



The Tooronga Press  
Printers  
1372 Malvern Road  
Malvern

For the information of  
Councillors and  
Municipal Officers

# Rising Municipal Costs

A Comparison of  
relative abilities of  
Alternative Rating  
Systems to provide  
increased rate yield.

PRICE---EIGHTPENCE

This municipal revenue study has been produced by the Land Values Research Group especially for the information of Councillors and Municipal Officers faced with the necessity to increase the municipal rate-yield or curtail the municipal services rendered.

#### LAND VALUES RESEARCH GROUP

Is an association which conducts surveys upon the incidence and effects of systems of rating and taxation for public revenues. All services rendered by members are given in an honorary capacity.

#### RESEARCH PANEL.

G. A. BAKER, B.C.E., A.M.I.E. (Aust.)	E. K. MACKAY, A.R.I.B.A.
F. OSWALD BARNETT, M.Com., F.C.A. (Aust.)	L. V. MITCHELL, A.R.I.B.A.
H. E. BARTLETT, A.R.I.B.A.	B. B. MORRIS, M.A.
F. DOOLAN, M.V.I.S., M.C.I.V.	L. M. PERROTT, F.R.I.B.A.
G. A. FORSTER, B.Sc.	C. H. RICHARDSON, B.E.E., A.M.I.E. (Aust.)
W. E. GOWER, Architect.	E. R. PITT, B.A., F.L.A.
F. HALKYARD, B.Sc., Dip.Ed.	A. G. SANDOW, B.E., A.M.I.E. (Aust.)
A. N. HAMBLY, B.Sc., A.A.C.I.	L. E. STEVENS, B.Met.E., B.Ed.
FRANK HEATH, A.R.I.B.A., A.R.V.I.A.	W. H. TAYLOR, M.C.E., A.M.I.C.E., A.M.I.E. (Aust.)
A. R. HUTCHINSON, B.Sc. A.M.I.E. (Aust.)	H. S. WELLER, B.Com., A.I.C.A.
D. W. JOHNS, A.R.E.I.	N. A. WIGMORE, L.S.
S. MERRIFIELD, L.S., M.V.I.S.	

Hon. Research Director:

A. R. HUTCHINSON, B.Sc., A.M.I.E., (Aust.)  
32 Allison Avenue, Glen Iris, S.E.6.

Hon. Secretary:

L. F. BAWDEN,  
52 Guildford Road,  
Surrey Hills, E.10.  
Victoria.

Hon. Treasurer:

G. A. FORSTER,  
Dip. Com., A.I.C.A.,  
8 Leura Street,  
Surrey Hills, E.10.  
Victoria.

# Rising Municipal Costs

A comparison of the  
relative abilities of alter-  
native Rating Systems  
to provide increased  
rate yield

Issued  
March, 1949

# Rising Municipal Costs

## A STUDY OF THE RELATIVE ABILITIES OF ALTERNATIVE RATING SYSTEMS TO PROVIDE INCREASED RATE-YIELD.

### Need for more Revenue.

Municipal Councils generally are hard hit by the rising costs of materials and labor and the increasing scope of municipal functions. With all of them it is essential to obtain increased rate revenue to provide their normal scale of services apart from any new services expected of them. More than half of the 33 metropolitan municipalities and shires have increased their rate in the £ this year and most of the others made increases last year. Although ratepayers' reactions make that course unpopular and a source of danger to councillors likely to face the electors, progressively more councils will be driven to that course.

### Alternative Rating Systems.

Whilst it is inevitable that rate-yields must be increased it becomes important to Councils to consider which of the two alternative rating systems open to them (i.e., Nett Annual Value or Unimproved Capital Value), will enable the increased revenue to be obtained with the least hardship to the majority of the ratepayers.

### A Rate Revenue Study.

The Land Values Research Group has now made a rate revenue study in those municipalities for which both Unimproved Capital Values and Nett Annual Values are available. In these cases it was possible to compare the increase in the rate in the £ of Unimproved Value and that in the £ of Nett Annual Value required to give the necessary rate yield decided upon by the Council concerned. From this it was possible to reach conclusions of general application to other councils.

