5	A. Clarke	45	50	171	Batty	16	33				
187	Adler	12	23	177-81	S. S. Bank	54	112				
189	Hendry	12	23	195	Aust. Sewing Machines	15	21				
191-3	A. H. Johnson	24	39	197-217A	W. C. Angliss (Investors Pty.)	180	234				
273	Gilmour	8	25	215-21	A. Smith	49	109				
289-91	Bowdern	26	43	223-9	J. Smith	55	89				
293	Shallard	8	13	235-41	Hooper	43	82				
299	Myall	10	16	295	A. Whitehill	9	13				
297	C. Whitehill	10	16	243-253B	W. Angliss	143	157				
301	O'Halloran	8	16	259-71	Shillabeer	77	151				
303-9	Sperling	33	111	275-5A	J. Gilmour	15	31				
311	T. Marson	12	14								
313-3A	Staropoli	16	20	321-5	Schwartz	30	47				
315-9	D. Davis	26	39	216-26	Kleiner	55	69				
327	Bills	10	17	268	Crouch	8	10				
329	Griffiths	10	17	270-2*	Simpson	7	18				
164-82*	F. Hills	44	154	274-8†	W. Angliss	9	18				
196-8*	Bettess	14	20								
228-32	Armfield	13	26								
234-6*	Griffiths	8	23								
238-40	Sperling	19	25								
242-50	Yeomans	21	75								
252-6*	W. M. Whyte	10	28								
		461	962			854	1368			30	42
CHARLES STREET											
				98*	T. H. Murray	4	16	71-77	Hinkson	25	33

Notes and Symbols

* Indicates vacant shop site.

† Indicates improvements are negligible or in derelict condition.

HIGHLY IMPROVED INDUSTRIAL PROPERTIES

(See Plate V. opposite)

VICTORIA WOOLLEN CO. PTY. LTD.

Occupying 1½ acres on the edge of swamp land. Due to the low value of the site this firm has the highest ratio of all (29.0) for the value of the improvements/value of site. Note the very poor condition of the road serving it.

WARREN & BROWN PTY. LTD.

A most attractively designed modern engineering works on relatively highly priced land. It has a frontage of 100ft. to Ballarat Road. The ratio of value improvements/site is very high (19.4).

OLYMPIC TYRE & RUBBER CO. LTD.

One wing of the very fine works in Cross St. covering 10 acres in a garden setting. The land seen in the foreground belongs to the Victorian Railways Department, but has been put under lawn and rock garden by the firm. The ratio improvements/site is very high (21.2)

BRADFORD COTTON MILLS PTY. LTD.

A highly improved works occupying 5 acres at the intersection of Moreland and Parker Sts. The ratio of values of improvements/site is 20.8.

MAIZE PRODUCTS PTY. LTD.

The main works is highly improved, covering 2 acres in Moreland and Maribyrnong Sts, with additional less improved holdings for storage in the foreground and elsewhere. The overall ratio of improvements/site is 16.5.

SOUTHERN CAN CO. (AUST.) PTY. LTD.

A very attractively designed factory in a garden and lawn setting on Geelong Road. The area occupied is 4½ acres. The ratio of improvements/site is 14.0. Evidences of civic pride are attended with higher rates under annual value rating.

CREAMOATA MILLS LTD.

A highly improved works on Sunshine Road. The additions recently made and still in progress were attended with substantially increased rates. The area occupied is 2 acres. Ratio of improvements/site is 13.7.

PURVIS GLOVER PTY. LTD. AND BURLEY MILLS PTY. LTD.

Two good quality small factories in Hopkins Street. Purvis Glover is an engineering firm with 66ft. frontage and ratio improvements/site of 6.6 to 1. Burley Mills has 53ft. frontage and a ratio improvements/site of 8.4 to 1.

POORLY IMPROVED INDUSTRIAL PROPERTIES

(See Plate VI. over page)

VACANT FACTORY SITE

A valuable site occupying 2½ acres in a proclaimed factory area. It is on the corner of Sunshine and Grainger Roads and is owned by a South Melbourne firm. The improvements are nil, not even fencing.

J. TAYLOR & SONS

A monumental works in Albert St. with 60ft. frontage running through to Nicholson Street. Such properties do not enhance the value of the nearby residential properties. Ratio of improvements/site is 0.20.

GIBBINS FARM IMPLEMENTS LTD.

Occupying 3.4 acres to Hopkins and Cowper Streets. Buildings are W.B. and G.I. in a bad state of repair. Note the hole in the roof where corroded through. Ratio of improvements/site is .080.

F. C. HILLS, TIMBERYARD

This property has 174ft. frontage to Barkly-st. in a most valuable business section. It is partly vacant and partly under weatherboard buildings of little value with a high fire risk. Such properties tend to depreciate values of nearby business premises. Ratio of improvements/site is 0.10.

MITCHELL & CO. PTY. LTD.

The improvements here are quite good in quality, but only occupy a small part of the total 11 acres. The ratio improvements/site is 1.10.

VICTOR LEGGO & FARMERS LTD.

Occupies a large site of 9 acres and is relatively poorly improved. It is situated in a good residential section. Ratio of improvements/site is 0.70.

IMPERIAL CHEMICAL INDUSTRIES (Nobel)

Occupying 15½ acres to Sunshine Road. The ratio of improvements/site is 1.20. This firm has another much more highly improved works which would benefit under site value rating.

GOLDSBOROUGH MORT LTD.

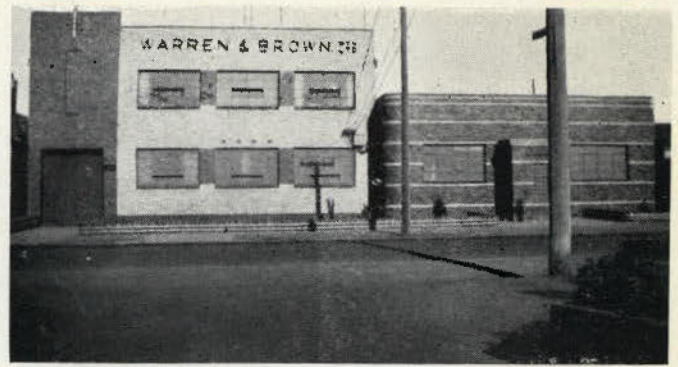
A well improved wool store but occupying only a small part of the 20½ acre holding, the rest being completely vacant. The ratio of improvements/site is 1.55.

HIGHLY IMPROVED INDUSTRIAL PROPERTIES

PLATE V.



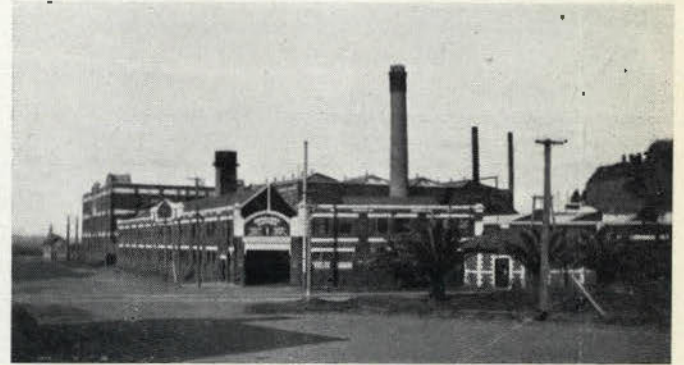
VICTORIA WOOLLEN CO. PTY. LTD.
Area: 1½ acres Impts./Site, 29.0
N.A.V. Rate, £155. U.C.V. Rate, £20.



WARREN & BROWN PTY. LTD.
Frontage, 100ft. Impts./Site, 19.4
N.A.V. Rate, £85 U.C.V. Rate, £16



OLYMPIC TYRE & RUBBER CO. LTD.
Area: 10 acres Impts./Site, 21.2
N.A.V. Rate, £1040 U.C.V. Rate, £197



BRADFORD COTTON MILLS PTY. LTD.
Area: 5 acres Impts./Site, 20.8
N.A.V. Rate, £725 U.C.V. Rate, £126



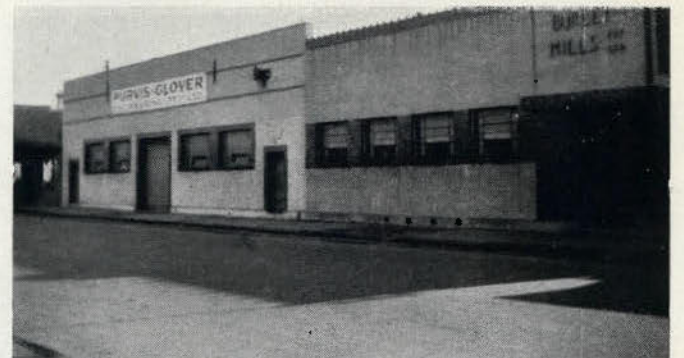
MAIZE PRODUCTS PTY. LTD.
Area: 2 acres Impts./site, 16.5
N.A.V. Rate, £780 U.C.V. Rate, £170



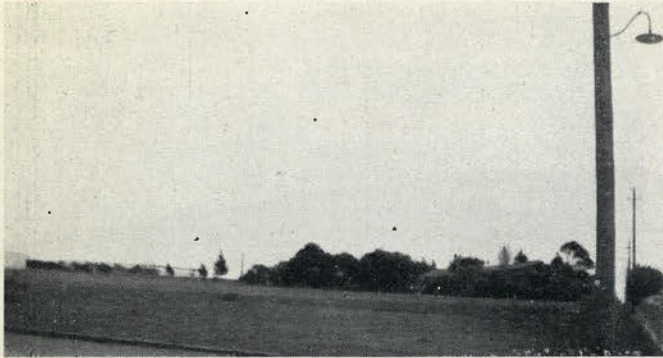
SOUTHERN CAN CO. (AUST.) PTY. LTD.
Area: 4½ acres Impts./Site, 14.0
N.A.V. Rate, £420 U.C.V. Rate, £107



CREAMOATA MILLS LTD.
Area: 2 acres Impts./site, 13.7
N.A.V. Rate, £114 U.C.V. Rate, £30



PURVIS GLOVER PTY. LTD. AND BURLEY MILLS PTY. LTD.
Purvis Glover: 1/S 6.6; N.A.V. Rate, £27; U.C.V. Rate, £13
Burley Mills: 1/S 8.4; N.A.V. Rate, £26; U.C.V. Rate, £11



VACANT FACTORY SITE

Area: 2½ acres Impts./Site, nil
N.A.V. Rate, £13 U.C.V. Rate, £50



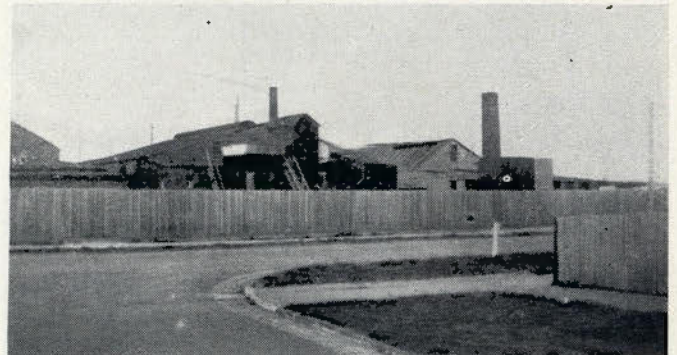
J. TAYLOR & SONS

Area: ½ acre Impts./Site, 0.20
N.A.V. Rate, £9 U.C.V. Rate, £30



GIBBINS FARM IMPLEMENTS LTD.

Area: 3-4 acres. Impts./Site, 0.80
N.A.V. Rate, £28 U.C.V. Rate, £60



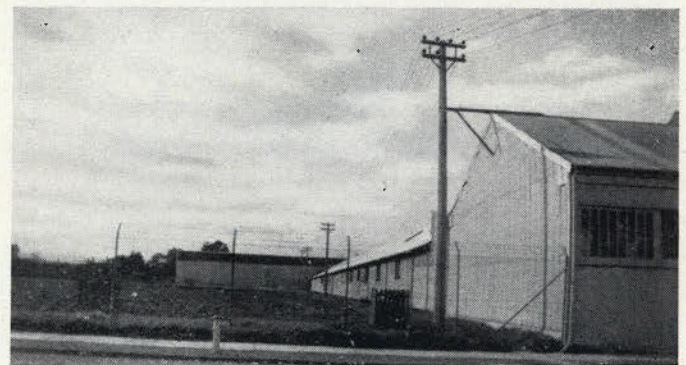
VICTOR LEGGO & FARMERS LTD.

Area: 9 acres Impts./Site, 0.70
N.A.V. Rate, £48 U.C.V. Rate, £107



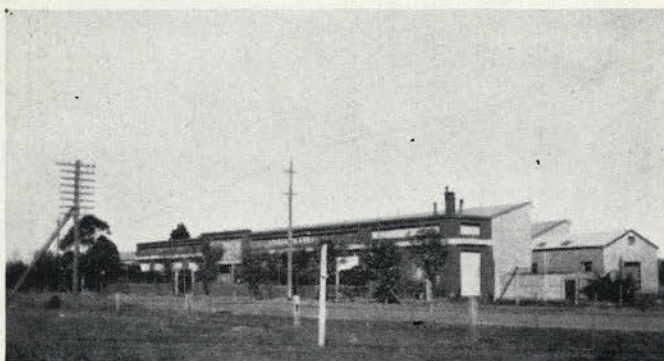
F. C. HILLS, TIMBERYARD

Frontage, 174ft. Impts./Site, 0.10
N.A.V. Rate, £44 U.C.V. Rate, £155



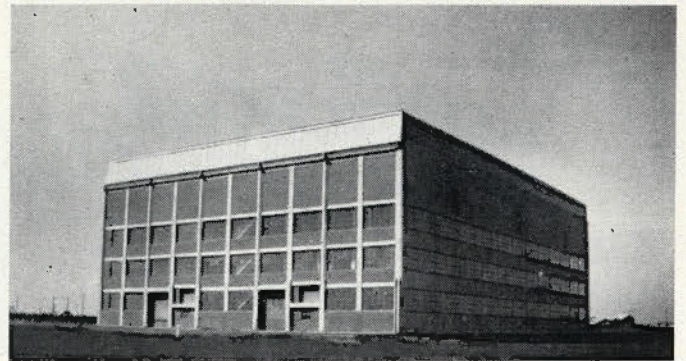
MITCHELL & CO. PTY. LTD.

