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(FORMERLY HENRY GEORGE LEAGUE — VICTORIA)



Progress

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(For overseas rates see last page)

OUR PHILOSOPHY

We believe that the Earth is the birthright of ALL MANKIND.

We recognise that for many purposes it is essential for individuals to have exclusive possession and security of tenure of land AS GIVEN BY THE EXISTING FREEHOLD SYSTEM OF LAND TENURE.

We believe that those who have exclusive possession of land should COMPENSATE SOCIETY for being excluded therefrom. *We believe* that such compensation paid annually would meet the costs of Government and permit Society to abolish all taxes on LABOUR and on goods produced by labour.

WHY JOIN THE GEORGISTS?

Who Are They?

A world-wide affiliated movement which deals with the causes of social injustice — rather than tinkering with effects.

Politics?

We are an **Educational** body — teaching the Science of Political Economy — with honest conformity by governments.

Georgists Believe

The resources of nature — **the land** — is the source of all wealth. All people should have equal opportunity to the use of the land from which all must live.

Georgists Reject

Communism under which land would be nationalized and the State claims a prior right to the product of each person's labour.
Planned inflation and the distribution of wealth by monetary-manipulation.

The Founder

Henry George wrote "*Progress & Poverty*", a world best-seller, in 1879. He exposed the unearned incomes arising from land speculation as the **basic course** of poverty and employment, which worsen with material progress.

THE WARNING

Unless sanity and commonsense are restored our children will continue to inherit —

- Destruction of the family unit.
- \$100 billion (or more) National debt.
- Prohibitive land prices.

• 70 different taxes and public charges.

• Collapse of free enterprise.

• A vast army of unemployed.

• Many homeless people and children living in poverty.

• A declining birth-rate because Australian families cannot afford to support children.

• An ageing population and a depleted workforce.

• An increasing rate of violent and fraudulent crime.

• An epidemic of drug addiction.

• An increasing gap between the rich and poor.

• A devalued Australian dollar weakened by land monopoly, taxation, public debt and inflation, that will enable foreign investors, with stronger currencies, to buy our land and levy tribute from the Australian people.

Present Government policies cause adverse trade balances, increasing public debt, high interest rates, a weakened Australian dollar and inflation, **resulting** in high unemployment, poverty, bankruptcies, crime, addictive illness, mental derangement, suicide, corruption and the **destruction of the family unit.**

THE REMEDY

1. Natural Public Revenue

To **collect** annually the socially generated site rental value of land, exclusive of improvements, for public revenue and royalties from the exploitation of natural resources.

This would increase the availability of land for use, make speculation unprofitable, cure involuntary unemployment and poverty, increase **real** wages to earning capacity. Home owners, small businesses, farmers and all genuine working people would be better off, paying only for the locational advantages of their land.

2. Taxation — "the power to destroy"

Abolish all taxes and charges imposed on production, consumption and savings, which will **restore** incentive and **prevent** economic, social and moral collapse.

3. The Functions of Government

Confine governments to functions which by their nature are necessary monopolies, in which the freedom of competition is impracticable — justice, defence, control of epidemic diseases, postal and telephone services, roads and railways, water, sewerage, gas, electricity etc., and to preservation of the environment.

INSIDE:

- Rate Group Reborn
- New Zealand Economy
- Dates for your Diaries
(See Back Page)

GEORGIIST POLICY

Objectives

- To abolish involuntary unemployment and poverty.
- To restore a just distribution of wealth in a free enterprise society.

We Support

- Free enterprise and initiative.
- Equal opportunity for all – special privileges for none.
- Honest and open government confined to its proper functions.
- Access to land under attractive conditions with –
- Site Rent as the natural source of government revenue.
- Abolition of Taxes on production and consumption.
- Proportional Representation for all elections.
- Citizens' Initiated Referendum.
- Care for the aged and disadvantaged. Pension entitlements without a means test.
- A healthy physical, social and moral environment.

We Oppose

- Land monopoly and speculation which Winston Churchill described as "the mother of monopoly".
- All other monopolies which restrict competitive industry.
- Taxation – "the power to destroy".
- Government interference and competition with private enterprise.
- Sanctions and all impediments to trade – "economic warfare".
- The creeping paralysis of coercive collectivism.

