

THE TAX SYSTEMS  
OF  
AUSTRALASIA

BY

JAMES H. GILBERT

UNIVERSITY OF OREGON  
EUGENE, OREGON

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## PREFACE

WHILE the author of this book was still a graduate student at Columbia University he became interested in the British dominions in the South Seas. The novelty of their economic experiments aroused his curiosity and prompted then the desire to study their operation in the environment that gave them birth. A leave of absence from academic duties at the University of Oregon from July 1940 to January 1941 made it possible for him to spend three months in Australia and New Zealand, and to make an intensive study of the tax systems of Australasia.

Much has been written about taxes in Australia and in New Zealand. With few exceptions, however, these studies are specialized and deal with certain aspects only. The more comprehensive works, moreover, appeared some years ago and throw no light on recent developments, especially sweeping changes that have been made in response to the demands of war finance.

Another reason for the present study is the conviction that there is room for a book on the revenue problems of Australasia as seen by an American writer. In fact, an appropriate title for this book would be "Australasian Taxes through American Eyes." Frequent reference will be made in the ensuing pages to American practice in comparison and in contrast with the tax systems and revenue sources of New Zealand and Australia. The study is consciously intended to throw light on some of the current problems in American finance. Especially interesting to American economists and tax administrators alike should be the assessment methods employed in connection with the Australasian land taxes and the various bases for assessing local rates. The highly centralized systems of assessment, the continuous revision of tax rolls, the employment of reliable sales data, and the use of qualified appraisers and experts all suggest possible ways for meeting some of the unsolved problems of property taxation in American commonwealths.

Much of the information was obtained from books, periodicals, and government reports found in the Parliamentary Library at Canberra and the General Assembly Library at Wellington. In both Australia and New Zealand, however, the perusal of documents was supplemented by numerous interviews with tax officials, the staffs of valuation departments, past ministers of finance, and taxpayers and citizens at large, all of whom were found to "speak a various language" when it

came to controversial issues such as the excess-profits tax or the levy on unimproved value.

The subject matter of this volume falls naturally into two divisions. Part I will deal with the tax system of Australia and Part II with that of New Zealand. Since the tax systems of the two dominions have many features in common, the treatment will call for frequent comparisons and some contrasts. The parallel treatment of the two tax systems will involve some repetition. But only by giving separate attention to the revenue arrangements of the two countries can unity and coherence be attained and the reader enabled readily to identify a particular departure or experiment with the country of its origin.

The author is particularly indebted to Mr. Kenneth Binns, of the Parliamentary Library at Canberra, and Dr. G. H. Scholefield, of the General Assembly Library at Wellington, and to their able and efficient staffs of officials and employees. Without their intelligent and helpful cooperation it would have been impossible to crowd into a short period of time the examination of the most significant publications relating to taxation, assessment, and administration. The librarians mentioned above were not only attentive to the author's needs so far as collections were concerned but went out of their way to arrange important interviews with tax officials and finance officers. Particularly helpful were conferences with Mr. H. H. Treblecoe, of the Commonwealth Tax Department at Canberra, and Mr. Bill Stewart, head of the Valuation Department at Wellington. Hon. William Downie Stewart, of Dunedin, who has held numerous cabinet positions in the New Zealand government and is, with Professor James E. Le Rossignol, joint author of books on *State Socialism in New Zealand* and *Taxation in New Zealand*, gave generously of his time to clarify some of the issues involved and to interpret popular attitudes toward the land tax and the rating on unimproved value. Mr. Henry Valder, of Hamilton, public-spirited businessman with a keen insight into social problems, contributed much to the understanding of economic and financial conditions in New Zealand. To these and scores of others who helped to make this study possible the author makes grateful acknowledgment.

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