Area: 11 acres. Impts./Site, 1.10
N.A.V. Rate, £122 U.C.V. Rate, £218



IMPERIAL CHEMICAL INDUSTRIES (Nobel)

Area: 15½ acres. Impts./Site, 1.20
N.A.V. Rate, £88 U.C.V. Rate, £174



GOLDSBOROUGH MORT LTD.

Area: 20½ acres Impts./Site, 1.55
N.A.V. Rate, £190 U.C.V. Rate, £285

TABLE No. 8.

SHOWING THE NATURE OF TENANCY OF NICHOLSON STREET SHOPS AND WHO PAYS THE RATES UPON THEM.

Any firm having more than one branch, whether in Footscray or elsewhere, is treated in this table as a chain organisation.

Street No.	Name of Occupier	Rates Paid By	Street No.	Name of Occupier	Rates Paid By
WEST SIDE			EAST SIDE		
(A) TENANT OCCUPIED			(A) TENANT OCCUPIED		
90	S. E. Dickens (Chain)	T	79	J. D. Burns	T
92	Wright Bros. Pty. (Chain)	T	81	H. Hall (Chain)	O
104	W. C. Angliss (Chain)	O	83	Winward	O
106	National Tailor Coy. (Chain)	T	85	Gleeson, K.	O
108-10	Woolworths (Chain)	T	87	Liversage & Russell	T
112a	Gorham & Sons (Chain)	T	89	H. & D. Baker	O
112	Allenby (Chain)	T	93	Harkness	O
114-6	National Wines & Spirits (Pty.)	T	95-7	Ezywalkin (Chain)	O
118	Bon Tailoring (Coy.)	O	99	Cummings	O
120-2	Snow's Ltd. (Chain)	T	101	Broadway	O
130	Bradley, E. S.	O	109	Lopez	O
132	Harzmeyer (Chain)	O	121	Lucullus (Chain)	T
136	Hamilton (Chain)	T	123	Madden	O
138-42	G. J. Coles (Chain)	T	125	Spencer (Chain)	O
150	Turner, M.	T	127	Crofts (Chain)	O
152	Rene Allan	T	129	Newdick	T
154	Puntons (Chain)	O	131	Brodin	O
166-8	Courthouse Hotel	T	133	Irvin	O
170	Waters, J. M.	O	135	National Tailor Coy. (Chain)	O
172	Wright Bros. Pty. (Chain)	O	137	Sanders	O
174	Footscray Butchering Co. (Chain)	O	139	Cons	O
176	Stern & Sterling	O	141	Ansips	O
178	Crofts Stores (Chain)	O	145	Christie	O
180	Webb, E.	O	147	Colena	O
182	Harris	O	149-51	Halliwell	O
156	Needham	O	153	Goss	O
			155	Ferguson	T
			157	Bailey	T
			159	Red Cherry	T
			161	N. B. C. Trading	O
			163	N. B. C. Trading	T
26	Tenanted Properties.		31	Tenanted properties.	
13	Rates paid by owners.		23	rates paid by owners.	
13	Rates paid by tenants of which:		8	rates paid by tenants of which:	
	11 are chain organisations or hotels, 2 are individual proprietors.		1	is chain organisation.	
			7	are individual proprietors.	
(B) OWNER OCCUPIED			(B) OWNER OCCUPIED		
78	Seovel & Sperling (Pty. Coy.)		91	Kidd, J. S. & Co. Pty. (Chain)	
82-90	Forge's Pty. Ltd. (Pty. Coy.)		105	L. A. Ward Pty. Ltd. (Chain)	
98	Lees, D. A. (Chain)		107	Stewart & Taylor	
100	Allan's Manchester Home (Pty. Ltd.)		111-13	Maples (Chain)	
102	White, R., Pty. Ltd. (Chain)		115	Commercial Bank (Chain)	
128	Storen, E. H. & Coy. (Chain)		111	D. P. Griffiths Pty. Ltd.	
134	Herbert Adams Pty. (Chain)		119	Eymer	
144-8	Paterson's Pty. Ltd. (Chain)		143	G. & D. Stewart	
156-60	Sassella Bros. Pty. Ltd. (Chain)				
162-4	Clarke & Coy.				
94	Lloyd, P. W. (Chain)				

PROPERTIES IN OTHER STREETS WHERE TENANT PAYS RATES.

HOPKINS STREET

52*	Burleigh Mills
109*	Preston Motors
116-22*	Miller's Bon Stores
139	H. Conabere, Leatherware
149	K. McLennan, Optician
151	Warranee Tea Rooms
132	T. Jane Pty. Ltd., Hardware
156	Commonwealth Bank of Sydney

BARKLY STREET

153	Davidson, Billiards Room
157	Watkins, Knitted Wear
159	Goble & Nobbs, Chemist & Hairdresser
161-3	Gordon & Son Pty. Ltd., Ironmonger
183	Brown, Dry Cleaner (Chain)
154*	Royal Hotel
264*	"Mail," Publishers
320*	Footscray Motors

There are also six sites in Paisley and two in Anderson Streets in which rates are paid by tenants, in the remainder they are paid by the owners.

* Signifies that rates are lower under site value rating.

TABLE No. 9.

NICHOLSON STREET SHOPPING CENTER.

Comparison of the rates payable under annual value and unimproved land value rating systems.

Unimproved value rates at 4½d. in £; annual value rates 2/3 in £ (see Note 5).

Symbols Represent: * Absentee; † Local Owner; ‡ Estate of Deceased or in hands of Executors.

Street Number and Owner of Site	Occupier	Nature of Business	Front Feet	Value of		Ratio (b) (a)	Net Annual Value	Rates Payable Under		Difference in Rates
				Land (a)	Impyts. (b)			Annual Value	Unimproved Land Value	
EAST SIDE										
Byron Street										
73—Solomon	*	{ Dennis	15	375	2,525	6.7	145	16	7½	Dec. 8½
73A—Solomon	*	{ Oliver	15	375	2,025	5.4	120	13½	7½	" 6
73B—Greenberg	*	{ Canning	15	375	1,485	4.0	93	10½	7½	" 3
75—Est. J. Box	†	{ Cunningham	19	475	1,125	2.4	80	9	9	Same
77—Est. J. Box	†	{ Mair	19	475	1,125	2.4	80	9	9	Same
Total in Above Section				2,075	8,285	4.0	518	58	40½	Dec. 17½
Hopkins Street										
79—J. W. Shaw	*	Burns	108	9,600	16,440	1.72	400	44	57	Inc. 13
81&A—J. W. Shaw	*	Hall Pty.					80	9	11	" 2
83—J. W. Shaw	*	Winward					146	16½	21	" 4½
85—J. W. Shaw	*	Gleeson					172	19	25	" 6
87—J. W. Shaw	*	Liversage					172	19	25	" 6
89—J. W. Shaw	*	Baker					200	22½	28	" 5½
91—J. S. Kidd & Co	*	Kidd & Co.					320	36	100	" 64
93—Colehurst Pty.	*	Harkess					335	38	91	" 53
95-7—Colehurst Pty.	*	Ezywalkin					372	42	101	" 59
99—G. Batwood	*	Cumming					332	37	100	" 63
101—Berbett Pty.	*	"Broadway"	20	5,000	1,640	0.33	375	42	100	" 58
105—Ward Pty.	*	Ward Pty.	20	5,000	3,000	0.60	400	45	100	" 55
107—Taylor	†	Taylor	20	5,000	1,340	0.27	367	41	100	" 59
109&A—E. L. Torr	*	Lopez	20	5,000	1,800	0.36	340	38	100	" 62
111-3—Maples Ltd.	*	Maples	40	17,000	6,000	0.35	1,150	130	336	" 206
Paisley Street										
115—Comm. Bank	*	"Commercial" Bank	22	6,600	1,400	0.21	400	45	130	" 85
117—Griffiths	†	Griffiths	16	4,800	2,500	0.52	365	41	95	" 54
119—Eymer	†	Eymer	19	3,800	1,000	0.26	240	27	75	" 48
121—Est. Mitchell	†	{ Lucullus	16	12,800	6,400	0.50	240	27	63	" 36
123—& Sons	†	{ Madden	16				240	27	63	" 36
125—"	†	{ Spencers	16				240	27	63	" 36
127—"	†	{ Crofts	16				240	27	63	" 36
129—Est. Buzza	†	{ Buzza	14				265	30	73	" 43
131—"	†	{ Brodin	14				135	15	38	" 23
133—Miller	*	{ Irvin	14				240	27	55	" 28
135—Exec. Clark	†	{ Sanders	13				200	22½	60	" 37½
137—"	†	{ N.T.C.	21				240	29½	74	" 44½
139—"	†	{ Con's	13				200	22½	60	" 37½
141—"	†	{ Ansips	17				200	22½	60	" 37½
143—Stewart	*	{ Stewart	16	6,400	2,900	0.45	240	28	65	" 37
145—"	*	{ Christie	16				225	26	62	" 36
147—Est. Mitchell	†	{ Colena	16				225	26	63	" 37
149—"	†	{ Halliwell	16				225	26	63	" 37
151—"	†	{ Halliwell	16				225	26	63	" 37
153—"	†	{ Goss	16				225	26	63	" 37
155—Caldecott	†	{ Ferguson	17				240	28	67	" 39
157—H. E. Caldecott	*	{ Bailey	16				225	26	63	" 37
159—Hudson	†	{ Red Cherry	19				185	21	40	" 19
161-3—"	†	{ B.N.O.	39				370	42	80	" 38
Total Hopkins to Irving Sts.				149,150	75,430	0.50	10,991	1,244	2,896	Inc. 1,652

TABLE No. 9 (Continued).

NICHOLSON STREET SHOPPING CENTER (Continued Table).

Street Number and Owner of Site	Occupier	Nature of Business	Front Feet	Value of		Ratio (b) (a)	Net Annual Value	Rates Payable Under		Difference in Rates
				Land (a)	Impvts. (b)			Annual Value	Unimproved Land Value	
WEST SIDE										
Barkly Street				£	£		£	£	£	£
78—Scovel & Sperling	†	(Note 6) Scovel & Sp. Tailors	22½	9,000	10,500	1.16	975	110	177	Inc. 67
80—Davis	*	S. E. Dickens Pty. Grocers	17½	6,125	3,875	.62	500	56	121	" 65
82-90—Forge	†	Forge's Pty. Drapers	82	28,800	3,700	.13	1,625	182	555	" 373
92—Cant	*	Wright Bros. Produce	16½	5,775	1,725	.30	375	42	113	" 71
94—Lloyd Pty.	†	Lloyd, P. W., Ptv. Produce	16½	5,775	1,725	.30	375	42	113	" 71
98—Lees, D. A.	†	Lees, D. A. Chemist	16½	5,775	1,725	.30	375	42	113	" 71
100—Armstrong	†	Allens Pty. Manchester	16½	5,775	1,725	.30	375	42	113	" 71
102—White Pty.	*	White Pty. Shoes	16½	5,775	1,725	.30	375	42	113	" 71
104—Sassella	*	W. C. Angliss Butchers	18	6,300	2,440	.39	437	49	124	" 75
106—Jones	*	Ntnl. Tailor Coy. Tailor	18	6,300	2,440	.39	437	49	124	" 75
108-10—Forge	†	Woolworths Stores Stores	33	11,550	4,690	.40	812	91	228	" 137
112a } McFee Est.	†	Gorham & Sons Cakes	10	3,500	1,200	.51	{ 235	26½	61½	" 35
112 } " "	†	Allenby, W., & Co. Butchers	14	4,900	3,100		{ 400	45	104	" 49
114-6 " "	†	Natnl. Wines & Spirits Pty.	30	10,500	3,240		{ 687	77	207	" 130
118 " "	†	Bon Tailoring Co. Tailor	22	7,700	1,200	.16	{ 370	50	152	" 102
118a " "	†	Wilson Confectioner					{ 75 }			
Paisley Street										
120-22—City Mutual As.	*	Snow's Men's Wear Ltd.	29½	10,412	9,590	.92	1,000	113	202	" 89
124-6—Cwlth. Govt.		Commonwealth Bank			Not Rateable					
128—Storen	†	Storen, E. H., & Co. Boots	16	5,644	2,676	.44	406	46	111	" 65
130—Hendry	†	Bradley, E. S. Chemist	16½	6,687	3,053	.53	437	49	112	" 63
132—Brown	†	Harzmeyer Confectioner	16	5,542	3,200	.58	437	49	110	" 61
134—Adams, H.	*	Herbt. Adams Cakes	16½	5,775	5,465	.94	562	63	113	" 50
136—Botanical Invsts.	*	Hamilton Butchers	18½	6,475	4,765	.73	562	63	128	" 65
138-42—W. A. Ewars Est.	†	G. J. Coles Chain Store	46	15,600	3,200	.20	940	106	310	" 204
144-48 } Paterson Pty.	*	Patersons Pty. Furniture	48	15,800	5,440	.35	1,062	120	311	" 191
150 - } " "	*	Turner, M. Tobacco	18	5,760	1,100	.19	343	38	113	" 75
152—Ewars Estate	†	Rene Allan Ladies' Draper	24	7,200	1,000	.14	410	46	142	" 96
154 " "	†	Puntons Pty. Shoes	21	6,300	2,700	.43	450	51	124	" 73
156- } Sassella	*	Needham Fruiterer	6	1,740	4,960	.55	700	79	178	" 99
158-60 } " "	*	Sassella Pty. Butchers	27	7,300						
162-64—Clarke & Co.	*	Clarke & Co. Mercers	24	6,000	880	.15	344	39	123	" 84
166-68—Arnot	†	Courthouse Hotel	42	10,500	16,700	1.60	1,360	153	207	" 54
170 } Allied Agencies Pty.	*	J. M. Waters Pastry	17	21,400	2,080	.10	{ 175	20	63	" 43
172 " " "	*	Wright Bros. Produce	15				{ 200	23	72	" 49
174 " " "	*	Footscray Butcher. Coy.	20				{ 225	25	81	" 56
176 " " "	*	Stern & Sterling Fruit	14				{ 162	18	58	" 40
178 " " "	*	Crofts Stores Grocers	15				{ 162	18	58	" 40
180 " " "	*	Webb, E. Milliner	14	21,400	2,080	.10	{ 125	14	45	" 31
182 " " "	*	Harris, T. Estate Agent	12				{ 125	14	45	" 31
Totals Barkly St. to Irving Place				261,685	111,819	.42	18,615	2,092	5,124	Inc. 3,032
Irving Place										
184—Vict. Railways	*	Lancaster Chemist	24	720	1,280	1.70	100	11	14	Inc. 3
186 " "	*	Brown Fruit	14	420	1,580	3.70	100	11	8	Dec. 3
188 " "	*	Moran & Cato Grocers	14	420	1,580	3.70	100	11	8	" 3
190 " "	*	Haddow Florist	15	450	1,050	2.33	75	8½	9	Inc. ½
192 " "	*	Bancroft Dyers	15	450	1,550	3.45	100	11	9	Dec. 2
194 " "	*	Murray Hairdresser	15	450	1,550	3.45	100	11	9	" 2
196 " "	*	Karagain Fishmonger	15	450	1,350	3.00	90	10	9	" 1