The co-operation of all councils rating on the Unimproved (i.e., Site) value was sought in making available the basic valuation and rate figures for the municipal years 1946-47 and 1947-48. It was then possible to compare the increases in rates imposed on typical classes of houses under the one system with those incurred under the other and also to compare the difference in level of rates under the two systems. The results are embodied in this survey and provide a valuable contribution to municipal authorities generally.

### Average Values for Various Classes of Houses.

Until recently it would have been impossible to make such an authentic study because no analysis had been made in any municipality to ascertain "average" values of sites, the buildings, and the nett annual-values for various classes of houses. In their absence assumed-figures only could have been used which would have made conclusions subject to the human element in the choice of the figures.

However, an analysis on these lines was recently made by H. Bronson Cowan, visiting Canadian economist, in the City of Camberwell by the courtesy and assistance of the municipal staff of that city. This analysis found the average value of sites, improvements and annual values for houses of various classes and these have been used in the present study to find the average rates chargeable under the two systems.

In Camberwell, 75 per cent. of all residential properties are covered by the figures given below in Table No. 1 below, and which apply to the houses benefited by site-value rating. The proportion varies within rather narrow limits between one council and another. Analyses have shown that the proportions covered in other places investigated are:—

Brunswick, 75 per cent.; Coburg, 75 per cent.; Hamilton Town, 78 per cent.; Newtown and Chilwell, 78 per cent. In Kew (where there are well-defined

exclusive areas of much greater frontage than the average) the proportion is lower, being 65 per cent. In Oakleigh (where there is not great range in frontage) the proportion is higher at 89 per cent.

**TABLE No. 1.**

**Typical Values of Sites and Houses.**

Houses whose total value of site plus improvements lies in the range.	Land Value (U.C.V.)	Impvts. Value	Land & Impvts. (C.I.V.)	Nett An. Value (N.A.V.)
(1) £400-£900 .. .. .	£147	£608	£755	£47
(2) £901-£1,350 .. .. .	£221	£931	£1,152	£66
(3) £1,351-£2,000 .. .. .	£323	£1,341	£1,664	£91
(4) £2,001-£3,500 .. .. .	£425	£1,702	£2,127	£145
(5) Over -£3,500 .. .. .	£900	£4,570	£5,470	£330

Although the five ranges are listed above for completeness, the last one can be neglected as the numbers in this class are insignificant, being only 7 per cent. of those covered by the other ranges.

The first class is mainly of timber construction while the second is of mixed brick and timber houses. They are both essentially working class homes and the second has been used as the standard in working out the average rates quoted later for the various municipalities. The third class is of good quality brick homes and the fourth high quality brick homes.

**Average Amount of the Increase in Rates Under the two Alternative Systems in the Case of Councils which Increased their Rate in the £.**

The councils rating unimproved values and which increased their rate in the £ during the years 1947-48 or 1948-49 are listed in Table No. 2. In the second and third columns are shown the increase made in the rate in the £ of unimproved value and the increase which would have had to be made in the rate in the £ of nett annual value to give the same increase in rate yield if these councils rated on Nett Annual Values.

In the remaining columns are shown the increase in rates payable by houses with values as in the first three classes shown in Table No. 1, under each of the alternative rating systems. These three classes are most numerous in any municipality, hence the comparison has been restricted to them. The amounts for the other two classes can be readily worked out from the data supplied in the two tables if desired.

**TABLE No. 2.**

**Comparing the Increase in Rates per House under the Alternative Rating Systems for Municipalities which Increased their Rate in the £ during 1947-48 or 1948-49.**

