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Editors: G. A. Forster, B.A., B.Sc.;
H. B. Every, Dip. E.E.; E. M. Best

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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.

TAX REFORM URGENT

Extracts from an address at the Annual Meeting of Tax Reform Australia by the President, Mr. Morris Williams, Fellow of the Australian Society of Certified Practising Accountants.

No advanced country is more in need of tax reform than Australia: according to the World Bank we now have the least egalitarian tax system. At the turn of the century Australia was the envy of the world for the pursuit of social justice by Georgist founders of the Labor Party such as William Lane and the father of Liberalism, Alfred Deakin, an avowed disciple of Henry George. The tax policies of the major two parties have strayed far from their original beliefs and have produced grave injustice for all but the privileged few who monopolise land.

The top tenth of Australian income earners receive more tax concessions than their counterparts overseas in capital gains escape hatches, high levels of dividend imputation, negative gearing and dubious tax avoidance devices still not effectively outlawed.

Between 1984 and 1987 — the era of a Labor Government — the richest 200 Australians trebled their incomes from \$7 billion to \$25 billion. Most of this wealth came from monopoly ownership of land on which to run media, retailing, property development, brewing and immense cash flow empires able to exploit the tax system. Only 24 of Australia's richest 200 are true industrialists, the rest owe much of their fortunes to land.

The richest 1% of Australians now own three times the accumulated wealth of the poorest 50%.

In Britain 1% of wealth-holders own more than half the land (by value), in America 5% own 75%. The position in Australia is probably not much different.

WHO OWNS AUSTRALIA'S LAND?

Kidman Holdings with 120,000 square kilometres are the largest by area, but by value the Japanese multinational, EIE International owns nearly twice as much as the next biggest — Consolidated Press headed by Mr. Kerry Packer. Mr. Packer's estimated wealth exceeds \$2 billion and his after tax income could be \$200 million a year. Mr. Rupert Murdoch — estimated wealth nearly \$4 billion — owns over 200,000 hectares of rural land, plus immensely valuable urban sites all around Australia held by his company News Corporation.

Starting from small beginnings, Mr. Honori 'Takahishi, President of EIE International borrowed heavily from Japanese banks, particularly the Long Term Credit Bank, headed by his father's cousin and invested in prime real estate in Australia and other Pacific rim countries. EIE's ventures include hotels, tourism, golf courses, the Alice Springs-Darwin Railway and Bond University.

Land monopoly is the basic cause of social injustice and income inequality in Australia. Ground rent owners extract about a third of Australia's

national income from their monopolistic stranglehold on land, but contribute only one twentieth of all taxes by way of rates and taxes on land. Collection of the unearned increment from monopoly ownership and control of scarce resources such as land would preserve not harm the capitalist system and ensure a better distribution of wealth and income between individuals and between generations.