(Continued Table).

NICHOLSON STREET SHOPPING CENTER TABLE No. 9 (Continued).

Street Number and Owner of Site	Occupier	Nature of Business	Front	Value of		Ratio	Net Annual Value	Rates Payable Under		Difference in Rates
				Land (a)	Impvts. (b)	(b) (a)		Annual Value	Unimproved Land Value	
198 " "	* Krantz	Ladies' Draper	15	450	1,350	3.00	90	10	9	Dec. 1
200 " "	* Clough	Dentist	15	450	1,350	3.00	90	10	9	" 1
202- } Dewars Estate	† Budd, W. K.	Cycles	15	1,820	7,180	3.95	{ 450	50	36	" 14
204- }	† Bruce Small		18							
206-8 }	† King, H.		40							
210-12—Taylor & Sons	† Vacant Sites	Tailors	66	Note 7)						
214-22—Mitchell Est.	† Mitchell Buildings			Rated to Albert St.						
	{ Fed. Hall, Hotel, 3 shops)		120	3,000	21,800	7.30	1,240	140	59	" 81
224—Stone, J.	† J. Stone	Umbrellas	17	255	745	2.92	50	5½	5	" ½
226—Webb	† Webb	Printer	18	270	1,610	6.00	94	10½	5½	" 5
228—Fraser	* Moyvin School	Dressmaking	18	270	490	1.82	38	4½	5½	Inc. 1
230—E. Davis	* Harmer	Pastry	18	270	1,230	4.55	75	8½	5½	Dec. 3
232-4—H. L. Caldecott	† Morrison	S/H Furniture	33	495	2,005	4.07	125	14	10	" 4
236—"Advertiser Press"	† "Advertiser"	Printer	20	300	2,440	8.10	137	15	6	" 9
238—E. G. & M. Fowler	* Belgravia	Hotel	72	1,800	22,600	12.5	1,220	137	36	" 101
Buckley Street										
Totals Irving Place to Buckley St.				12,740	72,740	5.70	4,274	478	252	Dec. 226

Note 1—This total includes shop No. 155 around the corner in Hopkins Street forming part of the block. Rates are distributed only to the Nicholson Street shops in the rate column.

Note 2—This total includes shops 62, 60 and 58 in Irving Street, around the corner, forming part of this block.

Note 3—The values for improvements are approximate only, being the difference between capitalised annual values and the unimproved land value at 5%. This tends to overstate the value of poor improvements.

Note 4—By adding 1 to the figure in the ratio column, the ratio used in the graphs for the improved to unimproved annual value is obtained.

Note 5—The modified rate of 2/1 in £ would reduce the A.V. total from £1244 down to £1150. The difference is insufficient to require recasting of the table.

Note 6—Includes Shops fronting Barkly Street.

Note 7—Includes Residence at rear. Buckley Street.

TABLE No. 10

RATABLE ANNUAL VALUES OF AVERAGE SINGLE SHOP SITES IN VARIOUS SHOPPING CENTERS.

Showing the relative contribution, under annual value rating, of shop sites in the various shopping centers. These figures should be considered together with Section 27 on the relative volume of business in the centers.

The shop sites and ratable values shown have been taken directly from the Voters' Rolls. Most, but not all, of the shops in the streets have been included in the averages.

Number of sites and not establishments is quoted, i.e., a shop occupying street Nos. 2-4-6 counts as three sites.

Street	Number of Shop Sites	Proportion with Dwellings	Total Annual Value	Average Rated Annual Value per shop site
NORTH WARD		%	£	£
Nicholson (E. & W.) (Barkly-Railway)	89	21	17,190	193
Paisley	27	48	3,261	121
Leeds	24	29	1,051	88
Hopkins	56	64	4,698	83.5
Barkly	114	48	9,393	82.5
Main Center .. .	310	38	35,593	115
Droop	20	70	1,442	72
Irving	20	15	1,264	63
Geelong	7	100	406	58
16 Minor Streets .. .	42	88	2,308	55
SOUTH WARD				
Anderson	56	11	4,125	74
Ballarat	35	17	1,644	47
Somerville	36	36	1,704	47
Gamon	12		637	53
Stephen	22	27	934	42
MIDDLE WARD				
Charles	22	36	1,329	60.5
Pentland Parade .. .	14	43	684	49
Victoria	42	50	1,849	44
Buckley	52	62	2,082	40
16 Minor Streets .. .	67	72	3,327	49
NORTH WEST WARD				
Ballarat Road	13	92	1,009	77
Barkly	47	75	2,923	62
12 Minor Streets .. .	27	74	1,197	44
KINGSVILLE WARD				
Williamstown	16	37	1,024	64
Somerville	23	30	1,399	61
Geelong	11	36	520	52
7 Minor Streets .. .	8	37	443	55

The difference between the business potentialities of the above centers is shown by the figures in section 27, and perhaps even more accurately, by the difference in land values per foot of frontage, viz, Nicholson Street (overall in the section covered above) £300 average. Other streets (approx. for both sides averaged).

Paisley, £85; Hopkins, £40; Barkly, £50; Leeds, £50; Anderson, £50; Charles, £18; Other named streets, £10; Minor streets, £4-10.

Thus, Nicholson Street is about thirty times as good a business center as the £10 streets, but contributes only three to five times as much in rates, under annual value rating, per site.

TABLE No. 11

LIST A.

INDUSTRIAL PROPERTIES WHICH WOULD BENEFIT UNDER SITE VALUE RATING.

This table covers all industrial properties which would benefit under site value rating in proportion to the degree to which the sites have been improved. The table is arranged in descending order of the degree of improvement as shown in the column headed "Ratio" (i.e., the ratio between the value of the improvements upon the site to that of the site itself).

The values of improvements shown have been obtained by capitalising the annual rental value at 5 per cent., and deducting the value of the land. This method is an approximation only, and results in understatement of the improvement values for the most improved groups and over-statement for the poorly improved properties. The relativity within the group is substantially correct.

Where firms hold vacant land or less developed holdings as well as their works, these holdings have been included and the position overall is shown. Such holdings are shown separately from the works wherever possible.

The figures in this table correspond to the entries on the Municipal Voters' Roll for the year ending August 12th, 1945.

Rate in £ used:

(a) Unimproved Capital Value or Site Value, 4½d.

(b) Nett Annual Value, 2/1. (The current rate is 2/3, but revaluation in line with land values makes the lower figure more appropriate—see Section 4 (ii) of the text).

Firm or Nominee	Front or Area	Land Value (1)	Impvts. Value (2)	Annual Value	Ratio (2) (1)	Rates Annual Value	Under Site Value
		£	£	£		£	£
1. Vict. Woollen Mills Pty.	1½ Ac.	1,000	29,000	1,500	29.0	155	20
2. Bradford Cotton Mills	5 Ac.	6,400	133,600	7,000	20.8	725	126
3. H. B. Dickie Ltd.							
(Mills)	4 Ac.	4,000	85,624	4,000	21.4		
(Vacant Land)	97'	268	—	13			
Overall		4,268	85,624	4,013	20.1	417	84
4. Warren & Brown Pty.							
Engrs.	100'	800	15,520	816	19.4	85	16
5. Port Phillip Mills Pty.	1½ Ac.	2,000	38,950	2,050	19.4	213	40
6. Maize Products Pty.							
Ltd.							
(Main Works)	2 Ac.	4,600	141,900	7,325	19.5		
Aust. Woodpipe Site	264'	2,640		132			
Storage Sites	219'	1,362	318	84	0.2		
Overall		8,602	142,218	7,541	16.5	780	170
7. Olympic Tyre & Rubber							
Coy.							
Cross St. Works . .	9 Ac.	9,000	191,000	10,000	21.2		
Mephan St. Works . .	11 Ac.	8,250	107,750	5,800	14.2		
Overall		17,250	298,750	15,800	17.3	1,640	340
8. Imperial Chem. Ind.							
Ltd.							
Whitehall St. Works	9½ Ac.	11,400	181,660	9,653	15.9		
Storage	107'	535	865	70	1.6		
Vacant Land	86'	400	—	20	—		
Overall		12,335	182,525	9,743	14.8	1,010	243
9. Central Wool Commit-							
tee Wool Stores . . .	22 Ac.	7,700	112,300	6,000	14.5	620	152
10. Southern Can Coy. Pty.	4½ Ac.	5,400	75,600	4,050	14.0	420	107
Group Totals (1-10)		65,755	1,114,087	58,513	17.2	6,065	1,298

Annual Value Rates exceed Site Value Rates by £ 4,767 or 368%.

11. Creamoata Ltd. Mills	2 Ac.	1,500	20,500	1,100	13.7	114	30
12. Clensel Pty. Ltd. . . .	½ Ac.	250	2,950	160	11.8	17	5
13. Ammonia Products Pty.	½ Ac.	250	2,950	160	11.8	17	5
14. Richardson Engineers							
Works	2½ Ac.	2,750	46,150	2,445	16.8		
Foundry	1 Ac.	1,000	5,000	300	5.0		
Storage	153'	715	965	84	1.3		
Overall		4,465	52,115	2,829	11.7	293	88

CONTINUED TABLE. INDUSTRIAL PROPERTIES BENEFITING ON SITE VALUE RATING.

Firm or Nominee	Front or Area	Site Value (1)	Impvts. Value (2)	Annual Value	Ratio	Rates Under	
					(2) (1)	Annual Value	Site Value
14.A K.F.B. Metters Pty. Ltd.	13 Ac.	9,700	110,000	6,000	11.4	621	191
15. James Hardie & Co. Pty.	19½ Ac.	3,000	33,000	1,800	11.0	186	59
16. Albright & Wilson Pty.	5 Ac.	9,875	103,205	5,654	10.5	585	195
17. Indust. Service Engrs.	140'	700	7,300	400	10.4	42	14
18. Airedale Weaving Mills	150'	900	13,600	725	15.2	—	—
Vacant Land	109'	420	—	21	—	—	—
Overall		1,320	13,600	745	10.3	77	26
19. Hunter, Mfg. Grocer .	24'	96	904	50	9.4	6	2
20. Hardie Trading Co. Pty.	3 Ac.	3,000	28,000	1,550	9.3	161	59
Group Totals (11-20)		34,156	374,524	20,449	10.9	2,119	674
Annual Value Rates exceed Site Value Rates by £1,145 or by 215%.							
21. Joyce Bros., Sacks Pty.	250'	£ 1,000	£ 9,000	£ 500	9.0	£ 52	£ 20
21A. Aust. Bobbins Pty. Ltd.	1½ Ac.	1,000	9,000	500	9.0	52	20
22. McEwan, Mfg. Grocer	66'	198	1,802	100	9.0	10	4
23. United Enginr. Ltd. .	1½ Ac.	1,500	12,700	710	8.5	73	30
24. Burley Mills Pty. . . .	53'	530	4,470	250	8.4	26	11
25. Vacuum Oil Coy. . . .	31 Ac.	37,200	312,800	17,500	8.4	1,820	740
26. Sulphates Pty. Ltd. .	1 Ac.	1,000	8,280	464	8.3	48	20
27. "Advertiser" Press . .	20'	300	2,440	137	8.1	14	6
28. Kinnear & Sons Pty. Ltd. Works	6½ Ac.	6,250	56,750	3,150	9.0	—	—
Vacant Land	?	780	—	39	—	—	—
Overall		7,030	56,750	3,189	8.0	332	140
29. Excellite Resins Pty.	1½ Ac.	1,500	11,800	665	7.8	70	30
30. Cosmos Knitting Mills Works	65'	325	3,675	200	11.3	—	—
Vacant Land	33'	165	—	8	—	—	—
Overall		500	3,675	208	7.4	21	10
Group Totals (21-30)		51,748	432,717	24,223	8.4	2,518	1,031
Annual Value Rates exceed Site Value Rates by £1,487 or by 145%.							
31. J. Thompson Comb. Eng. Pty.	2 Ac.	2,000	15,000	850	7.5	88	40
32. Australian Estates Co. Ltd.	16½ Ac.	12,375	90,125	5,125	7.3	531	244
33. Purvis Glover Eng. Pty. Ltd. Works, Moreland Rd.	95'	475	3,925	220	8.2	—	—
Works, Hopkins St.	66'	660	4,340	250	6.6	—	—
Overall		1,135	8,265	470	7.3	48	23
34. Morris, Pulverised Coal	32'	195	1,405	80	7.2	8	4
35. Parkinson & Cowan Ltd. Stove Works	4½ Ac.	3,375	21,125	1,225	6.3	—	—
Gas Meters	1 Ac.	750	7,750	425	10.6	—	—
Overall		4,125	28,875	1,650	7.0	171	82
36. Graham Ferrum Co. Pty.	132'	1,000	6,900	395	6.9	41	20
37. Colonial Gas Coy. Ltd. Works	5½ Ac.	5,250	62,450	3,385	11.8	—	—
Shop	33'	2,475	3,165	282	1.3	—	—
Vacant Land	2 Ac.	2,000	—	100	—	—	—
Overall		9,725	65,615	3,767	6.7	390	193