Tax Reform Australia is a non-profit, non-party political organization with permanent headquarters, open during normal office hours, offering:

- public education
- publication of literature
- access to periodicals and videos
- library facilities
- active membership
- discussion groups
- monthly guest speaker evenings
- active involvement with other groups.

With acknowledgment to the Georgist Education Association (Inc.).

There are two classes of people who object to paying taxes: men and women.

THE KEYNESIAN REMEDY

by Arthur Cannon

Whenever financial stagnation has permeated an economy, the tendency has been for the government, banks and general public to button their pockets to save themselves from financial disaster. This increased a general deflationary trend which often resulted in depression, as it did in 1930.

Those who still possessed money were not disposed to invest it in industry, as returns above costs were too low, or non-existent. Land titles, or, land mortgages did not provide an outlet, because the boom had burst, and title prices were collapsing. Money holders were placing their money in current account or on fixed deposit where, even though the rate of interest was low, they received some return. Therefore the banks had money to invest and were searching for some relatively safe place.

The Keynesian remedy was for the state itself to become a large spender – to borrow from the public, or the banks, and use the money on public works and amenities. This would create^{5.4} employment.

It may be argued that borrowing would plunge the state into debt, involving interest payments and redemption, but before the borrowing, much labour and capital were unemployed and producing nothing. Unemployed labour was an encumbrance upon the state. Revival of industry, and hence employment, in the Keynesian sense^{5.5} which resulted from state spending, would produce incomes that would be subject to tax. When the economy became stimulated, some of the new tax revenue could be used to redeem debts caused by the borrowing. Nor would the rate of tax have to be increased, because extra income engendered by the increased employment would, itself, produce a greater volume of revenue.

Impetus given to employment would not cease with the first round. The workers would spend their pay on goods and services, thereby giving further employment. The impulse, called the employment multiplier, would go on and on, becoming feebler with each round, owing to the time lag between receiving money and either spending or investing it. Consequently, several injections of the Keynesian remedy would be required before full employment was reached.

Keynesism would have pulled the world economy out of the Depression temporarily. It disregarded land speculation and collapse, which lies at the root of the problem. The stage would have been set for another collapse and then another, which, owing to the increasing capacity of industry to produce, and despite retarding factors, would become closer until the depression of all depressions, which would cause a permanent break-down of society. Keynesism was only a band aid.

^{5.4} I have followed the usual jargon here. Instead of 'create', I would rather use 'remove the barrier against'.

^{5.5} Employment in the Keynesian sense does not necessarily mean economic employment, which is specifically directed towards production of goods and services. It means work that may or may not be productive – a sort of social occupational therapy.

POETRY NOT ENOUGH

"See yonder poor o'erlaboured wight,
so abject, mean and vile

Who begs a brother of the earth to give
him leave to toil,

And sees his lordly fellow-worm the
poor petition spurn
Unmindful though a weeping wife and
helpless offspring mourn."

(Robert Burns';
"Man Was Made To Mourn")

1. Our favourite Burns' poetry
Rouses our blood to boil
That man must beg a fellow-man
To give him leave to toil
But should we just emotion feel
Or see that we are stirred
To action through effective deed
And loud protesting word?

2. Let us forget mere pleasure
In Burns' and Shelley's songs
And history's indictment
Of social crimes and wrongs
For long enough to make us feel
The agony and sorrow
And bend our wills to bring about
A fair and prosperous morrow.

W. A. Dowe,
Lakemba, N.S.W.

N.S.W. ELECTION

Amid the shock of seeing the once-invincible Greiner Government reeling, two vital things about Saturday's result have been largely overlooked:

- First, the coalition outpollled Labor by a mile. In the Assembly, it won 44.2 per cent of the votes to Labor's 39.5 per cent. In terms of the two-party preferred vote, it seems roughly 52 per cent voted for the return of the coalition, 48 per cent for Labor.
- Second, if that is right, the Greiner Government is the only government in Australia that a majority of voters has wanted back in office since the 1987 federal election.

Since then we have had seven consecutive state and federal elections at which voters either threw out governments (NSW 1988, Tasmania 1989, Queensland 1989), or were left with governments that most of them voted against (Victoria 1988, Western Australia 1989, South Australia 1989 and federal 1990).