City	Increase in Rate Per Pound of Site Annual value		Class of House and Rate Increase Payable.					
	u.e.v. n.a.v.		£400-£900		£901-£1,350		£1,351-£2,000	
	u.e.v.	n.a.v.	Under	Under	Under	Under	Under	Under
(a)	pence	pence	s d	s d	s d	s d	s d	s d
Box Hill .. ..	0.50	2.00	6/1	7/10	9/2	11/-	13/5	15/2
*Brunswick .. ..	1.00	4.50	12/3	17/7	18/5	24/9	26/11	34/1
Camberwell .. ..	1.00	4.22	12/3	16/7	18/5	23/3	26/11	32/1
Caulfield .. ..	0.50	3.23	6/1	12/8	9/2	17/9	13/5	24/6
*Coburg .. ..	0.625	3.50	7/8	13/8	11/6	19/3	16/10	26/6
*Essendon .. ..	0.75	3.50	9/2	13/8	13/9	19/3	20/1	26/6
Kew .. ..	0.62	3.22	7/7	12/6	11/5	17/7	16/10	24/4
Moorabbin .. ..	0.25	2.40	3/1	9/4	4/7	13/2	6/9	18/2
Oakleigh .. ..	0.25	1.44	3/1	5/7	4/7	7/11	6/9	10/10
Preston .. ..	0.75	3.40	9/2	13/4	13/9	18/9	20/1	25/9
(b)								
Mordialloc .. ..	0.25	-1.36	3/1	-5/1	4/7	-7/5	6/10	-10/4
Sandringham .. ..	0.50	0.40	6/1	1/7	9/2	2/3	13/5	3/-

\*Increase made in the Municipal Year, 1948-49.

It is found from Table No. 2 that in ten of the twelve metropolitan municipalities listed as increasing their rate in the last two years the increase imposed on these houses would have been greater if the rating system had been Nett Annual Value. In most cases the increase would have been very considerably greater under that system.

Under site-value rating, an increase in revenue can generally be gained at less cost to the ordinary home-occupier upon whom the development of the district depends, than under nett annual value rating.

As this observation applies to approximately three-quarters of the homes in most municipalities, reaction to increases is less than could be expected under Annual Value Rating. In site-value rating areas a considerably greater part of the increased rate-yield is drawn from vacant and poorly developed holdings than would be the case under Annual Value Rating.

#### Mordialloc and Sandringham.

From Table No. 2 it will be seen that Mordialloc and Sandringham are the two exceptions to the rule that site-value rate increases are less than under annual-value.

The reason for this is that these two cities made less than normal revision of their unimproved value figures with subdivisions and sales during the year. In the case of Sandringham the unimproved value of the district was only raised by 1%, and Mordialloc by 2%, as compared with 4.85% in their neighbour Moorabbin, where supplementary valuations more closely followed subdivisions. On the other hand, the Nett Annual Value figures were adjusted for each new house and building activity was very great.

At first impression it might seem that as the increase in rates would have been less under Annual Value than under Unimproved Value Rating for these two cities, a change back to the former system might be popular. Any such impression is dispelled on looking at the Table below showing the rates which would be charged in these two cities under the alternative rating system after the rate increases were made.

Class of House.	Mordialloc Rates.		Sandringham Rates.	
	Under U.C.V.	Under N.A.V.	Under U.C.V.	Under N.A.V.
1. £400-£900 .. ..	£3 4 2	£6 7 6	£3 13 6	£6 13 0
2. £901-£1,350 .. ..	£4 16 10	£8 18 4	£5 10 6	£9 7 0
3. £1,351-£2,000 .. ..	£7 0 10	£12 13 0	£8 1 6	£12 18 6

In both these cities all that has happened with this rate increase has been that the margin under the Unimproved Value System as compared with nett annual value, has been reduced. For example, the margin of saving under U.C.V. in Mordialloc for the £901-£1,300 house has been reduced by 13/- from the margin of £4/14/6 of the previous year. In the case of Sandringham the margin of saving has dropped by 6/11 from the previous year's saving of £4/3/5.

The loss of margin is insignificant compared to the saving still made on the unimproved value system and in any case is only a temporary decrease. The margin will be restored with the next general valuation of the district when the appreciation of new subdivisions is taken into account.

#### A Mistaken Inference.

A municipal spokesman last year pointed to the fact that the increase in the rate in the £ of unimproved value in the case of Camberwell as shown in Table No. 2 was an advance of 22% over that of the previous year, while the increase of 4.22d. in the £ of nett annual value would only have been an increase of 18%. From this fact he drew the inference that ratepayers were "harder hit" under site-value rating than they would be under annual-value.