[Continued Next Page]

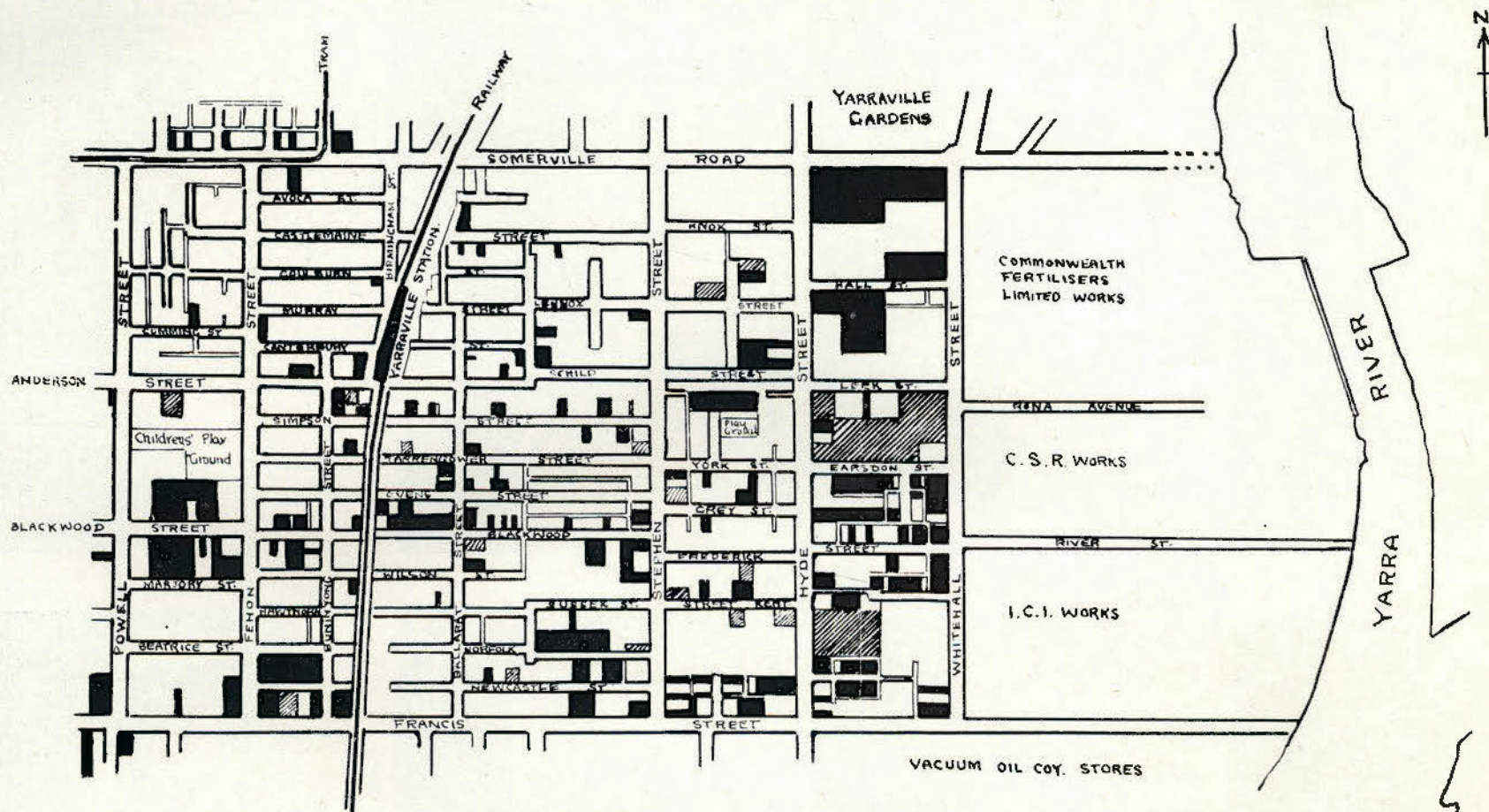
Continued Table.

A. INDUSTRIAL PROPERTIES BENEFITED BY SITE VALUE RATING.

Firm or Nominee	Front or Area	Site Value (1)	Impvts. Value (2)	Annual Value	Ratio (2) (1)	Rates Under	
						Annual Value	Site Value
38. Alva Woollen Mills ..	20'	£ 80	£ 520	£ 30	6.5	£ 3	£ 1½
39. Sydenham Ice Works	80'	400	2,600	150	6.5	16	8
40. Taurus Bronze	55'	275	1,725	100	6.3	10	6
Group Totals (31-40)		31,310	221,030	12,617	7.1	1,306	621
Annual Value Rates exceed Site Value Rates by £6 85 or by 110%.							
41. Lee, Small Factory ..	33'	198	1,242	72	6.3	7	4
42. Aust. Block & Chain Pty.	2½ Ac.	2,750	17,250	1,000	6.3	104	55
43. Union Can Coy. Pty. Ltd.							
Works	140'	700	5,540	312	7.9		
Vacant Land	48'	200	—	10	—		
Overall		900	5,540	322	6.1	33	18
44. "Rising Sun," Works'p	84'	294	1,706	100	5.9	10	6
45. Hopkins, Odum Pty. ..	2½ Ac.	3,000	17,000	1,000	5.7	104	60
46. Youell & Son	1/6 Ac.	150	850	50	5.7	5	3
47. Mason & Cox Pty. Ltd.	¾ Ac.	525	2,975	175	5.7	18	10
48. Schutt & Barrie Pty. Ltd.							
Chaff Mill	1 Ac.	1,000	3,000	200	3.0		
Flour Mill	½ Ac.	500	5,500	300	11.0		
Overall		1,500	8,500	500	5.7	52	30
49. Bancrofts Pty. Ltd. ..	¼ Ac.	250	1,350	80	5.4	8	5
50. J. R. Bell & Co.	182'	1,274	6,726	400	5.3	42	25
Group Totals (41-50)		10,841	63,139	3,699	5.85	383	216
Annual Value Rates exceed Site Value Rates by £167 or by 77%.							
51. Nelson, Engineer	55'	275	1,405	84	5.14	9	6
52. Barrow & Sons Pty. ..	½ Ac.	500	2,500	150	5.0	16	10
53. "Mail" Printery Bldg.	57'	1,420	7,000	420	4.9	44	28
54. C'wealth Fertilisers Ltd.							
Works	51 Ac.	61,200	303,480	18,234	5.0		
Land (Somerville St.)	330'	2,000	—	100	—		
Land (Hyde St.) ..	330'	800	—	40	—		
Land (Hyde St.) ..	60'	240	—	12	—		
Land (Whitehall St.)	132'	1,680	—	84	—		
Stables (Earsdon St.)	105'	800	900	85	1.7		
Overall		66,720	304,380	18,555	4.6	1,930	1,320
55. G. Bramall & Co. (Rubber)	4½ Ac.	3,300	13,700	850	4.2	88	66
56. Laughton's Pty. Ltd.							
Works	240'	1,200	8,800	500	7.3		
Land (Com'cial Rd.)	120'	660	—	33	—		
Land (N.W. Ward) ..	?	300	—	15	—		
Overall		2,160	8,800	548	4.1	57	43
57. Thick, Engineers							
O'Farrell St.	41'	206	(1,323	84	3.7	9	7
Florence St.	38'	151	(
58. G. Mowling & Son Pty.	4 Ac.	6,000	24,000	1,500	4.0	156	119
59. Colonial Sugar Ref. Ltd.							
Works	26 Ac.	31,326	128,674	8,000	4.1		
Land (Middle Ward)	?	980	—	49	—		
Overall		32,306	128,674	8,049	4.0	835	640
60. Sheetleather Pty. Ltd.	4 Ac.	4,000	15,640	982	3.9	102	79
Group Total (51-60)		117,038	507,402	31,222	4.4	3,246	2,318

Annual Value Rates exceed Site Value Rates by £9 28 or by 40%.

[Continued Page 45.]



THE PROBLEM AREA OF FOOTSCRAY

THIS AREA IN THE YARRAVILLE SECTOR IS ONE OF THE OLDEST AND LONGEST SETTLED PARTS OF FOOTSCRAY — A HIGH PROPORTION OF THE BUILDINGS SHOW DETERIORATION AND THERE IS LITTLE RE-BUILDING ACTIVITY — THIS AREA SHOULD HAVE BEEN COMPLETELY BUILT MANY YEARS AGO BUT THIS HAS BEEN PREVENTED BY SPECULATIVE HOLDING OF VACANT SITES WHICH IS EVIDENT IN THE PLAN — NOTE THE HIGH PROPORTION OF VACANT CORNER LOTS — THE VACANT AND POORLY IMPROVED LOTS CONTRIBUTE LITTLE IN RATES AND THE DEFICIT IS MET BY INCREASED RATES ON BUILT LOTS THE WORST SECTION OF ALL IS BETWEEN HYDE AND WHITEHALL STREETS WHICH IS LARGELY VACANT AND GENERALLY DECADENT ANNUAL VALUE RATING OPERATES TO MAKE THIS PROBLEM WORSE BY IMPOSING LOW RATES ON POORLY IMPROVED SITES AND HIGH RATES ON WELL IMPROVED SITES

- SOLID SHADED AREAS ARE VACANT LOTS
- ▨ HATCHED AREAS ARE ONLY PARTIALLY USED OR IMPROVEMENTS SO POOR AS TO BE NEGLIGIBLE IN VALUE

SCALE — 10 CHAINS TO 1 INCH



BARKLY STREET

Left—Frontage, 57.ft. N.A.V. Rate, £39/10/-; U.C.V. Rate, £28/4/-.
Right—Frontage, 54ft. N.A.V. Rate, £11/3/-; U.C.V. Rate, £28/10/-.

SPECULATION IN VACANT SHOP SITES



NICHOLSON STREET

Shop3:— **NICHOLSON STREET**
Front., 73ft. N.A.V. Rate, £41/10/-; U.C.V. Rate, £36/-/-
Vacant:—
Front., 60ft. N.A.V. Rate, £11/2/-; U.C.V. Rate, £29/16/-

BUCKLEY STREET

Shops:— BUCKLEY STREET
Front., 50ft. N.A.V. Rate, £15/2/-; U.C.V. Rate, £9/16/-
Vacant, 50ft. N.A.V. Rate, £2/5/-; U.C.V. Rate, £9/16/-
Yard:— 60ft. N.A.V. Rate, £4/14/6; U.C.V. Rate, £10/16/-

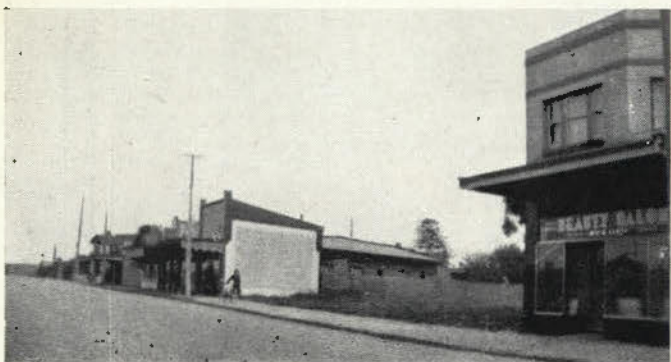


SOMERVILLE ROAD

Shops:— **SOMERVILLE ROAD**
 Front., 112ft. N.A.V. Rate, £50/-/-; U.C.V. Rate, £22/10/-
 Vacant:—
 Front., 81ft. N.A.V. Rate, £4/3/-; U.C.V. Rate, £16/-/-

VICTORIA STREET

VACANT:— VICTORIA STREET
Front., 48ft. N.A.V. Rate, £2/14/-; U.C.V. Rate, £9/8/-
8 Shops:—
Front., 41ft. N.A.V. Rate, £15/8/-; U.C.V. Rate, £8/1/-



PENTLAND PARADE

Vacant:— 93ft. N.A.V. Rate, £5/1/-; U.C.V. Rate, £17/16/-
Shops:— 98ft. N.A.V. Rate, £35/10/-; U.C.V. Rate, £20/-/-

BALLARAT ROAD

Front., 85ft. 6in. N.A.V. Rate, £3/16/-; U.C.V. Rate, £13/10/-.