Labor won Victoria with 49.5 per cent of the two-party preferred vote, SA with 48 per cent, and WA with 47 per cent. Now, with maybe 48 per cent of the vote in NSW, it has a one in three chance of forming another.

The reason is not gerrymanders; it is single-member electorates. On Saturday, the Liberals and Nationals slashed up huge majorities in rural NSW and Sydney's North Shore. But most marginal electorates went to Labor.

"Age" 28/5/91.

THE VERY RICH

"Business Review Weekly" (March 1, 1991) gives a table of the wealthiest people in three countries according to "main business". We extract the following:

	Australia	Britain	U.S.
	%	%	%
Property	38	18	19
Rural/landowners	8	21	3

However, in the other categories, site rents, though masked, would be substantially present.

Our richest person is Kerry Packer, but he would be only the 15th richest in Britain, according to the *Sunday Times* list. Only five Australian individuals or families would have made it into the top 50 there: Kerry Packer, the Smorgon family, Robert Holmes a Court, the Grollo brothers and David Hains.

Putting them all in the shade, of course, is Queen Elizabeth, whose personal wealth is put at nearly \$17 billion, or the equivalent of 60% of the total wealth of Australia's top 200.

With inflation, being a mere millionaire does not count these days. Even in 1986 the US had a million-and-a-half people worth \$1 million each. And in 1988, 64,300 Americans earned more than \$1 million in annual income.

To be really rich, you need assets of \$1 billion. *Forbes* has identified 271 billionaires, based on US dollars, around the world, with Kerry Packer being Australia's only entry. By comparison, the US has 99 billionaires, Japan 40 and, perhaps surprisingly, West Germany has 38 and the highest number of billionaires per capita.

CALL FOR MORATORIUM ON PAYROLL TAX

Payroll tax provisions could be threatening one of the ACT's biggest growth industries ("Canberra Times" 22/12/90).

The Australian Information Industry Association has written to Members of the ACT Legislative Assembly requesting an immediate moratorium on the tax as it applies to the information technology industry and particularly large computer contractors.

The Government has denied its payroll tax is crippling the industry or that the tax unnecessarily discriminates against larger companies which act as employment agencies for individuals in particular fields.

But the agencies allege they are being undermined by their own sub-contractors who are under the tax threshold and do not have to add the tax to their costs.

An industry representative says the tax encourages clients, usually government departments, to avoid agencies. "We have a case here where both the Government department and the sub-contractor are using the (agency's) services to find each other to go into business and then, (if a contract needs renewing) they say let us forget about the middle man and form a direct relationship," the representative said.

The effect on major companies was a loss of business which showed no sign of stopping.

COMMENT

The power to tax is indeed the power to destroy.

BANKRUPTCIES INCREASE

Australian businesses are going to the wall in increasing numbers as the recession deepens.

Bankruptcies, at 3434 were almost 4 per cent more numerous in the March quarter than in the same quarter of 1990. "Canberra Times", 25/4/91

The Canberra Chamber of Commerce has called for the abolition of payroll tax, an easing of other government charges and lower interest rates to stem the bankruptcy tide.

Man on small businesses

Mr. Prosser said the actual number of small-business closures was even worse than the bankruptcy figures suggested because they did not account for the number of proprietors who did not go into bankruptcy but just closed their doors and walked away.

COMMENT

A further symptom of a sick economy brought on by foolish revenue methods, and a further indication of the need for the Georgist remedy.

REAL UNEMPLOYMENT AT 19.3pc: HEWSON

SYDNEY: The real unemployment rate in Australia was twice the official figure of 9.9 per cent, the Federal Opposition Leader, John Hewson, stated.

Examination of Commonwealth Employment Service data, which included people working less than 15 hours a week or less than they would like, showed that 1.6 million people were looking for full time work - a real unemployment rate of 19.3 per cent.

Dr. Hewson said CES data was no longer published by the Government but could be obtained under the Freedom of Information Act. He said the Government had changed the nature of measuring unemployment, moving people on to sickness benefits, invalid-pension benefits and training schemes "which hides the full extent of unemployment".

"Canberra Times", 11/5/91.

COMMENT

A further indication of the economic disaster brought about by flagrant disregard of basic economic laws.