That this conclusion is baseless is evident from Table No. 2 where it is seen that (although the percentage may be higher) the amount of increase which it represents is less to the house-owner on the site-value basis.

Further reference to the Appendix "A" shows that the cities rating unimproved-value have actually shown a less percentage increase in their rate in the £ over the last two years than did those rating nett annual values.

The average increase for the 11 cities which increased their rates under nett annual value was 15½ per cent. The average increase for the 11 cities which increased their rates under site-value rating was only 11½ per cent.

**Magnitude of the Difference in Rates  
on Typical Properties Under Unim-  
proved Value as compared with Nett  
Annual Value Rating.**

In Table No. 2 was shown the effect of increasing the rate in the £ for each system. But it is even more important in a study of municipal finances to know the difference in the level of the ratings charged under the two systems. So far as the ratepayer is concerned it is of most interest to him to know under which system he will pay least in rates.

Table No. 3 has been prepared to show the actual rates which would be charged under the two alternative rating systems for a given property in various municipalities.

The table includes all cities, towns and boroughs rating upon the Unimproved Value basis, and also a few of those rating upon the Nett Annual Value basis where unimproved-value data was available to permit their inclusion in the table.

The table is computed to show the rates payable under each system on a house with the average valuation figures given in Table No. 1, Class (£900-£1,350). To these an extra column has been added to show the Nett Annual Value rating that would be imposed upon a vacant site of the same value. Comparison of this column with the second last one shows the penalty imposed by Nett Annual Value rating upon built as compared with vacant sites. There was no need to show a special column for the unimproved value rates on vacant sites as these will be the same as shown for the built lots.

The figures given will permit those interested to work out the corresponding rates for any of the other classes of houses listed, but the relativity will follow the same proportions as in the class of house taken as an example.

**TABLE No. 3.**

**Rates Payable on a Typical House in Various Muni-  
cipalities under Unimproved Capital Value and Nett  
Annual Value.**

In each case the house for which rates are shown is one with a Capital Improved Value in the range £900-£1,350, with the average valuation figures: Site, £221; Buildings, £931; Nett Annual Value, £66. Except where a different year is specially indicated the rates are those for 1947-48.

MUNICIPALITY	Rate in £ of		Rates payable								
	Site value UCV	Annual value NAV	on UCV House or Lot			on NAV House			Rating Vacant Lot		
<b>Metropolitan</b>	pence	pence	£	s	d	£	s	d	£	s	d
Box Hill .. .. .	5.25	32.00	4	16	10	8	16	0	1	9	4
Brighton .. .. .	4.06	28.00	3	14	9	7	14	0	1	5	3
Brunswick .. .. .	7.00	29.50	6	8	11	8	2	3	1	6	11
Camberwell .. .. .	5.50	27.90	5	0	10	7	13	5	1	5	7
Caulfield .. .. .	4.50	25.16	4	2	0	6	18	4	1	3	1
Chelsea .. .. .	6.75	39.50	6	4	2	10	16	11	1	16	1
Coburg .. .. .	6.00	32.50	5	10	0	8	18	9	1	9	10
Essendon .. .. .	6.50	32.50	5	19	7	8	18	9	1	9	10
Fitzroy .. .. .	7.00	30.00	6	8	11	8	5	0	1	7	6
Footscray (1945-46) ..	4.50	27.00	4	2	10	7	8	6	1	4	9
Heidelberg (1946-47)	4.50	30.00	4	2	10	8	5	0	1	7	6
Kew .. .. .	5.12	32.22	4	14	2	8	17	2	1	9	6
Malvern .. .. .	4.30	29.00	3	19	2	7	19	6	1	6	6
Moorabbin .. .. .	4.32	32.85	4	19	7	9	0	8	1	10	2
Mordialloc .. .. .	5.25	32.42	4	16	10	8	18	4	1	9	9
Northcote .. .. .	5.00	30.14	4	12	1	8	5	9	1	7	8
Nunawading (1945-46)	4.25	33.00	3	18	3	9	1	6	1	10	3
Oakleigh .. .. .	5.25	33.00	4	16	10	9	1	6	1	10	3
Preston .. .. .	5.75	33.25	5	5	10	9	2	10	1	10	5
Sandringham .. .. .	6.00	34.00	5	10	6	9	7	0	1	11	2
<b>Provincial Towns</b>											
*Hamilton (1944-45) ..	4.96	36.00	4	10	11	9	18	0	1	13	0
Newtown-Chilwell ..	5.50	29.00	5	0	10	7	17	10	1	6	6
Sale .. .. .	6.25	36.00	5	14	7	9	18	0	1	13	0
<b>Provincial Boroughs</b>											
Echuca .. .. .	5.54	36.00	5	1	8	9	18	0	1	13	0
*Portland (1944-45) ..	5.00	27.00	4	12	1	5	15	2	1	4	9

