

BOOK REVIEWS

DEVELOPMENT LAND AND DEVELOPMENT LAND CHARGE IN SINGAPORE.

By LEUNG YEW KWONG. [Singapore: Butterworths. 1987.
xiii + 202 pp. Hardcover: S\$70]

THIS book deals with the machinery and legal framework for development control in Singapore. Development control is one of the major means by which land use is regulated. The book is primarily about development charge, and is divided in two main parts. The first deals with planning (*i.e.* zoning, plot ratios, density controls *etc.*) and planning permission for the change of prescribed land use. The second deals with development charges that may be imposed on the basis of any increase in land values due to planning approval for a use different from that originally prescribed.

The approach adopted is not merely descriptive, and the rationale for specific forms of controls, together with any policy considerations are clearly discussed. Where appropriate, the historical development of the law is included. The book is concise and well written. It is a valuable source for anyone who needs to know about planning law and development charges in Singapore. It is not written primarily for a lawyer, and is equally well addressed to developers, bankers, students and civil servants in related work.

One aim of the book, which is clearly achieved, is the clarification of the misconception that development charge is levied on any development project¹. In reality, it is levied only when there is an increase in land value due to an alteration of the Master Plan.

The author's attempt to defend the existence of the development charge is interesting. Not only does he defend it, he subscribes to the view that the charge has "prevented] the escalation of land prices."² Many lay people would have thought that the charge would add to the price of the land. Some see the development charge primarily as a revenue source for the State. These people would argue that the primary function of the planner is to determine whether the land use specified in the Master Plan should be changed. In other words, whether the land can or has to, in view of current conditions, be more beneficially used in another manner. Any benefit to the developer would be no different from a benefit that accrues to any other land owner from his ownership.

The author presents a more moderate view, and gives some reasons why the charge is justifiable. The State may in some cases have to provide more facilities, for example, where densities are increased. The charge would help to pay for them. The charge can also have some

¹ See pp. 125-31 and pp. 143-148.
- See pp. 128-29.

moderating influence on speculation. Since market conditions will determine the price of the completed development, there will be a windfall if there is no development charge and the land was purchased by the developer without planning permission, at a lower price. The full windfall will accrue to the private individual should there be no development charge. The charge serves to divide the gains between the State and private individuals³.

There is no clear answer to the debate. It would be unrealistic to maintain that land prices are never increased by development charges, even if the charge can in other instances help to prevent an escalation. Many of the arguments put forward by the author, and those quoted in the book, can be balanced by contrary arguments. The examination of alternatives⁴ to the development charge is very brief, and could certainly be improved upon. But all things considered, the book is a welcome contribution to the literature on the "real land law" of Singapore.

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³ At present, the charge is 50% of the difference in values.

⁴ See pp. 131-32.