PRESS LETTERS

RATE GROUP REBORN

Mordialloc Rate Action Group has had to be reborn. It is with deep concern that we are confronted by Mordialloc Council's wish to again seek to change the rating system in this progressive city to one which is to the detriment of:

1. Residents who have had the initiative to buy rundown properties and improve them.
2. Residents who have owned smaller houses and have had to enlarge them, because of growing families (children or parents).
3. Commercial or industrial businesses, who have set up operations in this city because of its progressive nature.
4. Any person who plans on carrying out any property development in the future.

When council tried to make this change some six years ago, the residents and voters in the city defeated the motion with a two-thirds majority.

This year, however, council has increased the minimum rates on properties so much, that large numbers of ratepayers will receive small reductions under the Net Annual Value system this year.

However, what will happen next year?

This year's rates are based on 1986 valuations. New valuations were done in 1990 and will come into force for the 1992/93 rate year.

People should ask themselves how much their property has improved in value over the last four years, either by their hard work or expense or by natural price increase.

Page 2 of council advices should in our view, not be treated seriously as the section labelled "sum which would be levied in respect of your property" has been understated by about 30 per cent. If all these figures were added together, the council budget would be short some \$3.5 million, as no allowance has been made for those properties which paid the minimum rate.

What other misleading or important information has council distributed or left out of its advices?

If the NAV system is introduced it is here to stay.

We urge that citizens have their say in this important matter. They should ensure they sign a petition and then find out all the relevant facts before voting in August.

Petition forms are available at many shops in Mentone, Mordialloc and Parkdale. You must be registered on the municipal voting roll to be eligible.

Should you rent a property and not be on the roll, then ensure your landlord signs the petition as ultimately it will be you who pays higher rents to cover the landlord's expenses.

Should you have already collected signatures on the authorised form, please leave them with any of the shopkeepers who have the forms, or forward them to the addresses of the undersigned by June 21.

Alan Johnston,
874 Main Street, Mordialloc
(Newsagency), and
Neil Smith,
17 Macgregor Street, Parkdale.
"Mordialloc Chelsea News"
18/6/91.

WHERE'S IT GONE?

Yet again the Australian workforce is being told to work harder and produce more for less. (It is also known as micro-economic reform.)

When might the penny drop and union leadership begin to look where all the additional wealth they have produced over the years has gone?

Bill Mason,
Pearce, A.C.T.
(sent to "Canberra Times")

RADIO OPPORTUNITIES

Our President, Mr. Morris Williams, was interviewed on FM station 3INR (96.3) early in June. We expect to hold regular TRA sessions on this station in the near future on a fortnightly basis.

The station covers the Doncaster, Templestowe, Eltham, Northcote, Heidelberg areas.

Two of our members have had regular sessions on a local FM station in the Warrnambool area.

PUBLICATIONS WORTH CONSIDERING

"A Tale of New Cities. Japan's Plans for Australia." 89pp. \$2. Published by several groups concerned about the Multifunction Polis.

Historical background; details of the Japanese multifunction polis; grounds for misgivings; an appendix from the Japanese ministry of International Trade and Industry; comments by La Trobe University sociologist Yoshio Sugimoto. Valuable material for all concerned with current trends in Australia.

"Sanity and Common Sense." By Graham Hart. 22pp. \$2.

Fifty-six brief essays on a variety of topics, including taxation, exploitation, bureaucratic interference, democratic elections, equal opportunity, spurious interest, land price and home ownership.

"Depression, Inflation and Employment." By Arthur Cannon. 87 pages. \$4.