\*Last issue of Victorian Year Book quoted in these cases as no reply received to questionnaire.

It will be seen that in every case the Unimproved Value Rates are very substantially lower than those which are or would be charged on similar houses under Nett Annual Value. As this observation applies to about three-quarters of all houses in any municipality it goes far to explain why no district in Australia

has reverted to Nett Annual-Value Rating after having experienced site-value rating.

On the other hand, there is a great contrast with the nominal rates charged under Nett Annual Value on vacant sites as compared with built lots. This will be evident from a comparison of the last two columns. It is evident that the N.A.V. system charges high rates upon houses because it charges such nominal rates upon vacant sites.

The N.A.V. rate shown in the last column for vacant land is obviously inadequate to cover its share of council costs for road and street maintenance, lighting, parks and gardens, garbage services, provision for depreciation and the overhead costs of the council. Most vacant lots will be carrying considerably lower rates even than those shown which would be for a centrally situated lot. It is not surprising, therefore, that councils with any large extent of vacant holdings find it difficult to get enough revenue. By raising the rate in the £ of N.A.V. they make considerable increases upon those citizens with homes already paying high rates while merely making an increase of a few pence on the vacant lots.

#### Immediate Revenue Prospects Under the Alternative Rating Systems.

In view of the foregoing, a change to site-value rating may offer many attractions to councils now rating nett annual value and which are faced with the necessity to increase their rates. They can increase their rate revenue while actually reducing the individual rates paid by a majority of their ratepayers and this the section upon whom the stable progress of the district depends.

As increases become necessary they would be spread more equitably over all owners including vacant holders. On the other hand, under N.A.V. rating the increases would be concentrated on the much smaller number of owners of improved properties while awarding only nominal increases to owners of vacant and under-developed sites whose ability to pay is high.

Increased revenue prospects may be well illustrated in the case of the City of Moorabbin which adopted site-value rating in 1946-47. A special analysis was made by the Rate Collector to show the rate yield contributed by vacant lots in the two last years of N.A.V. rating and the first two years of site-value rating. The figures are as follows:—

#### Total Rates Paid on Vacant Land in Moorabbin.

Under N.A.V. Rating	.. ..	Year 1944-45	.. ..	£5,599	15	0
Under N.A.V. Rating	.. ..	Year 1945-46	.. ..	£5,387	0	0
Under U.C.V. Rating	.. ..	Year 1946-47	.. ..	£19,299	16	3
Under U.C.V. Rating	.. ..	Year 1947-48	.. ..	£23,452	19	8

In the last year of nett Annual Value Rating in Moorabbin (1945-46) the rate yield was £44,781. For the second year of unimproved value rating the rate yield was £64,370. The increase of £19,589 is very considerable, being a step up of 44 per cent. in two years. **But it will be seen from the figures above that the increase in the rate yield from vacant land over this period has been £18,066. Thus vacant land has contributed almost the whole of this marked increase in rate yield.**

#### Northcote and Kew.

Northcote and Kew changed to site-value rating in 1946-47 and 1947-48 respectively. In each case they took the opportunity to increase their revenue substantially with the change. In Northcote the increase was equivalent to 3d. in the £ of N.A.V. and in Kew it was equal to 3.22d. in the £ of N.A.V.

In both cases ratepayers who had received provisional rate notices on the basis of the previous year's lower rate were inclined to blame the change in system when higher assessments were received. This was due to the fact that these councils had not stressed the fact that the provisional rate notices merely showed the **relativity** in the rates under the two systems and not necessarily the rate decided upon.