Continued Table II—LIST A.

Firm or Nominee	Front or Area	Site Value (1)	Impvts. Value (2)	Annual Value	Ratio (2) (1)	Rates Under Annual Value	Site Value
61. Scott & Sons Pty., Engineers	390'	2,300	7,700	500	3.4	52	46
62. Michaelis Hallenstein Pty.	26 Ac.	13,000	43,060	2,803	3.3	291	258
63. Craven Weaving Mills Pty. Works	52'	156	1,044	60	6.7		
Vacant Land	52'	156	—	8	—		
Overall		312	1,044	68	3.3	7	6
64. Holden & Lewis Pty.	214'	1,070	3,290	218	3.1	23	21
65. C. Ebeling & Sons Pty. Stephen St.	320'	1,600	(
Castlemaine St.	100'	300	(5,760	383	3.0	40	38
66. Lloyd Bros. & Maginnis Pty. Works	4½ Ac.	4,500	(14,250	950	3.0	99	94
Vacant Land	¾ Ac.	250	(
67. Swallow & Ariel Ltd.	1½ Ac.	1,750	5,250	350	3.0	36	35
68. Australasian Steel Pty.	40'	200	600	40	3.0	4	4
69. McCall, J. & Sons ..	1 Ac.	500	1,500	100	3.0	10	10
Total Group (61-69)		25,782	82,454	5,412	3.2	562	512

Annual Value Rates exceed Site Value Rates by £50 or by 10%.

This list includes all large industrial concerns and most of the small concerns which would benefit in rates under site value rating—in considering it, comparison should be made at the same time with Table B, listing the concerns which benefit in rates under annual value rating.

[Continued Next Page—Table II—List B.]

SOME CONTRASTS IN BUSINESS PROPERTIES

BARKLY STREET

Two competitive printing firms side by side. On the left is the excellent modern building of "The Mail." The building on the right is of much inferior type. Frontages are almost the same, as also are the municipal services available to each. Yet, under annual value rating, the better building carries nearly four times the rates of its competitor.

NICHOLSON STREET

Showing four shops (Nos. 202-8) and vacant land (Nos. 210-12) of almost as great frontage forming part of a monumental mason's yard.

BUCKLEY STREET

Showing three shops (Nos. 25-29); vacant sites (Nos. 31-33); and a woodyard (Nos. 35-37) frontages being nearly equal for each group.

SOMERVILLE ROAD

A fine block of six modern shops at the intersection with Williamstown Road. Adjoining are five vacant sites now used as a dumping ground.

VICTORIA STREET

Vacant sites owned by an absentee compared with built shops of nearly the same frontage. The section is from Nos. 176-184.

PENTLAND PARADE

A section from Nos. 30-44, comprising a large frontage of vacant shop sites and five built shops on either side of it. These valuable sites are owned by an absentee.

BALLARAT ROAD

A valuable corner site at the intersection with Gordon Street.

See (Plate VIII opposite)

TABLE No. II.

LIST B.

INDUSTRIAL PROPERTIES WHICH BENEFIT IN RATES UNDER ANNUAL VALUE RATING.

This table covers all industrial properties which benefit in rates under annual value, arranged in descending order of gain. This order follows the degree of development of the property in inverse ratio, i.e., as the ratio between value of the improvements to value of the site itself increases, the benefit disappears.

Where firms hold vacant land as well as their works, these are included as well to show the position overall for the interests concerned.

This table should be considered in conjunction with

list A, showing the concerns which benefit under site value rating. The note at the head of List A regarding the method of arriving at the value of improvements applies also to List B.

The figures in the table correspond to the entries on the Municipal Voters' Roll for the year ending August 12, 1945.

Rates used in £:

(a) Unimproved Capital Value or Site Value, 4½d.

(b) Nett Annual Rental Value, 2/1 in £.

(See Note at head of List A.)

Firm or Nominee	Front or Area	Site Value (1)	Impvts. Value (2)	Annual Value	Ratio (2) (1)	Rates Under	
						Annual Value	Site Value
		£	£	£		£	£
1. Aust. Mercantile Land & Finance Coy. Ltd.	8½ Ac.	6,350	nil	317	—	33	126
2. James Flood Pty. Ltd.	2½ Ac.	2,500	nil	125	—	13	50
3. Wales Quarries . . .	132'	600	nil	30	—	3	12
4. Lewis Constructions Pty.	?	800	100	45	0.1	5	16
5. Bradshaw & Curwood	140'	1,120	80	60	0.1	6	22
6. F. C. Hills, Timber . .	174'	7,800	600	420	0.1	44	155
7. Taylor & Sons, Monumental	60'	1,500	300	90	0.2	9	30
8. E. C. Lynn, Cooperage	1 Ac.	800	200	50	0.25	5	16
9. Mac's Foundry	198'	1,000	400	70	0.4	7	20
10. Bunting & Tickell Works	80'	160	560	36	3.5	—	—
Vacant Land*	?	1,450	—	72	—	—	—
Overall		1,610	560	108	0.35	11	32
Group Total (1-10)		24,080	2,240	1,315	0.09	136	479
Site Value Rates exceed Annual Value Rates by £343 or by 250%.							
11. Lord's Quarries Pty. Ltd.							
Office & Works	180'	630	970	80	1.5	—	—
Vacant Land*	?	1,890	—	95	—	—	—
Overall		2,520	970	175	0.4	18	50
12. V. Leggo & Farmers Ltd.	9 Ac.	5,400	3,800	462	0.7	48	107
13. Gibbins Farm Impits. Ltd.	3 Ac.	3,000	2,500	275	0.8	28	60
14. Standard Quarries Pty. Ltd.							
Works	34 Ac.	2,500	2,500	250	1.0	—	—
Vacant Land	?	1,400	—	70	—	—	—
Overall		3,900	2,500	320	0.7	33	77
15. Co-operative Box Co. Pty.	8 Ac.	12,800	13,200	1,300	1.03	135	254
16. Massey Pty. Ltd., Egrs.							
Works	180'	900	2,280	159	2.5	—	—
Vacant Land*	?	1,760	—	88	—	—	—
Overall		2,660	2,280	247	0.9	26	53
17. Boon Spa Pty. (Sayer)							
Works	79'	500	2,840	167	5.7	—	—
Vacant Land*	?	2,260	—	113	—	—	—
Overall		2,760	2,840	280	1.03	29	55
18. Spicer Knitting . . .	82'	660	740	70	1.1	7	13

* Indicates appreciation on vacant land since 1937, taken at 10%.

(Continued.)

Continued Table. B. INDUSTRIAL PROPERTIES BENEFITED BY ANNUAL VALUE RATING.

Firm or Nominee	Front or Area	Site Value (1)	Impvts. Value (2)	Annual Value	Ratio (2) (1)	Rate Under	
						Annual Value	Site Value
19. Mitchell Pty. (Ag. Imp.)	11 Ac.	£ 11,000	£ 12,500	£ 1,175	1.1	£ 122	£ 218
20. Nobel Aust. Ltd. (I.C.I.)	15½ Ac.	7,750	9,250	850	1.2	88	154
Group Total (11-20)		52,450	50,580	5,154	0.96	534	1,041
Site Value Rates exceed Annual Value Rates by £508 or by 95%.							
21. A. R. P. Crow & Sons Pty.							
Stephen St.	132'	660	1,540	110	2.3		
Berry St.	130'	640	—	32	—		
Overall		1,300	1,540	142	1.2	15	26
22. Junction Joinery & Timber Mills Pty. Ltd.							
Geelong Rd.	240'	1,680	1,420	155	0.85		
Creswick St.	150'	750	2,250	150	3.0		
8 Shepherd St.	40'	160	360	26	2.25		
31 Shepherd St.	42'	168	232	20	1.38		
Vacant Land	?	100	—	5	—		
Latrobe St.	90'	360	—	18	—		
Overall		3,218	4,262	374	1.3	39	64
23. Richards, Coachbuilder.	87'	870	1,130	100	1.3	10	17
24. Paderson & Co.,							
Plastics	78'	234	306	29	1.3	3	5
25. C. H. Jennings,							
Furniture Manufac.	66'	330	470	40	1.4	4	6
26. E. Murphy & Sons Pty.,							
Carriers							
Whitehall St.	264'	1,320	4,280	280	3.25		
Stephen St. (Stable)	66'	198	202	20	1.0		
Simpson St. (Stable)	66'	198	122	16	0.6		
*Land Kingsville Ward	?	880	—	44	—		
*Land N.W. Ward . .	?	400	—	20	—		
Overall		2,996	4,604	380	1.5	40	59
28. G. Hagg, Coachbuilder	81'	650	950	80	1.3	8	13
29. Goldsborough Mort							
Ltd.					1.55	190	285
Wool Stores & Land	20½ Ac.	14,350	22,150	1,825			
30. F. Long & Co. Engrs.	132'	1,320	2,160	174	1.64	18	26
Group Total (21-30)		25,268	37,572	3,144	1.49	327	501
Site Value Rates exceed Annual Value Rates by £161 or by 50%.							
31. Butler, Timberyard . .	?	320	540	43	1.68	5	6
32. Bishop Implements Ltd.	2 Ac.	1,500	2,500	200	1.68	21	30
33. Duratar Pty. Ltd.							
Works & Land	2 Ac.	2,000	6,000	400	3.0		
Storage	1 Ac.	1,000	—	50	—		
Overall		3,000	6,000	450	2.0	47	60
34. Aus. Porcelain Co. Pty.	2½ Ac.	2,750	4,890	382	1.8	40	55
35. West F'cray Eng. Pty.	100'	1,000	1,860	143	1.86	15	20
36. Blacker, Fibro-plaster	175'	360	680	26	1.88	3	7
37. Footscray Monumental							
Pty.	1½ Ac.	1,250	2,350	180	1.88	19	25
38. Mephan Ferguson Pty.							
Engineers	9 Ac.	6,750	12,750	975	1.89	101	134
39. Lewis, Wood Pulleys .	68'	408	792	60	1.95	6	8
40. W. L. Allen, Foundry							
Co. Pty.							
Foundry	83'	827	2,375	160	2.9		
Storage	81'	486	314	40	0.65		
Overall		1,313	2,689	200	2.05	21	26
Group Total (31-40)		19,651	35,051	2,659	1.8	278	371

Site Value Rates exceed Annual Value Rates by 193 or by 33%.

[Continued Next Page]

Continued Table II—LIST B.

Firm or Nominee	Front or Area	Site Value (1)	Impyts. Value (2)	Annual Value	Ratio (2) (1)	Rates Under Annual Value	Under Site Value
41. Mintaro Slate Co. Ltd.		£	£	£		£	£
42. Plain, Tannery	½ Ac.	500	1,000	75	2.0	8	10
43. Wolfenden Bros. Pty., Engineers	¼ Ac.	250	550	40	2.2	4	5
44. Elwood Timber Co. . .	4½ Ac.	1,250	2,750	200	2.2	21	25
	100'	400	1,000	70	2.5	7	8
45. Qualcast Pty. (Mowers)	3 Ac.	2,250	5,750	400	2.55	42	45
46. Federal Cask Co. Pty. Storage	1½ Ac.	2,600	6,400	450	2.45		
Overall	349'	1,668	92	88	0.06		
		4,268	6,492	538	1.52	56	85
47. W. Angliss & Co. Pty. & Investors Pty.							
Works, Lynch St. . .	54 Ac.	37,800	376,200	20,700	9.7		
Shops, Barkly St. . .		18,750	36,650	2,770	2.0		
Shops, Wmstn. Rd. . .		720		660	17.4		
Land, Barkly St. (274/8)		935	12,480	47	0.2		
Vacant Land*		107,800	200	5,390	—		
Overall		166,005	423,530	29,567	2.55	3,078	3,285
48. Grobbeck, Small Gds.	238'	833	2,307	157	2.76	16	16
49. Weickhart & Co. (Duff Steel)							
Works, 28 Hopkins St.	90'	720	1,280	100	1.8		
Works, 44 Hopkins St.	100'	800	5,100	295	6.4		
Vacant Land (N.W. Ward)*		660	—	33	—		
Overall		2,180	6,380	428	2.9	44	44
50. Footscray Ice Works .	33'	396	1,144	77	2.9	8	8
Group Totals (41-50)		178,332	452,903	31,552	2.55	3,284	3,531

* Vacant land appreciation assumed at an average of 10 % from 1937 valuation to 1942 values.

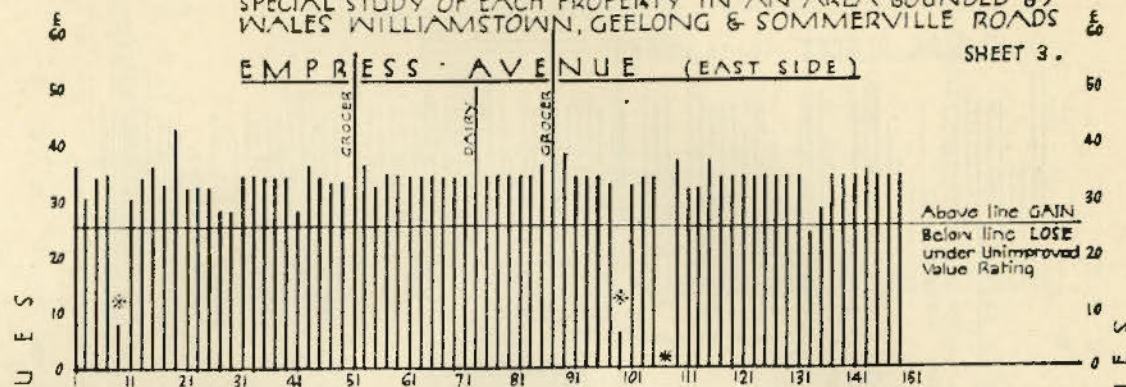
This list includes all large industrial concerns and most of the small concerns which benefit in rates under annual rental value rating—in considering it, comparison should be made at the same time with Table A, listing the concerns which benefit in rates under Site Value Rating.