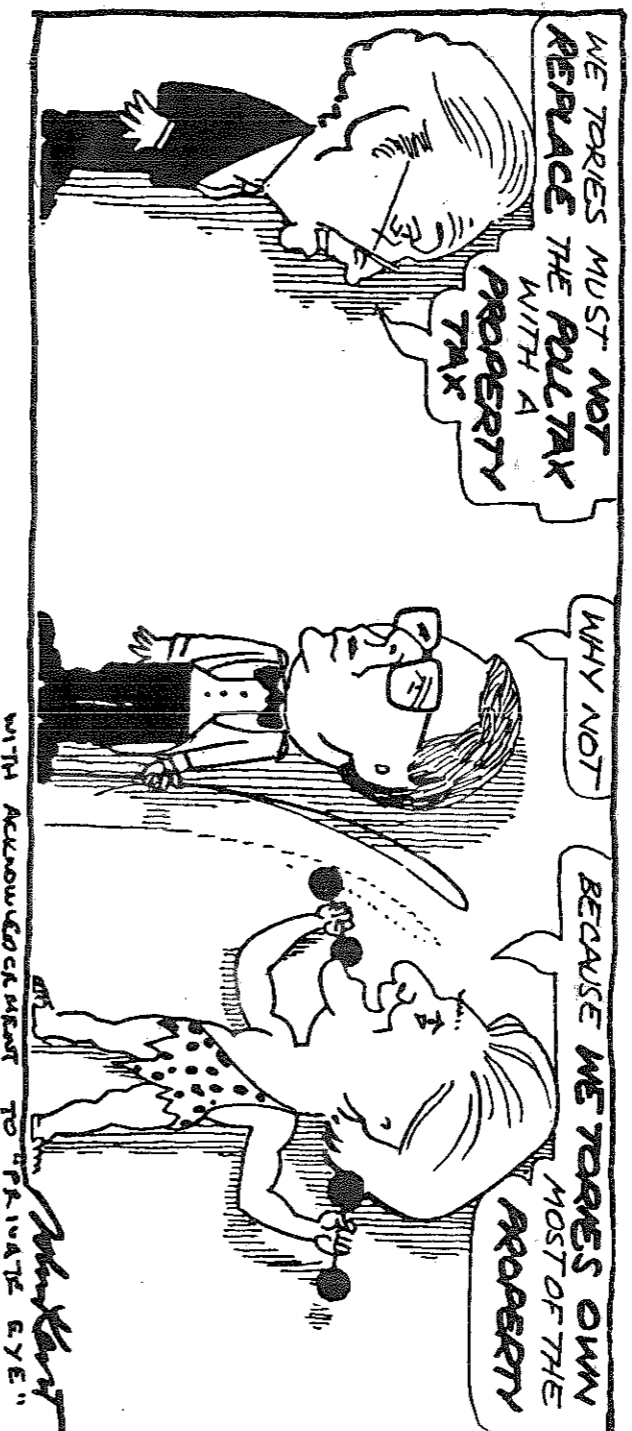
A disproof of Keynesian theories, and an critique of neo-Keynesianism (e.g. Galbraith), together with the real remedy for both depression and inflation - still the bane of Western societies such as our own.

SOCIETY V. GOVERNMENT

"Some writers have so confounded society with government, as to leave little or no distinction between them; whereas they are not only different, but have different origins. Society is produced by our wants, and government by our wickedness; the former promotes our happiness *positively* by uniting our affections, the latter *negatively* by restraining our vices. The one encourages intercourse, the other creates distinctions. The first is a patron, the last a punisher.

Society in every state is a blessing, but government even in its best state is but a necessary evil; in its worst state an intolerable one; for when we suffer, or are exposed to the same miseries *by a government*, which we might expect in a country *without government*, our calamities are heightened by reflecting that we furnish the means by which we suffer. Government, like dress, is the badge of lost innocence; the palaces of kings are built on the ruins of the bowers of paradise."

Tom Paine.

**DATES FOR YOUR DIARY**

- Lunch-hour videos, Series, 12.30 p.m. Monday September 2.
- Executive Meeting: 7.30 p.m., Thursday, September 12th.
- Commemoration Dinner 6.30 p.m. Monday, September 2nd. Speaker Dr. Terry Dwyer, Architect of the Australian Catholic Welfare Commission's attack on Consumption Tax. Dallas Brooks Hall — \$25.00.
- End of year Social Wednesday December 4.

DEADLINE FOR PROGRESS:

Noon on 12th of previous month.

The views expressed in articles are those of the writers and not necessarily of Tax Reform Australia Inc.

AUSTRALIA AND NEW ZEALAND**VICTORIA — TAX REFORM AUSTRALIA INC.**

31 Hardware Street, Melbourne 3000

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Bill Mason, 8 Cherry Place, Pearce A.C.T. 2607

Phone (06) 286 1353

NEW ZEALAND

Enquiries: Mr. R. D. Keall, 45 Dominion Street

Takapuna, Auckland, N.Z.

Henry George League, 20 Connaught Terrace,

Brooklyn, Wellington, N.Z.

