

*A Fair Price, The Land Commission Program, 1972-1977* by PATRICK N. TROY, B.EC. (W.A.), DIP.T.P. (Lond.), M.TECH. (N.S.W.), Fellow, Urban Research Unit, Research School of Social Sciences, Australian National University. (Hale & Iremonger, 1978), pp. i-xv, 1-326. Cloth, recommended retail price \$17.95 (ISBN: 0 908094 07 8); Paperback, recommended retail price \$8.95 (ISBN: 0 908094 15 9).

The land commission program, with which this book is concerned, was one of the more innovative domestic efforts of the Whitlam Government and one with great potential for modifying patterns of land development and marketing in urbanising areas. Skyrocketing building lot prices were a particularly serious economic and political concern when the Whitlam Government came to power in 1972, posing a major inflation risk and threatening the home ownership aspirations of a sizeable segment of the population. As originally conceived, each State would set up a land commission to acquire large amounts of land, usually raw land, in and around growing urban areas, provide necessary subdividing and servicing, and then sell or lease building sites to those ready to build in accordance with land commission planning restrictions. In effect, through State operated land commissions, the public sector was to take over a major share of the land development process from the private sector, relying on resumption powers, government ownership, and economies of scale to make the process work more satisfactorily. It was contemplated that most building blocks marketed by land commissions would be used for residential purposes, but commercial, industrial, recreational, and public service development on some land commission blocks was contemplated.

The Commonwealth Government was to provide financial aid, mostly large loans to the States on favourable terms, adequate to enable the program to become viable. It was hoped that ultimately the land commissions would become financially self-sufficient. Aid was to be dependent on a State accepting certain conditions imposed by the Commonwealth as to program operation, conditions to be negotiated with each State individually. Benefits from the land commission program anticipated by its proponents included lower building lot prices, unearned increments in land values accruing to the States rather than to private speculators, and more comprehensive and rational planning controls that government ownership would make possible. Presumably, the land commission program was also supported by some of its adherents on the left because they felt it would prove to the public how beneficial government takeover of a production function could be.

Under the Whitlam Government, land commissions or analogous bodies were eventually set up in all the States except Queensland and most acquired land for processing and disposal to those prepared to build on it. State enthusiasm for the program varied considerably and some States participated earlier and on a more elaborate scale than others. South Australia, with a government most of a mind with Canberra, had the first and most ambitious program. By early 1975, the South Australian Land Commission marketed its first serviced blocks. Victoria's initial marketing occurred the following November. As was to

be expected, with the coming to power of the Fraser Government, the land commission program suffered severe reverses. Commonwealth aid was drastically cut back and the optimistic expansion plans of the Whitlam days were shelved. The program remained most promising in South Australia, with a very supportive and sympathetic State Government.

Patrick Troy, an academic scholar of distinction, gives us in his book the story of the land commission program from its inception through to the replacement of the Whitlam Government and slightly beyond. During most of this period Troy was much more than a scholar, he was one of the top officials in the Department of Urban and Regional Development (DURD), the Commonwealth agency that was responsible for the land commission program, and he also was a close adviser of Tom Uren, the Labor Government's influential Minister for Urban and Regional Development. His book is an insider's depiction of the bargaining, manoeuvring, and controversy that accompanied the Commonwealth Government's attempts to establish a land commission program in each of the States.

Meticulous accounts of how government programs emerge and evolve can be useful to scholars as well as to politicians and civil servants. Too often major government efforts, such as the land commission program, develop and atrophy or die without an adequate report of how they came to be or what they hoped to accomplish. The bare bones of laws establishing the program's legal underpinnings and a scattered set of sketchy government reports and documents may be about the only firm evidence left of what had been a serious government effort to solve a serious social problem. Often the remainder of the experience is largely lost, experience that could be a guide to the future and provide data for more enlightened understanding of administrative and political behaviour. The Troy book is important because it preserves in compact form so much of the land commission experience. There is also a richness of detail and an insight to many personalities and incidents that only a knowledgeable insider could provide.

Much of *A Fair Price* consists of lengthy chronological accounts, State by State, of Commonwealth Government negotiations with the State Governments to have the States set up land commission programs on mutually acceptable terms. Except in South Australia, these negotiations were protracted and encountered such stumbling blocks to early agreement as permissible forms of land tenure for lands marketed by the States, acceptability of a weaker form of State land commission administrative structure than that preferred by Commonwealth authorities, the size and location of land parcels to be acquired under the land commission program, and the nature and amount of Commonwealth financial aid. The Commonwealth Government was surprisingly flexible in its negotiations and was willing to treat each State somewhat differently, reflecting the unique problems, concerns, and bargaining power of each State.

In addition to its account of federal-State negotiations, the book briefly covers the history of the program preceding State negotiations and it also includes short chapters on land commission structures and procedures that emerged, Commonwealth attitudes to the program, opposition

forces and arguments, and a concluding chapter on lessons learnt. At the end of the book, included as appendices, is a valuable set of 25 key documents pertaining to the land commission program and its history. These documents help verify many of the statements in the text of the book and bring alive the mood of the times as only primary sources can do. Some of them, such as high level correspondence and draft proposed Cabinet submissions, are not readily available elsewhere.