FOOTSCRAY RATING STUDY.

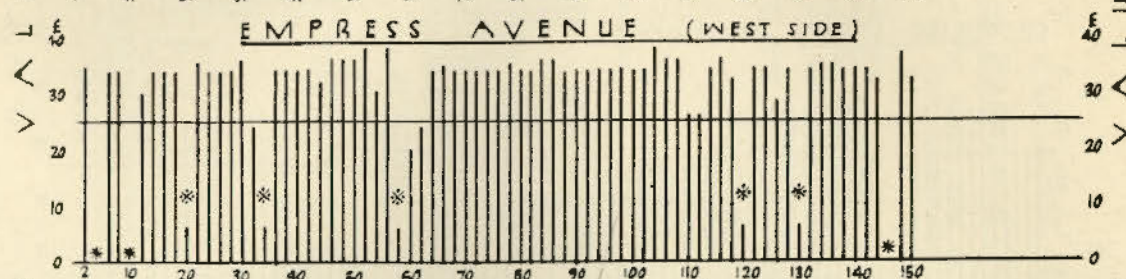
SPECIAL STUDY OF EACH PROPERTY IN AN AREA BOUNDED BY WALES WILLIAMSTOWN, GEELONG & SOMMERVILLE ROADS

EMPRESS AVENUE (EAST SIDE)

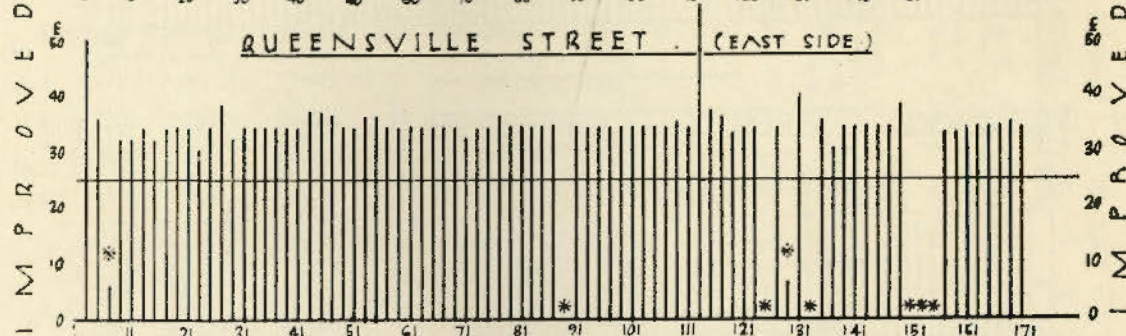
SHEET 3.



EMPRESS AVENUE (WEST SIDE)

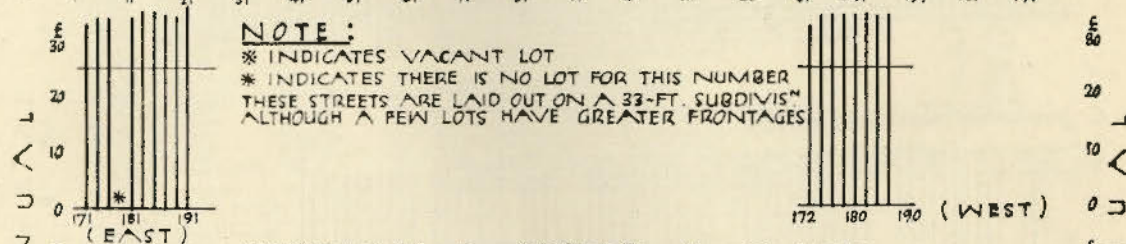


QUEENSVILLE STREET (EAST SIDE)

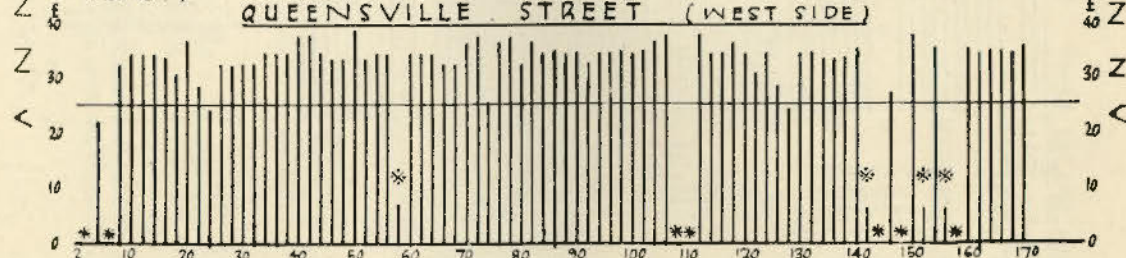


NOTE:

* INDICATES VACANT LOT
* INDICATES THERE IS NO LOT FOR THIS NUMBER
THESE STREETS ARE LAID OUT ON A 33-FT. SUBDIVISION
ALTHOUGH A FEW LOTS HAVE GREATER FRONTAGES



QUEENSVILLE STREET (WEST SIDE)

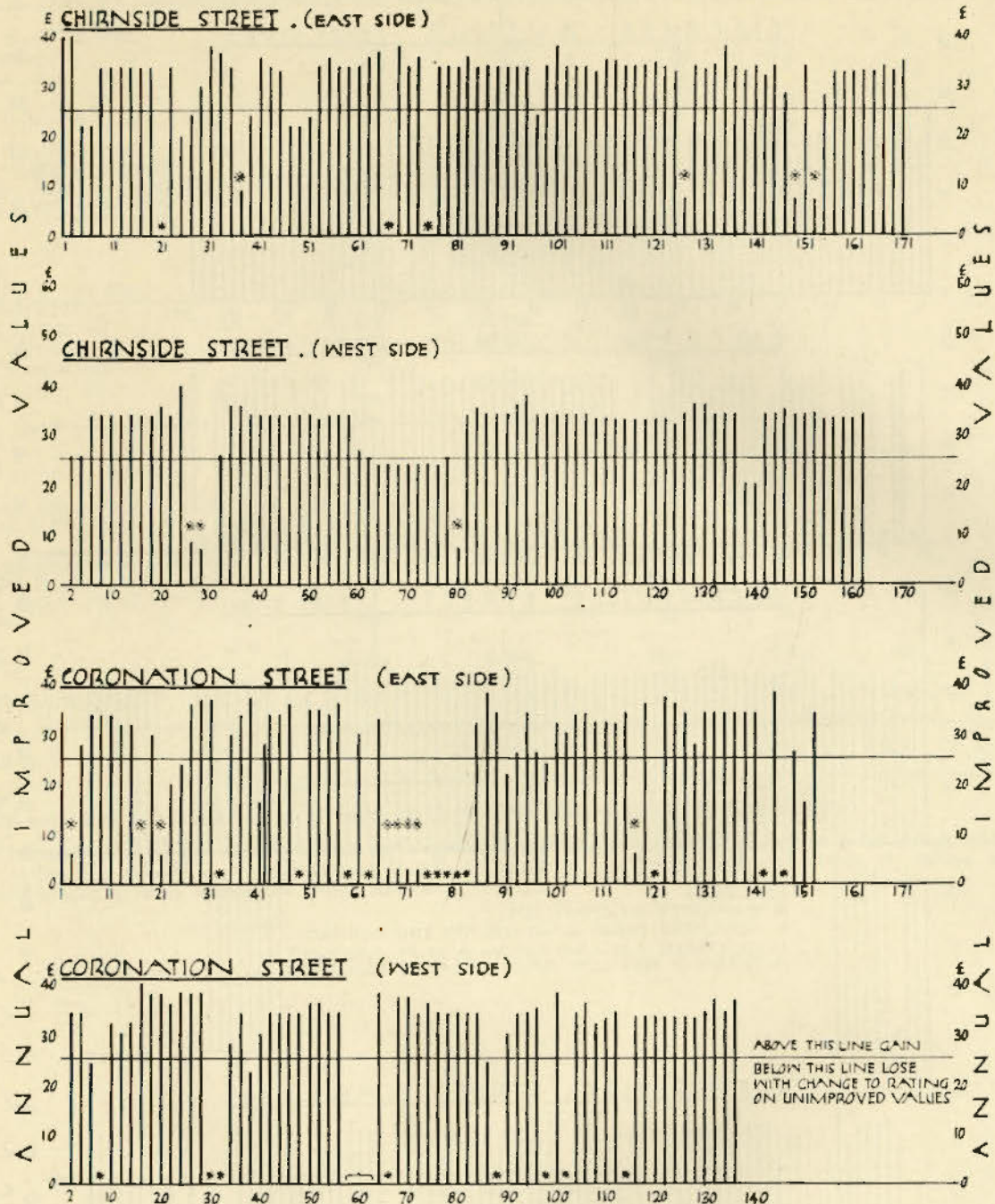


THE HORIZONTAL LINE SHOWS THE RATABLE VALUE THE SITE WOULD HAVE IF ONLY IMPROVED TO THE AVERAGE DEGREE OF THE DISTRICT (IMPROVED VALUE: 3-5 TIMES UNIMPROVED VALUE) PROPERTIES ABOVE THIS LINE BENEFIT UNDER LAND-VALUE RATING

FOOTSCRAY RATING STUDY

SPECIAL STUDY OF EACH PROPERTY IN AN AREA BOUNDED BY
NALES, WILLIAMSTOWN, GEELONG & SOMMERVILLE RDS.

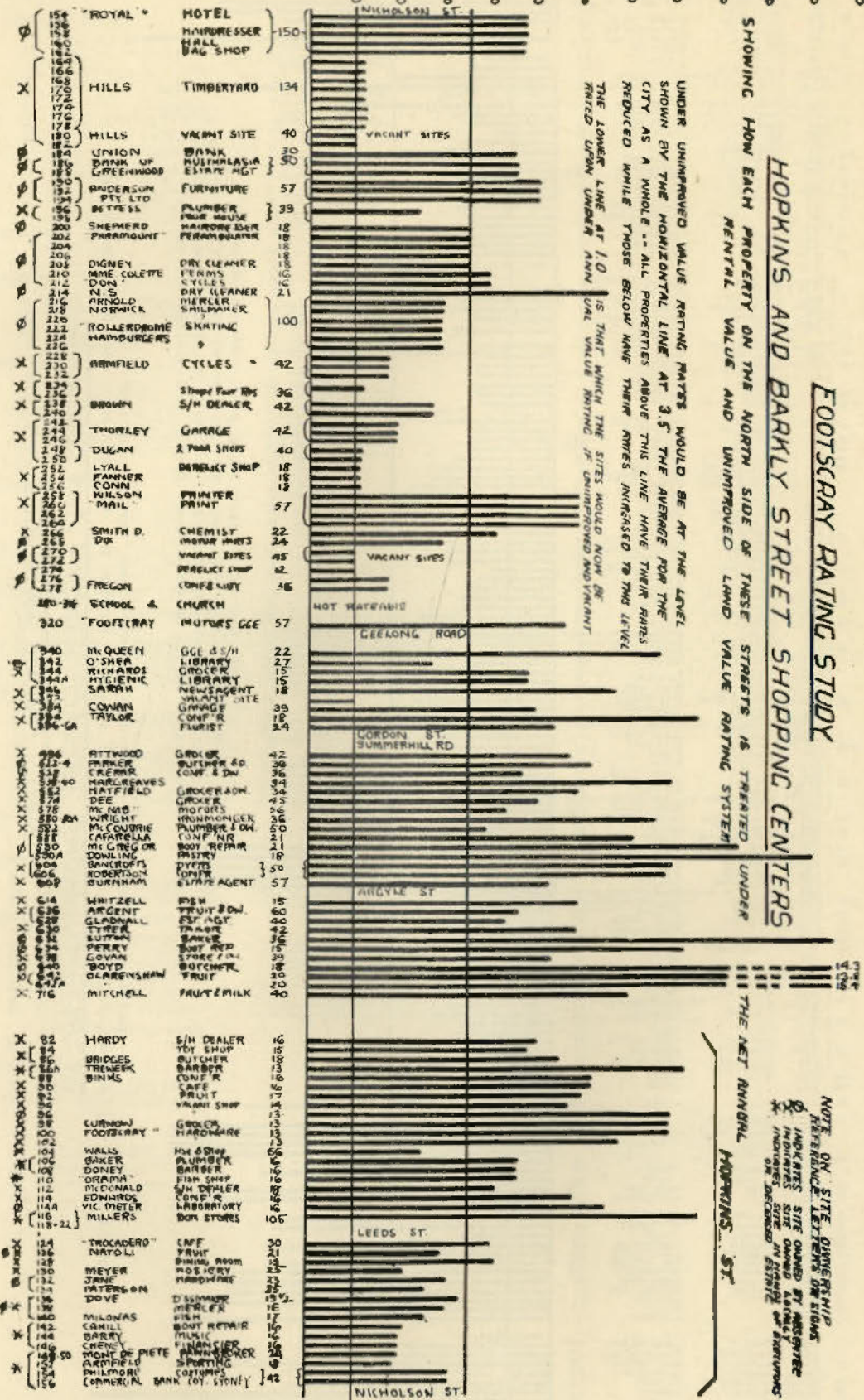
SHEET 2.



NOTE : * INDICATES VACANT LOT
* INDICATES THERE IS NO LOT FOR THIS NUMBER
THESE STREETS ARE LAID OUT ON 33-FOOT SUBDIVISION
ALTHOUGH A FEW LOTS HAVE GREATER FRONTAGES. . .