The Crown Leasehold Association,

P.O. Box 6038, Auckland, N.Z.

The New Zealand Land Value Rating Association,

P.O. Box 6038, Auckland, N.Z.

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ELEMENTARY ECONOMICS

by George Charles

From "Elementary Economics"

In the 20th century we have walked on the moon and developed the computer. Yet poverty and war continue, and economic management is a chancy affair.

Economics is a subject in limbo. It is viewed neither as a science nor an in-depth study of human behaviour. Instead of using the methods of the physical sciences - experiment, observation, inference - economics has evolved as a separate discipline. The student is required to accept what is taught, not to question, research and seek to understand concepts. An ancient social order is preserved in a changed and changing world.

In spite of this, economics remains a statement of the *natural forces* which control the business of earning a living. There are problems. Like pioneering work in the physical sciences, such as that by Kepler, Copernicus, Galileo and Darwin early economic investigations met with many objections. Controversy was so intense that the elements of the subject were lost in the arguments. Today there are many economic theories, none of which is acceptable to all sections of the community. Originality of thought is almost non-existent, discouraged, or impossible to express.

We must break out of this cocoon to bring economics to life, to develop it and reach the stage of achievement seen in the technological field. There is a void in economic thought because economists do not produce satisfactory answers to pressing social problems. It is the responsibility of citizens to search and fill this vacuum. Trained economists cannot be relied on to carry out objective research into the distribution of wealth in the same way that physical scientists do in the production field.

Present economics is a study, tallied with accountancy, which has developed mainly to increase and monitor the production of goods and services. It has become a highly statistical discipline emphasising this narrow aspect. It assumes that if goods are produced, they will be automatically shared equitably. This has not been realized.

No costly buildings, laboratories or apparatus are needed to study economics. Its experiments are going on all around us. It needs only a guide to point out what may be seen, to make observations from everyday events, and from these to draw rational conclusions. Wherever people are, economic processes can be observed and tested.

Wherever there is trade or barter, production of goods, exchange of goods or services for money, the everyday transactions are economic processes. In the field of economics rational conclusions must generate principles as reliable as those which guide the applications of any other science. Our study must enable us to make accurate analyses and diagnoses, and to come up with specific, reliable treatments of economic ills.

TRAUMA IN NEW YORK

Criminal violence, deliberate and random, has become so high-risk that many residents consider the Big Apple uninhabitable.

At the end of a summer which saw the fatal knifing of a tourist in the subway, at least six children killed by stray bullets, and almost daily shootings in the turf wars of the crack trade, *Time* magazine polled New Yorkers on how they felt about their city.

A total of 59 per cent of the sample said they would leave if they could choose where to relocate.

The borough least affected by the pall of problems has gone even further: it wants to secede.

The autumn term has dictated a new fashion in uniforms for some children - bullet-proof clothing - and added a new lesson to the timetable in tough neighbourhoods, urban survival.

Any visitor shudders at the fragility of Manhattan, where only a street or two separate contemptuous wealth from envy-ridden poverty; discontent is simmering only three blocks from Park or Madison Avenues.

"Canberra Times", 15/10/90.

COMMENT

The foregoing constitutes a dramatic vindication of the warnings in Henry George's "Progress and Poverty" if radical social justice is not implemented.

WAGES: UP AND DOWN

LONDON: A row is brewing over a handout reportedly worth about £60,000 (\$137,000) that the *Governor of the Bank of England*, Mr Robin Leigh-Pemberton, will receive from the EC for keeping his farmland idle and not adding to the EC's unsold food mountains.

Mr Leigh-Pemberton is also being criticised for accepting a 17 per cent salary rise last year from the bank, while at the same time calling for wages restraint. His bank salary is now £155,019.

Meanwhile, *the farm hands* who work on his estates *anticipate unemployment* under the EC's "set aside" policy agreed to during the weekend. The policy encourages farmers to leave their land fallow to cut overproduction.

"The Sunday Times", U.K.

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NEW ZEALAND ECONOMY

By Ian Templeton

Our pollies are never prone to nagging self-doubts. Look at the latest inflation result: Mike Moore was quick in claiming his government had "whipped" inflation. Jim Bolger was equally as swift out of the blocks. He told a Dunedin audience just hours after the low CPI quarterly result was announced that it was "another dividend from (his) Government's determination to beat inflation".

