



# PRIME MINISTER

PRESS STATEMENT NO. 296

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## LAND TENURE

Cabinet this week supported a recommendation in the first report of the Commission of Inquiry into Land Tenures urging that any future capital profits arising from a change of land use be retained by public authorities rather than by individuals.

The recommendation endorsed by Cabinet was made in the report of the Commission under Mr. Justice Else-Mitchell tabled in Parliament on 4 December last year.

The Prime Minister, Mr. Whitlam, said the Australian Government shared the Commission's concern at the economic and social consequences of the fact that capital profits being made by individuals on changed land use were reflected in the price of service land coming on to the market for the first time.

Cabinet decided to urge the States to consider co-operation with the Government's new approach on the question of changed land use.

Mr. Whitlam said Cabinet also expressed regret that the States so far had been unwilling to help the Commission in its deliberations.

The Australian Government considered there was no warrant for substantial private profit-taking as a result of unearned increases in land values occurring through community decisions.

Mr. Whitlam said that the new measures reflected initiatives taken by the Minister for Urban and Regional Development, Mr. Tom Uren, to reduce land speculation.

Mr. Whitlam said the Government would continue to study the feasibility of the system of reservation of development rights which the Commission in its first report had proposed.

The Government would discuss the results of its study with State Governments which would have to pass complementary legislation if such a scheme were to be introduced.

Considering the Commission's report, Cabinet also agreed with the recommendation that land for private urban business use in growth areas and in Government territories should be available only on some form of leasehold.

The Australian Government and the Governments of New South Wales and Victoria had already agreed with this principle in the growth area of Albury/Wodonga.

Mr. Whitlam said the Australian Government would press for the implementation of this principle in growth centres and in all areas acquired under the Land Commission's program.

Cabinet decided that while statutory corporations were an appropriate body for major urban development and redevelopment projects, it did not accept the need for corporations to have a continuing role in the case of existing stabilised urban areas.

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