THE HORIZONTAL LINE SHOWS THE RATABLE VALUE THE
SITE WOULD HAVE IF ONLY IMPROVED TO THE AVERAGE
DEGREE OF THE DISTRICT (IMPROVED VALUE . 3.50 TIMES
UNIMPROVED VALUE). . .
PROPERTIES ABOVE THIS LINE BENEFIT UNDER LAND
VALUE RATING

STREET OCCUPIER BUSINESS FRONT (FEET) RATABLE ANNUAL VALUE OF IMPROVED PROPERTY COMPARED WITH THAT OF THE SAME SITE UNIMPROVED TAKEN AS UNITY



RENTAL VALUE AND UNIMPROVED LAND VALUE RATING SYSTEMS



STREET OCCUPANTS USAGE.
 RATEABLE ANNUAL VALUE OF PROPERTY COMPARED WITH THAT
 OF THE SAME SITE WITHOUT ANY IMPROVEMENTS TAKEN AS UNITY.

HOPKINS STREET

29 VACANT SHOP SITES
 31 ROAD CASH ORDERS
 31A TAYLOR CYCLES
 33 GOLDBERG SOLICITORS
 35 ROSENBLUM DENTIST
 37 BELVEDERE LIBRARY
 39 THOMAS TAILOR
 41 KNIGHT HARDWARE
 43 DUNN & ROYSON OPTICISTS
 45 WITNESS SHOES
 47 WITNESS SHOES
 49 ROSS FINANCIERS
 51 ROSS FINANCIERS
 53 BURGONNES GROCERS
 55 SHALLARD BROS ESTATE AGENTS
 57A BETTY NOTT DRESSMAKER
 57 MAIGAL HAIRDRESSER
 59 FRANKLING CHEMIST
 61 VERN BAKERY BAKERY
 63 APPLETON & WRIGHT MERCHANTS

IRVING STREET

HOPKINS STREET

34 GOUCE PTY. BODY CLEANERS
 36 LUTHERLAND ELECTRICIAN
 38 REED BOOK HOUSE
 40A AMALGAMATED RETAILERS
 42 MASONIC HALL

PAISLEY STREET

48 LEEDS BUILDINGS
 50 LEEDS BUILDINGS
 52 LAMBERTLAND FLORIST
 54 ABBOTT CAFE
 56 SUREDA FISHMONGER
 58 THEODORE TEA ROOMS
 60 PATERNOSTER TOBACCONIST
 62 FOOTSCRAY FLORIST
 64 HARRIS BLDG.

IRVING STREET

HOPKINS STREET

11 VACANT SITES
 16 VICTOR PALAIS HALL
 18 HAZELL
 20 LAUNDER FURNITURE
 22 LAUNDER FURNITURE
 24 LAUNDER FURNITURE
 26 LAUNDER FURNITURE
 28 MAGNIFY VACANT SHOP

LEEDS STREET

30A EDYTHE MAE BEAUTY SALON
 32 POPE ESTATE AGENT
 34 MALLOY LOS. DRAPER
 36 MILLER HERBALIST
 38 PLUMB ESTATE AGENT
 40 DOUGLAS & SONS CYCLES
 42 COLDECOTT AUCTIONEER
 44 DREW OPTICIAN
 46 DAVIS TAILOR

NICHOLSON STREET

HOPKINS STREET

27 FIDLER CONFECTIONER
 29 CORNELL SHOE REPAIRS
 31 CROGS CONFECTIONER

FOOTSCRAY RLY. STN.

33 GLANVILLE HAIRDRESSER
 35 LAWRENCE DRY CLEANERS
 37 FARMINGHAM ESTATE AGENT
 39 BLUMERS KNITWEAR
 41 SMITH PRINTER
 43 COMMUNIST PARTY
 45 FOX SHOE REPAIRS
 47 MARK LAUNDRY
 49 MENDALL FINANCIER
 51 STONE
 53 COMARDE DENAR PLUMBERS

IRVING PLACE

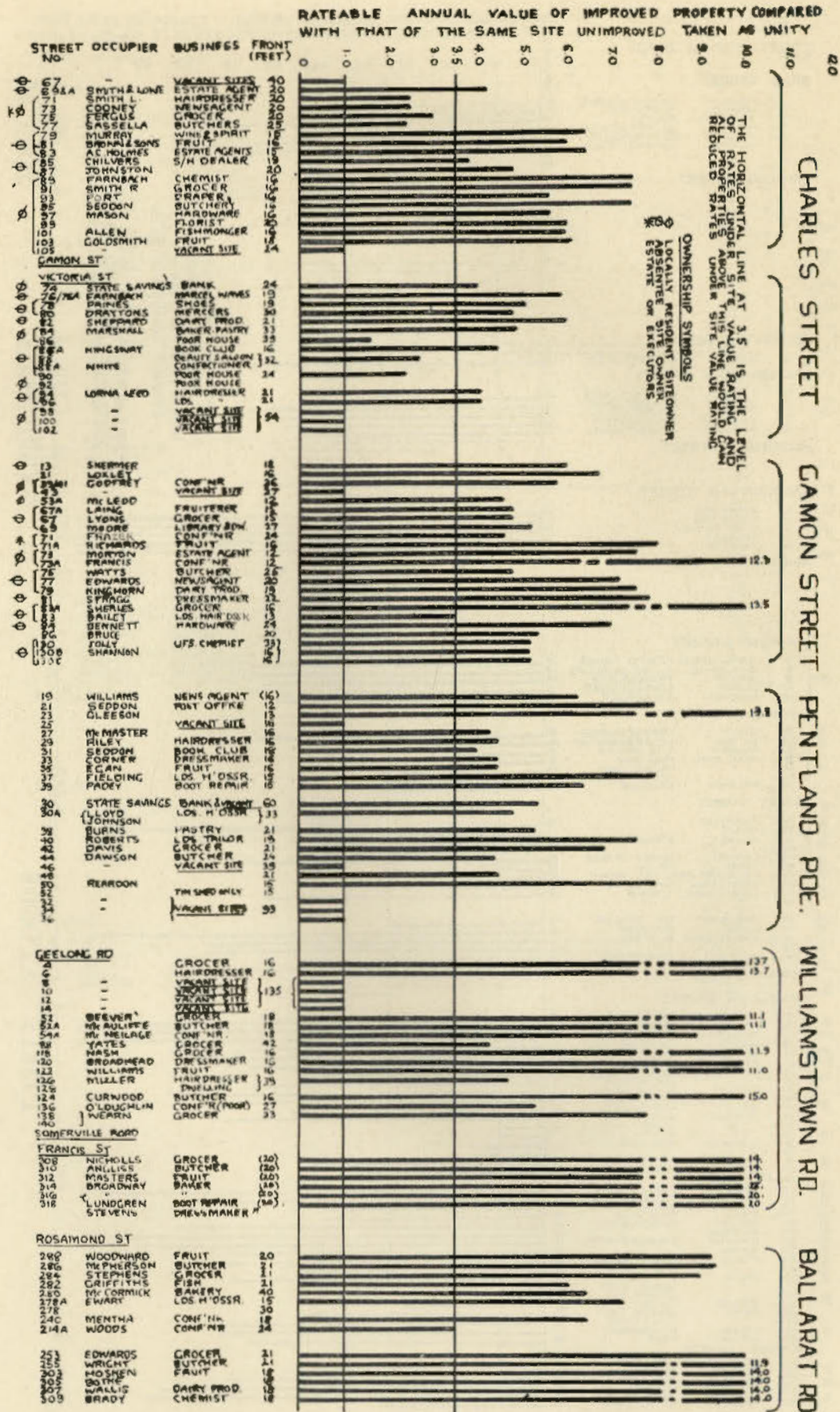
6 TRACEY SHOE REPAIRS
 10 FISCHY DIST. LIBRARY
 16 HONEYBONE DRESSMAKER

SITE OWNERSHIP SYMBOLS

- ⊕ LOCALLY RESIDENT OWNER
- ⊙ ABSENTEE OWNER
- * AN ESTATE OR EXECUTORS

NOTE: PROPERTIES ABOVE THE
 HORIZONTAL LINE AT 100
 WOULD HAVE THEIR RATES
 REDUCED & THOSE BELOW
 WOULD HAVE THEIR RATES
 INCREASED UNDER RATING
 UPON UNIMPROVED LAND
 VALUE





STREET, OCCUPANT, USAGE

DANE STREET.

7	SHEAHAN	NEWSAGENT, DWEL
9	MORRIS	AUCTIONEER
11	MALONEY	GROCEER
13	NEVEN	ST. REPR & DWEL
15	THOMAS	ESTATE AGENT
17	SMART	CONFECTIONER
19		

PRINCESS STREET.

SOMERVILLE ROAD.

13	JUDD	CONFECTIONER
----	------	--------------

CASTLEMAINE STREET.

21	PINCHEN	DENTIST & DWEL
23	SANDOW	CONFECTIONER
25	SANDOW	CONFECTIONER
27	CANVET	LOS. HAIRDRESS
29	RICHARDS	CONFECTIONER

ANDERSON STREET.

CASTLEMAINE STREET.

14	SCHNEIDER	
16	SCHNEIDER	
32	THEATRE SHOP	
34	THEATRE	
36	THEATRE	

ANDERSON STREET

NAPIER STREET

4	SANGSTER	CONFECTIONER
6	MCCANNIE	SHOP & DWELLING
8	HARKS	PAINTBROKER
10	OLSON	CONFECTIONER
12	MORTON	SCHNITZER

NICHOLSON STREET

16	CANT	CARRIER STORAGE
24	DR. BOX	HOUSE & VACANT LOT
26	ALLAN T.	S/H. DEALER
28	BELL ROBT.	TOOT SHOP
30		VACANT SHOP
32		VACANT SHOP
34	PALMER	PRINTER

ALBERT STREET

36	KEEN	
38	HINKS	
40	ALLAN T.	S/HAND DEALER
42		
44	CLAIRNS	S/HAND DEALER
46	CLARK	HOUSE
48	VIC. SCRAP IRON	VACANT
50	FIRTH & SON	MONUMENTAL
52	GANT MOTORS	GARAGE

84	WILLIAMS	S/H. DEALER
86	LOWE	BUTCHER
88	MAYALL & SONS	BUTCHER
90		
100	TANNER	DRESSMAKER

VICTORIA STREET

NICHOLSON STREET

7	SHEAN	NEWSAGENT
9	MORRIS	ESTATE AGENT
11	MALONEY	HAIRDRESSER
13	WILSON	PERAMBULATORS
15	BLACKNEY	DICTITIAN
17	FEDERAL	LAUNDRY
19	HYMAN	S/H FURNITURE
21	SMITH C	LOS. HAIRDRESS
23	SMITH G	ESTATE AGENT
25	MANS G	FISHMONGER
27	BAILY	CONF. & Cakes
29	JEFFRIES	LIBRARY
31		VACANT SITE
33		VACANT SITE
35	S. SMITH	TUE. YARD
37		
39	WHINNEY	WATCHMAKER
41	BARBER	THRM. REPAIRS

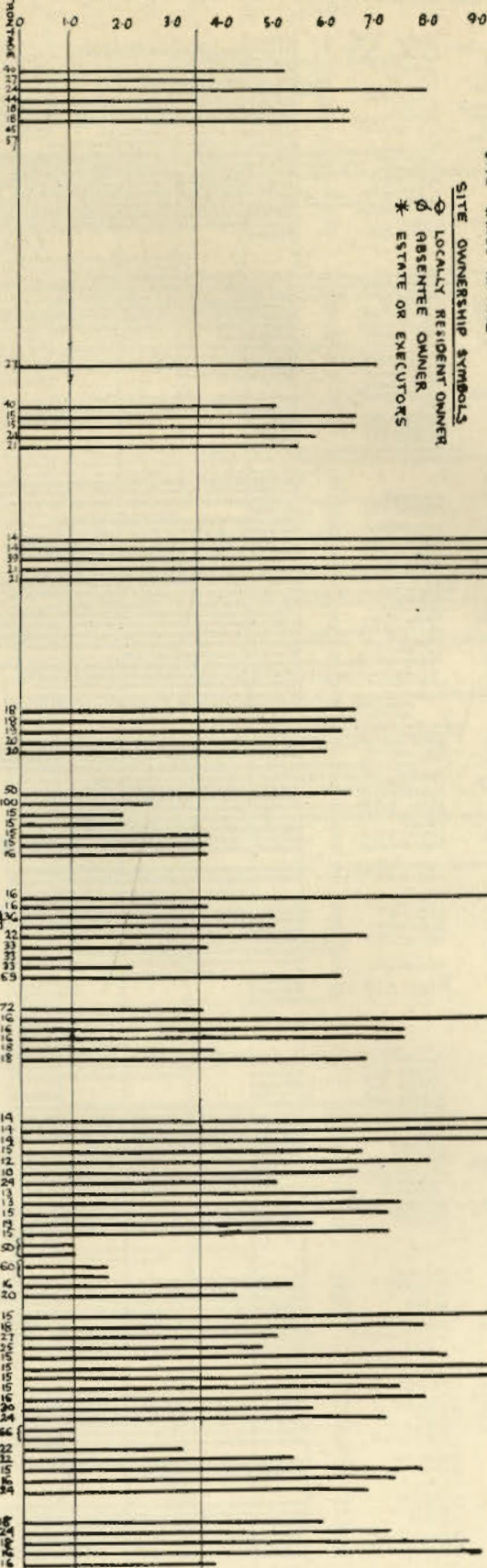
ALBERT STREET

43	SMITH	CONFECTIONER
45	BURROWS	CONFECTIONER
47	CLARKE	CONF. & CROCK
49	PRICE	TOOT SHOP
51	MALBY	CONFECTIONER
53	MIL CAUL	CAKES & PASTRY
55	CHANNAM	
57	BARR	
59	YODGEE	CONFECTIONER
61		SHOP & DWELL
63	DANN	S/H. DEALER
65		VACANT SITE
67		VACANT SITE
69	BEASLEY	CYCLES
71	DODD	LENDING LIB.
73		
75	GALVIN	FISH & CHOPS
77	BINGLEY	HAIRDRESSER
79		FRUIT

VICTORIA STREET

116	MILNE	LOANS
118	BARBER	BUTCHER
120	REYNOLDS	TAILOR
122	HAMID	WATCHMAKER
124	WILLIAMS	HAIRDRESSER

RATEABLE ANNUAL VALUE OF PROPERTY COMPARED WITH THAT OF THE SAME SITE WITHOUT ANY IMPROVEMENTS TAKEN AS UNITY.