Those who doubt either man's capacity to manage the economy should go away and hang their heads in shame. A lot of New Zealanders are doing just that, while standing in the lengthening dole queues but note neither of our political leaders claim the credit for record unemployment.

In the period between 1967 and 1991 prices here have increased tenfold. It's been the worst inflation performance among the countries in the "rich men's club" of the OECD.

But you don't see any of our pollies stepping up to the rostrum to claim the credit for that.

Inflation

Runaway inflation is the goal of revolutionists. *The maxim of that apostle of revolution Lenin was "Debauch the currency".*

There has been zero growth in real wages – that is wages adjusted for inflation – since 1960.

In Australia and the United Kingdom real wages rose by 70% in that period. In Japan they rose 170%.

It is even more painful to note Japan is facing a labour shortage of unusual severity. The job seekers leaving school have a wealth of employment opportunities. They are promised higher starting pay, shorter hours, more days off, and a variety of other benefits.

New Zealand could count the number of unemployed in the hundreds right up until the mid-70s.

In letting inflation get out of hand, it has paid the penalty in seeing the dole queues lengthen year by year since.

The countries that have ensured they have low inflation – like Japan, Germany, Singapore and Switzerland – are the ones with the lowest unemployment.

As for those who say a little bit of inflation would be good for us, don't believe them. You might as well ask how long is a piece of string.

Someone was recalling this week that a valueless currency cost France's Louis XVI his head in 1793.

Perhaps we should have that penalty for the easy come-easy go pollies. Then they might heed the fundamental economic lesson: *"Don't print money."*

"Auckland Star", 19/4/91.

HUGE N.Z. PROPERTY LOSS

Renouf Corp expects to lose all the \$42 million investment it has in collapsed subsidiary Renouf Properties, say directors.

Renouf Corp said its inability to sell Renouf Properties lay behind the impending debt default.

In its statement to the exchange, Renouf Corp said the final effect of liquidation on the subsidiaries' shareholders' funds was yet to be known.

But directors expected "a total loss" of the parent's \$42 million share of proprietorship in the subsidiary.

"Auckland Star", 17/4/91.

COMMENT

Here is the disruptive factor in society causing wealth disparity and a rough ride for all. Bad enough in itself at any time it gets worse with inflation. When that cause of disparity is tackled you don't need inflation from Budget deficits financing Social Welfare to compensate wages eroded by land price and taxation.

Clearly all growth – real or inflationary – has been capitalised in land price which ipso facto denies wages the means of growth to support the price – thence the crash. When land is held only on an annually adjusted rental to use, the speculative element is removed, wages are relieved of taxation and four more jobs are generated downstream. Taxing land into use instead of pricing it out of reach also does that.

PARLIAMENT ABDICATES

By Terence Dwyer

The Taxation Laws Amendment (Foreign Income) Bill 1990 proposes an income tax on income before it is received and regardless of whether it will ever be received. (Australian Law News", Feb. 1991).

The bill thus ignores the fundamental principle that "receivability without

receipt for the purpose of income tax is nothing at all".

- People can be required to pay tax on income which is not their income, and to which they may never have any rights whatsoever.
- The bill imposes tax liabilities on persons who not only may not be entitled to the income taxed, but who may not even have access to information necessary to dispute an assessment.
- Multiple assessments may be raised subject only to the unfettered discretion of the Commissioner to reduce his demands for multiple taxation – but he is under no obligation to limit the amount taxed to 100% of a foreign entity's income.
- The legislation seeks to restrict taxpayers' rights to dispute deemed liabilities by prohibiting courts from receiving evidence. This has been copied from the USA, but taxpayer protections available in the USA (such as guarantees of due process and prohibitions against searches and seizures) have not been copied.

- As a corollary, the emigration of multinationals from Australia may ultimately have an adverse effect on Australia's ability to expand exports and invisible earnings so as to service its foreign debts.

- Australia may find itself economically quarantined from world investment flows. Through this bill the Treasurer may be thwarting his own prediction that "companies with an Australian base are better placed than most to take advantage of the growth prospects in the Asia-Pacific region, and it is likely that we will see growing involvement in our region in coming years."

