

SALES TAX v. LAND TAX

WHICH RAISES PRICES OF COMMODITIES?

Awaking to real conditions the Australian Labor Party proposes to abolish the unjust sales tax and raise equivalent revenue by taxation of the public value of land. Part of this proposal already appears in its platform but there is a clause which allows £10,000 exemption of land values before assessment.

Hence at the Federal conference of A.L.P. held at Brisbane, March, 1957, Mr. Clyde Cameron, M.H.R., for the Hindmarsh Division (Adelaide) in South Australia, moved the motion to strike out the £10,000 exemption and suggested that the revenue obtained by the unjust sales tax now levied upon commodities required by wealth producers should be collected by a tax on the unimproved value of land.

Mr. C. Cameron produced such sound arguments in favor of the proposed change that his motion for (a) deletion of the £10,000 exemption and (b) abolition of the sales tax was carried unanimously.

Hostile Reaction

When announcement of the change of A.L.P. policy was made in the daily press, vested interests became alarmed at the prospective loss of their special privilege and commenced propaganda to confuse the real issue. This rapid reaction shows the keen incisive effect of the proposal on monopoly profits and the hostility of monopoly holders was prompt and virulent—so much so, that Mr. Ed. Ward, M.H.R., is said to have wavered before the storm. Mr. Jack Lang's "Century" said this battle would be a feature of the next Federal election.

Key to Understanding

Why do vested interests react with hostility against a proposal that citizens should share the public component of land values? This is the reason: A land value tax stays where it is put — on the monopoly holders. There are no means whereby that tax could be transferred to others either (1) by land holders increasing rent or (2) by shopkeepers increasing the price of commodities.

Suppose there were such means of "passing on" the land tax, then the holders would not be so hostile!

Hitler Tactics

Monopoly interests have expert advice from lawyers, psychologists, economists, and journalists to guide and advance their control of the public values of land by avoidance of a just "duty" (or land-due) payable at the Treasury.

Suggest a doubt, assert a negation, confuse an issue, raise fearfulness, pose as impartial news providers — the daily press prints this type of propaganda as "news."

Such tactics seek to make citizens believe that they would not derive any benefit from the proposed change and that wealth producers would not gain anything by the removal of £10,000 exemption from the land tax (merely a gain to the Treasury) while citizens gain nothing by the abolition of the iniquitous

sales tax (since the Treasury has to make up that loss of revenue some other way).

It is of such vital concern that "news" of the fight "Sales Tax v. Land Tax" should be widespread and our new booklet with that title will help to promote interest and information.

The author is Mr. E. J. Craigie, formerly M.P., Adelaide. Publication shortly — price four pence, three for a shilling, plus postage. Send your order now to this office.