BELLAIRS

BIRMINGHAM ST

BUKLEY STREET

NORTH SIDE

SOUTH SIDE

NORTH SIDE

STREET, OCCUPANT, USAGE.
No

TRADEABLE ANNUAL VALUE OF PROPERTY COMPARED WITH THAT OF
THE SAME SITE WITHOUT ANY IMPROVEMENTS TAKEN AS UNITY

RAILWAY

61 DE RING FRUITERER
59 VANIA LIBRARY
57 PARKBACH FURNITURE
56 WILLIAMS MUSIC INSTR.
55 WILLIAMS MUSIC INSTR.
51 STUART HAIRDRESSER
49 HERB ADAMS Cakes
47 COXHEAD SHOE STORE
45 BEDSON'S SHOE REPAIRS
43 OTTULEY DELICATESSEN
41 KIRKMAN CONFECTIONER
39 MORRIS PAIR
37 GERSON PAIR
35 HOTEL

BALLARAT STREET

33 NATS BANK BUILDINGS
31 HASLEM PHINE & SPIRITS
29 BARBUTO
27-28 VILLE BUTCHERY CO.
25-26 GREENLAND LIBRARY
23-24 THOMAS LOU HARDYER
21-22 JOY DRESSMAKER
19-20 HAYNE FURNITURE
17-18 GRANGER Cakes
15-16 SAM LEE LAUNDRY
13-14 WEBB TROUNNGER

2 HARRY HAIRDRESSER
1 VACANT SHOP
1 HOUSE (FOOD)
1 VACANT SHOPS
1 MARRIN DRAPER
1 GRANTS COOKERY
1 WEBB

BALLARAT STREET

18-20 MOODS
22 CROFTS STORES GROCERS
24 WHITTAKER Cakes
26 THOMPSON BATES
28 McDONALD HAIRDRESSER
30 ALLENBY BUTCHER
32 DEAN GROCER
34 GRANGER GROCER
36 MORAN LEO FRUIT
38 RICHARDS HARDWARE
40 DOOLERS ESTATE AGENT
42 LONG CROFTS STORES GROCERS
44 CARTER BOOTMAKER
46 RANER CONFECTIONER
48 KENZIE ESTATE AGENT
50
52

RAILWAY

RAILWAY

60 ROY BROS CYCLES
68 VACANT SHOP
66 MARRIN GROCER
64 BURLS CONFECTIONER
62 MITCHAM CONFECTIONER
60 BALDOCK DAIRY PRODUCE

RAILWAY

63 ROYDON LIBRARY
59 HANSBURGERS
57 ROBINSON FURNITURE
55 PARSONS HAIRDRESSER
53 MADE SHOE REPAIRS
51 WARREN MOTORS
49 PRODUCE
47 VACANT
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ANDERSON STREET
SHOPPING CENTRE
SOUTH SIDE
NORTH SIDE
ANDERSON ST.
BEYOND RAILWAY
SOUTH SIDE
NORTH SIDE
OWNERSHIP SYMBOLS
LOCALITY RESIDENT SITEOWNER
LOCALITY SITEOWNER
ESTATE OR EXCLUSORS

STREET. OCCUPANT. USAGE.
No

ESTIMATEABLE ANNUAL VALUE OF PROPERTY COMPARED WITH THAT
OF THE SAME SITE WITHOUT ANY IMPROVEMENTS TAKEN AS UNITY

MURRAY STREET.

1 PEDLEY DENTIST (RES) 18
4 HIRIGLEY CONFECTIONER 16
11 O'CONNOR ESTATE AGENT 18

CANTERBURY STREET.

13 S & BANK 24
14 PEDLEY CHEMIST 20
19 BINDERMAN CYCLES 19
21 BANCROFTS DYERS 23
23 Y'VILLE CASH CROGERY CO. 23

ANDERSON STREET.

27 MARTIN GROCER 15
30 MITCHELL HAIRDRESSER 15
31 NASH 13
33 NASH HOSIER 13

SIMPSON STREET.

43 BROWN FRUITERER 25
52 CLARK CONFECTIONER 18
79 CROUGH GROCER 40
114 THOMPSON CONFECTIONER 25

FRANCIS STREET.

MURRAY STREET.

2 Y'VILLE P.O. 70
6-12 SUN PICTURE THEATRE 31-6
10 MILKS CONFECTIONER 15
12 THOMAS MILLINER 15
14 BROWN HAIRDRESSER 15
16 MURPHY BUTCHER 15
20 KIRKPATRICK BOOKBINDER 16

ANDERSON STREET.

22 RAILWAY HOTEL 18
24 BATES RESTAURANT 18
26 JACOB FISH SUPPLY 18
28 DANSON SHAND DEALER 15
30 AUST CONSTITUTIONAL LEAGUE 27

SIMPSON STREET.

32 GRIEVES BUTCHER 40
34 GRIEVES DRESSMAKER 18
36 CLARK 20
38 Y'VILLE SOCIAL CLUB 30
40 BROWNING BOOT STORE 30
42 MORRIS 24
44 WELLS 16

FRANCIS STREET

NICHOLSON STREET.

2A LOBB SERVICE STATION 51
2A OATLAND 15
2A KEAN BOOT REPAIRS 15
2A JOHNSON CONFECTIONER 15
6 Y'VILLE BOX LIBRARY 30
10A Y'VILLE POOL HOUSE 30

DENNY STREET.

122 NICHOLSON MEATS & PRODUCE 21
124 NICHOLSON MEATS & PRODUCE 21
126 NICHOLSON FISHMONGER 21
131 BUCKLEY CONFECTIONER 15

BALLARAT ROAD.

NICHOLSON STREET

1 BRUCE ENGINE SERVICE 40
2 BRUCE ENGINE SERVICE 33
3 CALVERT 40
4 NELSON UNDERTAKER 30
5 ACTON & SONS PLUMBERS 30
13 ARTHUR HAIRDRESSER 15

HUGH STREET

THE CRESCENT

125 21
127 21
131 21

BALLARAT ROAD.

SITE OWNERSHIP SYMBOLS
⊕ LOCALLY RESIDENT OWNER
⊙ ABSENTEE OWNER
* ESTATE OR EXECUTORS

NOTE PROPERTIES ABOVE THE HORIZONTAL
LINE AT 50% WOULD HAVE THEIR RATES
REDUCED & THOSE BELOW WOULD HAVE
THEIR RATES INCREASED UNDER
RATING UPON UNIMPROVED LAND
VALUE

EAST SIDE BALLARAT STREET WEST SIDE
EAST SIDE DROOP STREET WEST SIDE

GRAPH T.

STREET. OCCUPANT. USAGE
NO

95A ATTWOOD
97 LARSEN
127 FRAUENFELDER
129 LEEK
131 RICHARDS
YORK STREET

SCHILD STREET

110 WISEMAN
112 LYRIC THEATRE SHOP
114 LYRIC THEATRE SHOP
116 LYRIC THEATRE SHOP
118 LYRIC THEATRE SHOP
120 WRIGHT
122
124 SIDEBOTTOM
126 NIELS
128 NIELS
130 NIELS
132 MEYER
134 FEAN
136
142 BOWDEN
144 HILL
146 THOMAS
148 CONLON
150 COLLINS
152
154 BRATHWAITE
156 CALLINAN
SUSSEX STREET

LEEDS STREET

1 PAUL
3 PAISLEY PROCK SHOP
5 PAZIS
7 BURN
9 BERNARD
11 SPARITT
13 PAITH
15 VILK & MARTIN
17 NENSONE
19 EGAN
21 CABLEY
23 GALE
25 WILLIAMS
27 ROBINSON
29 PAITH
31 MITCHELL
33 RICHARDS

NICHOLSON STREET

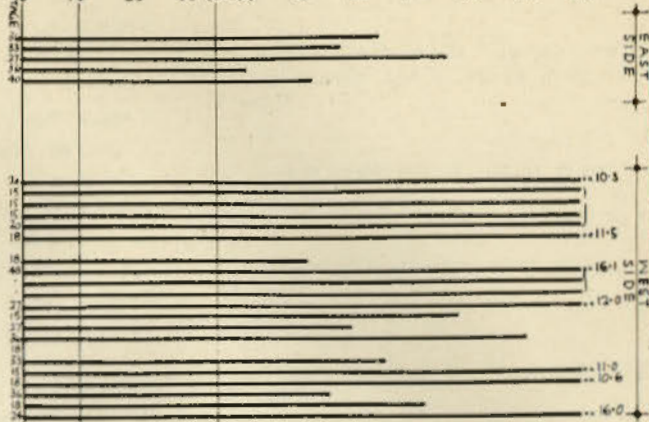
LEEDS STREET

2 BANK OF N.S.M.
4 CARROLL
6 HODGKINSON
8 WARD PTY
10 GRAND THEATRE
12 NILLAS
14 NENANON
16 CROSBY
18 COLONIAL GAS
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NICHOLSON STREET

MEASURABLE ANNUAL VALUE OF PROPERTY COMPARED WITH THAT
OF THE SAME SITE WITHOUT ANY IMPROVEMENTS TAKEN AS UNITY

0 10 20 30 35 40 50 60 70 80 90 100



STEPHEN ST.

NOTE: PROPERTIES ABOVE HORIZONTAL
LINE AT 100 WOULD HAVE THEIR
RATES REDUCED & THOSE BELOW
WOULD HAVE THEIR RATES INCREASED
UNDER RATING UPON UNIMPROVED
LAND VALUE

PAISLEY ST.

SITE OWNERSHIP SYMBOLS

⊕ OWNER LOCALLY RESIDENT
⊕ ABSENTEE OWNER
* AN ESTATE OR EXECUTORS

PART VIII. LIST OF GRAPHS, PHOTOGRAPHS AND TABLES INCLUDED IN THE STUDY

(A) Included with the Text

GRAPH A

Showing how the average house fares under each system for each street in the Kingsville Ward. Page 6

GRAPH B

Ditto for each street in the North West Ward Page 8

GRAPH C

Ditto for each street in the Middle and North Wards Page 10

GRAPH D

Ditto for each street in the South Ward Page 12

TABLE No. 6

Summary showing how built properties in each shopping centre would fare under a change to site value rating Page 15

PLATE I.

Eight photographs of residential properties facing Page 16

PLATE II.

Eight photographs of residential properties facing Page 17

PLATE III.

Eight photographs of residential properties facing Page 24

PLATE IV.

Eight photographs of business properties facing Page 25

PLATE V.

Eight photographs of highly improved industrial properties, facing Page 36

PLATE VI.

Eight photographs of poorly improved industrial properties, facing Page 37

PLATE VII.

Map showing the problem area of Footscray facing Page 44

PLATE VIII.

Eight photographs of business properties and vacant shop sites, facing Page 45

(B) Contained in the Appendix

TABLE No. 1

Unimproved land value of each ward Page 32

TABLE No. 2

The distribution of non-rateable frontages Page 32

TABLE No. 3

Listing all holdings of vacant land above £500 in unimproved land value Page 33

TABLE No. 4

Wembley Park Estate holdings Page 33

TABLE No. 5

Analysis of Robert Street holdings Page 33

TABLE No. 7

Shop sites in the main centre which would carry rate increases under site rating, analysed according to ownership by local residents, absentees or deceaseds' estates. Page 34

TABLE No. 8

Showing the nature of tenancy of Nicholson St. shops and who pays the rates upon them Page 37

TABLE No. 9

Rates payable on each property in Nicholson St. Pages 38-40

TABLE No. 10

Rateable annual values of single shop sites in the various shopping centres Page 41

TABLE No. 11

(List A) Detailed list of industrial properties benefitting under site value rating Page 42

(List B) Detailed list of industrial properties benefitting under annual value rating Page 46

GRAPHS J-K

Two graphs showing how each property fares in the large area studied in the Kingsville Ward Pages 49-50

GRAPHS L-T

Nine graphs showing how each shop site fares in each of the shopping centres of Footscray Pages 51-59

NL



All communications concerning this publication should be addressed to the Research Director, A. R. Hutchinson, B.Sc., 32 Allison Avenue, Glen Iris, S.E.6, or to the Secretary, L. F. Bawden, 52 Guildford Road, Surrey Hills, E.10.

Other Studies conducted by the Land Values Research Group are listed below:

RURAL No. 1—SHIRE OF ROSEDALE (4d. each)

URBAN No. 2—CITY OF OAKLEIGH

RURAL No. 2—TOWN OF HAMILTON

URBAN No. 3—CITY OF LAUNCESTON

INTERSTATE STUDY, PUBLIC CHARGES ON LAND VALUES (6d. ea.)

COPIES OF THE ABOVE ARE AVAILABLE AT REDUCED RATES IN DOZEN LOTS.



