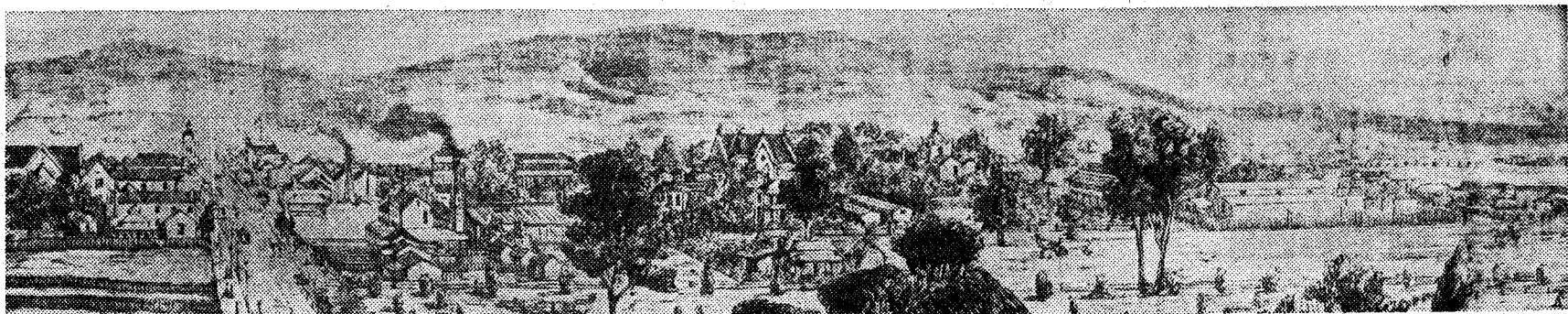


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# THE NEW-CITIES EXPERIMENT... III



Albury in 1881 . . . What will the city be like in 1981?

By IAN HICKS

WHAT IS IT about last October to cause that month to be mentioned, often with dismay, in almost every conversation about the development of growth centres in NSW?

There is only one thing magical about October, 1972 — it is the benchmark for future land acquisition in the two growth areas of Bathurst-Orange and Albury-Wodonga.

In Bathurst and Orange the particular date is October 2, which has been laid down by the State Government as the day to which compensation for resumed land will be tied.

The NSW proclamation covers 800 square miles, most of it prime agricultural land, a very small part of it bearing the two cities and a collection of small hamlets.

In Albury and Wodonga, the day to remember is October 3. This was confirmed retrospectively by the Prime Minister, Mr Whitlam, and the Premiers of NSW and Victoria at their historic Murray-side meeting last January 25.

For Albury-Wodonga, the proclaimed area is a circle with a radius of 55 kilometres (about 34 miles) centred on the Union Bridge which links the twin cities.

## Political hair-splitting

The land price freeze in the two growth centres was a predictable part of Federal-State hopes for an answer to the self-strangulation of Sydney and Melbourne.

The Premier, Sir Robert Askin, made NSW's stance clear last October 3 when announcing details of his Government's plans for Bathurst-Orange.

"The measures we propose do not mean that there will be a land freeze," he said, in a fine piece of political hair-splitting.

"Indeed, the effect of inflation on money values over a period of time will be taken into account when land is acquired.

"But it is the Government's intention to prevent speculative dealings based on its announcement and the exploitation of the additional value which would flow from the Government's decision to implement the growth-area concept."

Last January 24, Victoria's Premier, Mr Hamer, expressed a similar view.

"It is obvious that some control of land values in the

# No-man's-lands in the federal system

(Albury-Wodonga) region is necessary to avoid land speculation and unjustifiable increases," he said, when announcing that his Government would legislate to control land price rises.

The Federal point of view had been put by Mr Whitlam four days before the election which made him Prime Minister. He told a television audience that property speculators would not benefit from the purchase of land for Albury-Wodonga growth.

These three-way good intentions quickly began to bear their first fruit.

Last January, the State Planning Authority decreed that small rural subdivisions would be banned in the Bathurst-Orange area.

The smallest parcels of land to be sold in non-urban areas would be 100-acre lots, not the 25-acre farmlets which had been snapped up over the previous year as fast as developers could put them on the market.

It is unlikely that the Commonwealth and the States could have done more; the only alternative — hardly a reasonable one — would have involved huge and wholesale purchases of every bit of land that might be needed for future growth-centre development.

But, whatever the merits of Federal-State policies, the harsh fact is that they have not controlled land prices. Today, almost a year since that October benchmark, urban and rural land prices have rocketed in and around the two centres.

