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**Title:**  
Adelaide land prices

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The average price of serviced building blocks in the major developing areas of metropolitan Adelaide in February 1974 was \$5,400. Most blocks sold were within 10 to 15 miles of the G.P.O. In the largest single developing area - Noarlunga, which is to the south of the city - the average price was \$4,500 (many of these blocks were within a mile or two of the sea, which would be expected to keep prices up).

In Sydney, the minimum price of blocks 10 to 15 miles from the G.P.O. was \$17,000 in March of this year. In developing areas more than 15 miles from the Sydney G.P.O., the minimum price was \$10,000 (figures compiled by the Migrant Information Service, Commonwealth Banking Corporation).

South Australia took legislative action last year to keep land prices down. The major initiative was the establishment of the S.A. Land Commission to buy broadacres in advance of need and develop it as building blocks as required by the market. South Australia has made good use of funds provided by the Whitlam Government for Land Commissions. (Indeed, South Australia may have done very well because of the reluctance of Mr. Askin to set up a Land Commission to keep Sydney prices down - we may have got some of the money which otherwise would have been available to New South Wales).

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To complement our efforts to stabilise land prices by increasing the supply of blocks through the Land Commission, we introduced some land price controls last November. Two categories of controls exist. New blocks coming from developers are subject to price control on a production cost plus markup basis. Also, all blocks purchased on or after November 20, 1973, are subject to controls upon resale. Basically, prices are allowed to escalate at the maximum trading bank overdraft rate.

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G.R. Maguire,  
2.7.74.