Those whose provisional statements showed a saving on the site-value basis but found their actual rate assessment higher would have been still more

disappointed, had their assessment been received on the annual value basis. The important point overlooked is that the comparative statements show the **relativity** between the systems. It will be seen that the difference (as shown in Table No. 3) is great for both these cities.

It is advisable for councils sending out comparative statements to stress the fact that these merely show the **relativity in rates between the systems** and not the actual rates the council intends to levy.

### Long Term Revenue Prospects Under the Alternative Rating Systems.

The annual rental value of the district sets the limit of revenue available to any council under either of the alternative rating systems. Any factor which tends to increase the annual rental value of the district, therefore, works towards stable municipal finance.

The annual rental value depends upon the extent to which a property is improved, the more highly improved the greater being the rental value.

But the system of rating upon the rental value takes too much from those who are highly improving their properties and too little from those failing to improve them. It induces people to refrain from improving them to the extent that they otherwise would do, and by taking from them cash with which they might otherwise improve their properties further impairs their capacity to do so. The Nett Annual Value System, therefore, tends to defeat itself as a base for revenue.

The nett result is that under site-value rating the annual rental value of the district (which sets the limit of potential revenue under both systems) increases more rapidly than it would under nett annual value rating.

The improvement is seen in the better development of farming holdings as well as with building development in urban areas. That there is markedly greater building development in the site-value rating areas is indisputable. Although the 14 districts rating site-values at the 1933 census had only contained 16 per cent. of the State population at the previous census these districts accounted for 46 per cent. of the whole dwelling increase in the State between the two census years. In post-war years spectacular building figures have been shown by Moorabbin, Preston and Box Hill since their change to site-value rating.

### A Twenty Year Comparison.

Comparisons between individual districts which vary in size, population and distance from the metropolitan centre are difficult. But an informative long term comparison of the growth of the rate-base is possible between groups of cities under the alternative systems.

The comparison covers the 20 year period, 1920-21 to 1939-40. It covers seven cities rating site-values and ten rating nett annual value, comprising the residential areas of Greater Melbourne outside the inner-industrial areas which have no counterparts on the site-value basis. The difference in the growth of the rate-base in these groups is seen below.

### A Twenty Year Comparison (1920-21 to 1939-40).

Item Compared	Seven Cities Rating unimpr. val.	Ten Cities. Rating nett ann. val.
Total Area of Group . . .	31,177 acres	53,796 acres
Total Increase in N.A.V.	£2,649,000	£3,074,000
Per Acre Increase in N.A.V.	£85	£57
Total Increased Rate Yield	£288,000	£299,000
Per Acre Increase in Yield	£9.3	£6.2

The seven cities rating U.C.V. in the table above are: Brunswick, Coburg, Camberwell, Caulfield, Essendon, Oakleigh, and Sandringham.



The ten cities rating N.A.V. comprise: Brighton, Footscray, Hawthorn, Kew, Malvern, Northcote, Moorabbin, Preston, Williamstown, Heidelberg (excluding Greensborough Ward).

There is a widespread impression that many municipalities rating unimproved value understate their Nett Annual Values in order to keep the Melbourne and Metropolitan Board of Works rate based upon these values as low as possible for their citizens. To whatever extent this may be true it would mean that the increase in the rate base would have been even more favorable to the site-value rating group than shown above.

#### Councils Near the Maximum Rate.

The markedly more favorable growth of the rate-base under site value rating is of particular importance to the very large number of councils whose rates are at or near the maximum permissible rate (3/- in the £ of N.A.V.), and which are now prevented from increasing their rate yield.

To whatever extent site-value rating promoted better development in these cases the retention of their maximum rate would better their revenue position. In their case, even if (at worst) there were no stimulation to development their revenue position would be the same as if they had not made the change.

#### WATER AND SEWERAGE AUTHORITY RATES.

The same inferences as drawn in this study upon the relative merits of the alternative systems for municipal rate revenue apply to Water and Sewerage Rates. In rural areas these are generally levied directly by the Local Waterworks Trust or Sewerage Authority. In the Metropolitan area they are levied by a separate rating authority, the Melbourne and Metropolitan Board of Works.