- The bill does not allow a general pooling of losses. Income tax, after all, is supposed to be a tax on net income. It is both inequitable and inefficient to levy an income tax which does not allow deductions for losses. If the decision to invest overseas is to be neutral from a tax point of view, overseas losses should be deductible against domestic income. Similarly, there should be no quarantining of deductions against foreign-source income.

COMMENT

Until annual site values are used as the main or sole source of revenue, this sort of absurdity will continue.

THE DICTATORSHIP OF THE LANDLORDS

During May 1990 H. I. Meyer, a United Kingdom architect, attended the 17th Triennial Conference of the International Union of Architects, held at Montreal, Canada.

Submitted to that Conference were 220 papers concerning various social, political and economic aspects of Architecture. Mr. Meyer reviewed all papers for his professional Journal 'Building Design'.

The names referred to in Mr. Meyer's extract are those of Architectural Practitioners, Professors and experts in the field. The Australian Philip Cox referred to is Professor of Architecture at Sydney University. The extract which follows was first published in a submission made by Mr. Meyer to the United Kingdom Green Party, advocating the retention of community ground rent as the sole taxation plank in the Green Party Manifesto. This submission was entitled "Green Grow the Taxes; Oh!". The two papers are both available from the author directly by writing to him at 82 Bishops Park Road, Fulham, London SW6 6DY.

One in two of the papers does even a hint of the 'inimical thought' which will confront the global status quo ante of this decade surface. These hints are given by the Australian Philip Cox and by the Indian Subrata Chattopadhyay. Within this hinting we unmask the definers, evaders and engagers whose acceptable papers make up the acceptance rules of architectural criticism. The first hint is given in "India's urbanization scenario: case study of Calcutta" in which this 'inimical thought' is made manifest by Chattopadhyay:

"A study to find the root cause of migration of people from villages to cities reveals, there is a strong 'push' 'pull' factor operating in the rural and urban areas respectively. The problem is not only a sociological problem, but also a socio-economic and political problem. An unequal distribution and concentration of wealth and decision making power in the hands of a few is a major cause. Often the existence of large scale slums in the cities is viewed as an effect of housing shortage caused by large scale migration. Rural urban migration is due to increasing number of landless labourers, increasing unemployment and exploitation in the rural areas. Land is concentrated in the hands of a few

sites that lack adequate landscaping, car parking etc.

The artificial land scarcity creates monopoly land prices and therefore developers have to overcrowd sites since they cannot afford extra land for landscaping. High rise buildings clearly save on horizontal space and should therefore allow us to put plenty of landscaping around the buildings. Yet because of tax-created land monopoly this does not happen. The enormous prices that landowners can obtain for coastal land leads to the almost complete destruction of the natural coastline.

To reverse the trend and create beautiful environments we must totally reform the tax system. Landowners should pay full site revenue to the nation on all marketable sites, whether used or not. Taxes on development should be abolished. This would force land into use and remove the artificial land shortage.

In turn this would invert the process of competition, forcing landowners to compete for land users, instead of vice versa. In the process of this competition and because of minimal land prices, landlords and developers would offer more landscaping space and other amenities to their tenants and buyers.

Improving the Countryside

Because of minimal land prices, state and local governments could acquire more land for the creation of more national parks and municipal beauty spots. They would also be able to afford to link these parks by bush covered public footpaths. Private citizens could easily acquire land in the countryside in order to create model holdings in which the growth of a variety of crops was alternated with the preservation of natural beauty.

The possibilities for developing more beautiful environments are endless once we end landed privilege through revenue reform.

Australian Rights Movement, P.O. Box 747, Nedlands 6009 W.A.

CREATING BEAUTIFUL ENVIRONMENTS THROUGH THE SITE REVENUE SOCIETY

Improving Towns and Cities

Under our present tax system landowners pay next to no revenue to the nation when they leave land idle or use it badly. This makes it easy for them to hold land out of use and consequently creates an artificial land scarcity. This means that would-be land users are forced to compete against each other for access to land. Hence environmental ugliness and overcrowding is inevitable since land users are forced to accept

FOOD FOR THOUGHT

All true wealth is produced by LABOUR. Is it not strange that Labour retains so little?

(In this context "LABOUR" includes everyone involved in the production and distribution of wealth from the boy who sweeps the floor to the chairman of directors.)