## Land prices have tripled

Six months ago an acre of rural land in the Hume Shire which surrounds Albury could have been bought for \$400; the same area now — if it can be found for purchase — would cost \$3,500.

"People talk of a freeze on land prices; we haven't noticed any change in the temperature," said a local grazier.

In Albury itself, land prices have tripled in eight months as

demand for urban properties continues to outpace supply.

Not all of that demand can be linked simply to growth-centre announcements.

"The increase in prices is at least partly attributable to delays in town planning and to the pace at which additional land has been released for residential purposes," the Mayor of Albury, Alderman Tom Pearsall, told me.

"Some of the blame for that state of affairs has to lie with the Albury City Council — and the State Planning Authority — because our machinery moves so very slowly.

"We just haven't moved fast enough to keep up with the demands in the city, even those demands which were coming in prior to the announcement of the growth centre."

Last July the Bathurst City Council auctioned 90 serviced blocks for home-building; it tried to keep prices down by banning resale of the blocks within a year and by limiting each buyer to one block.

The average price was \$7,000, twice that paid at previous sales; the top price was \$9,300.

Rural blocks around Bathurst-Orange sold not so long ago for \$200 an acre; today, the asking price is \$1,000 an acre and buyers far outnumber sellers.

Local estate agents say some developers, seeking to play safe, are buying properties "conditionally." If the land involved is resumed by the NSW Government, the deal is off and the deposit will be returned.

For Governments, the freeze undoubtedly can be made to work with land needed for urban growth taken over and paid for according to a known formula, backed by legislation.

But for industries already planning a move to either of the growth centres and for councils whose new development plans are being held in suspended animation, the freeze and its side-effects are a hollow joke.

Shire officials are adamant that the whole concept of growth-centre development, now given widespread support, will fall into disrepute and

languish there for ever unless the Federal, NSW and Victorian Governments move quickly to end uncertainty over land resumption.

In the Bathurst-Orange area, for example, a very small part of the proclaimed area — perhaps 40 square miles out of the total of 800 square miles — will be compulsorily acquired.

In other words, many more landowners fear resumption than will, in fact, be affected by it.

Farmers and graziers in both growth centres have a variety of attitudes towards the future. Some, whose families have lived on the same property for generations, see their holdings as a sacred trust and will not have a bar of growth-centre talk.

Others are prepared to recognise urgent national needs but loathe the idea of life in a town and fear they will not be paid sufficient compensation to enable re-establishment in a new rural scene.

## Formula must be improved

Greed is a strong factor in landholder opinions. Some graziers fear resumption because they would collect a Government pittance compared with the jackpot that might be scored by other landholders who sell to private developers.

Every landowner seems to believe that the compensation formula already announced for both centres must be improved if it is to be just.

They want extra payments to cover price rises which have nothing to do with either inflation or growth-centre plans. This category includes increases caused by the rural boom in wool and meat prices and the ever-increasing demand for small country retreats for city-dwellers.

In Albury-Wodonga, there is a strong demand for the acquisition benchmark to be shifted from last October to last January and for payments to cover disturbance of established farms, loss of income and legal costs incurred in ap-

peals against compensation decisions.

Albury-Wodonga is also the scene of a fervent leasehold versus freehold debate; the Commonwealth, of course, is engaged in a similar debate with the NSW and Victorian Governments.

The Albury branch of the Liberal Party has branded the leasehold concept as "alien to the accepted and desirable form of land tenure to which Australians have become accustomed.

"An adequate supply of properly serviced freehold land, provided by local government and private enterprise, would do far more to minimise land prices."

The ALP in Albury rejects that view:

"The facts are that the existing land-tenure system in Albury-Wodonga has allowed speculators and developers to fleece the public of huge sums of money by slow development which has created an artificially high demand for land."

Such disputes are part and parcel of any program starting life against a background of conflicting party philosophies.

The map of Australia shows that Bathurst-Orange and Albury-Wodonga are both sited among the richest paddocks of eastern Australia.

Reality affirms that they also sit in the middle of a no-man's-land formed by the ill-defined boundaries of Australia's creaking federal system.

For the planners, there is challenge enough in meeting local fears and needs while, at the same time, enticing city-dwellers away from the surf, out into gum-tree country.

But for the Commonwealth, NSW and Victorian Governments the development of Bathurst-Orange and Albury-Wodonga will be the acid test for federalism.

(Previous articles in this series appeared yesterday and on Monday.)