Explicitly, or by implication from data presented, *A Fair Price* makes several significant points about the functioning of Australian government. None of these points is new but they all are amply illustrated in Troy's presentation. One of them is the importance of government agency bureaucrats to the making of government policy and that the personal values, interests, and priorities of individual bureaucrats heavily influence the stands they take on public issues and the intensity of those stands. The relative importance of bureaucrats compared to politicians in Commonwealth-State land commission negotiations seemed to surprise Troy, as did his finding that the politicians involved failed to appreciate fully how important the bureaucrats were or how personal their motives. Positions taken by bureaucrats were commonly coloured by a desire to protect their own little empires, including their own power positions and those of their agencies.

Another point made by *A Fair Price* is the difficulties that Australian government seems to have in developing schemes of co-operative federalism in which the Commonwealth and State governments both exert power over the same program. Despite the States' need and desire for Commonwealth financial aid, experience with land commissions seems to indicate an uneasy adjustment between the two levels of Australian government when attempts are made to develop common policies and to share power in their implementation. Compromise is necessary, as the central government cannot dictate to the States in these joint ventures, and yet compromise can be an extremely troublesome process. Ideological and political differences can seriously deter or prevent compromise, as can the perceived vested interests of each government and its negotiating representatives. Parenthetically, co-operative federalism seems easier in the United States, reflecting perhaps a narrower and less divisive political spectrum, more Congressional adjustment to State interests as federally initiated programs clear through the federal legislative process, and more experience with federal-State co-operative programs.<sup>1</sup>

It is also apparent from Troy's account of the land commission program that serious policy differences can exist within top circles of the Commonwealth Government and that the in-fighting to resolve these differences can be long and bitter. A new agency, such as DURD, with a new program may face a particularly difficult time in making a place for itself. On occasion, the opposition was intense between DURD and Treasury and DURD and Services and Property. Relations at times were

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<sup>1</sup> For comparisons with American experience, see Johnstone, "Government Control of Urban Land Development in Australia: A Model for Comparison" (1977) 51 Tulane Law Review 547.

also strained between Uren and some of his fellow Ministers over land commission matters. Troy apparently believes that if the Whitlam Government had been better organised, with clearer allocations of responsibility and a willingness to require Treasury to be more constructive and co-operative, the Commonwealth Government would have made more progress with the land commission program. This may be a criticism of the Prime Minister, who by Troy's account seemingly did little to resolve differences over land commissions that surfaced within his Government.

Running throughout Troy's description of events is how important timing can be in government efforts to take new initiatives. In its negotiations with the States the Commonwealth Government consistently felt under extreme time pressure, and delay appears to have been a bargaining tactic that the States on occasion used to secure better terms from Commonwealth negotiators. Uren seemed particularly conscious of the need for positive movement in establishing his program before the next Budget hearing, next State election, or next cabinet crisis. Moreover, all land commission advocates, politicians and bureaucrats alike, apparently recognised a sense of urgency in trying to establish a working program with broad-based support as insurance against the entire enterprise being undercut or toppled by the next government that came to power. As it turned out, this latter concern was very much justified.

*A Fair Price* is a commendable contribution to the literature both on land use controls and Commonwealth-State relations. It is, however, a book with deficiencies. Much of the negotiation chronology is dull and boring in the way it is presented. It would have been better to have condensed the text coverage of these complex sequences of events and transferred much of the detailed discussion to footnotes. The overall analysis of what transpired and its implications also merited more extensive treatment than is provided. Patrick Troy is too well informed and too competent a scholar, one would have thought, not to have sought more generalised theoretical meaning from his data. It seems certain, for example, that he learned much more of generalisable significance than appears in the short concluding chapter.

Despite his efforts to the contrary, there is also some partisanship in the way Troy tells the land commission story. He has heroes and villains whom a more impartial observer might have found ethically more neutral. But this may be one of the costs of insider reporting: insiders are always partial. He could, however, have evened the scales somewhat by including in his bibliography or appendices more expression of views by land commission opponents.<sup>2</sup> The story is not complete or entirely

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<sup>2</sup> Among opposition expressions that merit consideration are negative statements about land commissions made in the Commonwealth Parliament and State Parliaments and similar commentary in *The Developer*, the trade journal of the Urban Development Institute of Australia. Also see Bentick, *The Respective Roles of the Land Commission and the Private Sector in Land Development in South Australia* (1975); Jackson, "Residential Land" in *Building Science Forum of Australia*, New South Wales Division, *22nd Conference Papers* (1974); and Murphy, "The Introduction of the Land Commissions and the Future of the Urban Land Development Industry" (1975) 47 *Australian Quarterly*, no. 4, 37.

understandable without each side being presented, preferably as it perceived its own position. In addition, the book would have been strengthened by more of an attempt to relate the land commission program to other urban land policies and programs being pushed or administered by the Whitlam Government. There was a number of such programs and how land commissions were expected to and did fit into this larger constellation of government efforts is a subject of considerable importance. The growth centre program, for instance, was another priority urban land program of the Whitlam Government; and to outsiders it is unclear how much it conflicted with and how much it complemented the land commission program. How did top Commonwealth Government officials responsible for urban land matters rationalise the two programs to inner government power circles and was there conflict within DURD over which of the two programs should receive priority? No doubt Troy had access to information of this kind and it would be interesting to know more about such broader policy positions. However, it is rather pointless to tell an author how he might have written a better book after his book is published. In the case of *A Fair Price*, it is fortunate that someone as well-informed and well-placed as Patrick Troy was willing to write up this important series of events. It is too bad that we do not have more such retrospective accounts of other major government programs.

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