The same proportion between the rates under the two systems as shown for various councils in Table No. 3 would apply also to the M.&M.B.W. Rates.

#### APPENDIX A.

Table Showing the Rate in the £ Struck in Metropolitan Municipalities for the Financial Year, 1948-49, and the Aggregate Increase which this represents compared with the Year 1946-47.

RATING SITE-VALUE (U.C.V.)		
City	1948-49 Rate	Change in Rate
<b>Decrease.</b>		
Oakleigh .. . . .	5½d.	-1d. (16%)
<b>No Change.</b>		
Northcote .. . . .	5d.	—
Chelsea .. . . .	6½d.	—
<b>Increase.</b>		
Kew .. . . .	4.8d.	0.2d. (4%)
Moorabbin .. . . .	4½d.	½d. (6%)
Mordialloc .. . . .	5½d.	½d. (5%)
Box Hill .. . . .	5½d.	½d. (10%)
Caulfield .. . . .	4½d.	½d. (12%)
Sandringham .. . . .	6d.	½d. (9%)
Coburg .. . . .	6½d.	½d. (10%)
Essendon .. . . .	7½d.	½d. (12%)
Camberwell .. . . .	5½d.	1d. (22%)
Brunswick .. . . .	8d.	1d. (14%)
Preston .. . . .	6½d.	1½d. (24%)
Average Increase (11 Cities) .. . . .		11½%

RATING NETT ANNUAL VALUE (N.A.V.)		
City	1948-49 Rate	Change in Rate
<b>Decrease.</b>		
Nil .. . . .	—	—
<b>No Change.</b>		
Collingwood .. . . .	2/6	—
Nunawading .. . . .	2/10	—
Port Melbourne .. . . .	2/6	—
Williamstown .. . . .	2/2	—
<b>Increase.</b>		
Brighton .. . . .	2/6	2d. (7%)
Melbourne .. . . .	2/2	2d. (8%)
Malvern .. . . .	2/6	3d. (11%)
Prahran .. . . .	1/11	3d. (15%)
Richmond .. . . .	3/-	3d. (9%)
South Melbourne .. . . .	2/9	3d. (10%)
St. Kilda .. . . .	2/3	3d. (11%)
Hawthorn .. . . .	2/7	6d. (24%)
Heidelberg .. . . .	3/-	6d. (20%)
Footscray .. . . .	2/9	6d. (22%)
Fitzroy .. . . .	3/-	9d. (33%)
Average Increase (11 Cities) .. . . .		15½%

## APPENDIX B.

### Councils Rating Site-Value According to Method of Adoption. Adopted by Resolution of Council Without a Poll.

Caulfield (1920), Coburg (1920), Essendon (1920), Newtown and Chilwell (1920), Rosedale Shire (1920), Oakleigh (1921), Chelsea (1923), Echuca Borough (1948), Camberwell and Brunswick also carried resolutions but polls were demanded at which the proposed charge was endorsed by the ratepayers.

### Adopted as Result of Polls of Ratepayers.

Dandenong Shire (1920), Portland Borough (1920), Yea Shire (1921), Brunswick (1922), Camberwell (1922), Mordialloc (1925), Sandringham (1926), Hamilton Town (1944), Box Hill (1946), Moorabbin (1946), Northcote (1946), Preston (1946), Kew (1947).

### 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 .. ..	(3d. each)
Rural No. 2—Town of Hamilton .. ..	(4d. each)
Urban No. 3—City of Launceston .. ..	(1/- each)
Urban No. 4—Social Effects of Municipal Rating (City of Footscray) .. .. .	2/6 each)
Urban No. 5—Reclamation of an Industrial Suburb (City of Fitzroy) .. .. .	(2/6 each)
Interstate Study—Public Charges on Land Values .. .. .	(6d. each)

Copies of these studies are obtainable from the Research Director, A. R. Hutchinson, B.Sc., 32 Allison Avenue, Glen Iris, S.E.6, or from the Secretary, L. F. Bawden, 52 Guildford Road, Surrey Hills, E.10, Victoria. Postage should be added for single copies.