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Progress

Public finance from annual site values

Proportional representation for elections

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CHILDREN ARE OUR FUTURE

Excerpts from Dr. Rashmi Mayur's Address to a Meeting
on the Environment 6 October, 1990

The theme of Environment Day this year was "The Child and the Environment". For the 1.7 billion children below the age of 15, the fundamental question is what kind of earth have we inherited and what sort of world are we going to leave. This may be the last generation of children to inherit the earth. The UNE declares, "The degradation of the environment is killing children".

Eighty-two per cent of children in the world live in developing nations, 200 million of them (excluding China) are environmental victims. Fourteen million children under age five die annually of preventable diseases and malnutrition. A school in Bombay reports that 15% of children suffer from asthma or emphysema. Most of the children in Manila suffer from gastric diseases. Almost 70% of the children in Cairo are victims of several types of parasites. All these children are prey to environmental pollution.

The 1990s will see the largest number of children to be born in a single decade, 1.5 billion. Their survival will depend on making the earth healthy and nurturing.

The situation is grim in all Third World Countries. Of the 11 million hectares of tropical forest lost every year, 1.5 million are in India. Almost 35 per cent of the urban population in these countries lives in environmentally wretched conditions. The world seems

to be heading inexorably toward disorder. Many rainforests have gone. Some rare species of animals, birds and other biota have become extinct. 25 billion tons of rich top soil are washed away every year. Desertification advances at the rate of six million hectares yearly.

Cities are becoming unlivable. Air pollution has reached dangerous levels in cities like Bombay, Bangkok, Manila, Sao Paulo, Moscow and Calcutta.

GREENHOUSE EFFECT

A matter of serious concern is the greenhouse effect and resulting climate change. The cause is the accumulation of greenhouse gases in the atmosphere, resulting in an increase in the earth's temperature of 1°C during the last 100 years. It is projected that the temperature will rise by 1°C to 3°C within the next 40 to 50 years.

Environment phenomena such as greenhouse effect, climate change, ozone depletion and acid rain are intricately interconnected. We live on an integrated plane with continuous feedback systems in which everything is inter-related. Developments in technology and communication have led to homogenisation of cultures and lifestyles, resulting in universal uniformity and standardised living.

The ultimate results of these developments have been high energy and resource consumption and a decline of non-renewable resources and genera-

tion of enormous waste, which overburdens the ecosystem and fouls the environment.

Apart from abandoning wasteful lifestyles, steps have to be taken to restore the Earth's environment. First, there has to be a global plan of action concerning the greenhouse effect and climate change. At the same time developing countries must move towards alternative sources of energy.

ENVIRONMENT AGENCY

An international Environment Agency should be set up for a global plan of action. It should include:

**MORNING CLASSES
in BASIC ECONOMICS**

led by Mr. George Charles
will commence

TUESDAY MARCH 4.

Contact office 670 2754 for details.

INSIDE:

- History of Land Tax in Victoria
- Soviet Leaders ready to hear about George
- Dates for your Diaries (See Back Page)

- Protecting the rainforest while at the same time planning to plant 25 billion trees by the turn of the century.
- Reducing emissions of sulphur dioxide and nitrogen dioxide to mitigate the problems of acid rain.
- Protecting ecological treasures of the world. It should have plans for preserving other species which share the Earth with human beings.
- Saving the mountains, oceans, poles and atmosphere from human encroachment.

The Agency should set up a taxation system along the lines of the Henry George philosophy.

The Agency should help set up International Legal Machinery like the Montreal Protocol, which can provide a legal framework for international cooperation in dealing with global environmental problems.

Environment can be protected only by the people at the local level through their education, vigilance and participation. The aim should be to eliminate technologies which cause environmental degradation and identify and develop technologies which are environmentally clean, resource-conserving and healthy.

SEARCH FOR HOPE

At a time when the world's ecology is ruthlessly plundered and its environment mindlessly destroyed, our search for hope must be rooted in reverence for nature, which is an important principle of Indian philosophy. The Australian Aborigines have expressed it wisely: "You can never take from nature more than you give it".

Dr. Brundtland, presenting the final report of the World Commission on Environment and Development to the planet's young people in 1987 said "Securing our common future will require new energy and openness, fresh insights and an ability to look beyond the narrow bounds of national frontiers and separate scientific disciplines".

The young are better at such visions than we, who are often constrained by the traditions of a former more fragmented world. We must tap their energy, their openness, their ability to see the interdependence of issues.

- Dr. Rashmi Mayur, Ph.D is an advisor to the UN, US Congress, Govt. Costa Rica on the environment and population. President Global Futures Network. Vice-President World Health Foundation.

Do you ever think about your future? Do you expect to find a society that is just and free, and under which you will be able to earn an honest, rewarding living, occupy your own house, and eventually settle into a socially secure old age? If you have any doubts, this message is for you.

What have existing forms of society to offer?

Where it has been tried, communism has failed. It did not suit human nature. People still forced to live under it are bound down by irksome, unnecessary regulations and persecutions, and, despite the desires of the majority, party members and bureaucrats who control the system, intend keeping it that way. They savagely repress those who dispute their oppressive rules and regulations. Nor does state interference allow production of enough goods and services to provide most persons with more than a bare living. No wonder communism has failed.

The other existing system, called 'capitalism', is beset by business failure, unemployment, monopoly, oppressive government and crime. Most people under it do not achieve security and satisfaction, and so it too, is on the way out.

There is no hope in either communism or capitalism.

Feeling ill-treated by those who hold power, many young people are overcome with frustration and despair and consider there is no worthwhile future for them. Some become addicted to drugs and other self-destructing habits, maybe even to suicide.

But there is another method, a third way in which injustice disappears and under which one may enjoy a life of freedom, dignity and purpose.

Henry George (1839-97), devised an economic and social system based on land. Land is the foundation of all material existence. We cannot live without it. Therefore, if we are to have equality of opportunity, we must have equal access to land. Land is the basic and most important factor of economics and is of limited quantity. You need land, if only for space to live and from which to draw your everyday needs. Such has been so and will always be so while human life exists.

If some hold the land to the exclusion of others, the latter are virtually the slaves of the landholders.

A MESSAGE TO YOUTH

If you are one of the non-landholders, or do not hold skills in demand, you will not be necessary to the present social system and will be callously abandoned. It is up to you to do something about it. And that 'something' is, *change the system*.

When a young man, George suffered unemployment and poverty. This led him to devote the rest of his life towards abolition of social injustice. He wrote a book called *Progress and Poverty* and also many others. Publications have run to several million copies. At one time his ideas were taking over the trend of social thought. Unfortunately, socialism – built on the faulty philosophy of Karl Marx – eclipsed them, only to produce the miserable failures of Russian and Chinese communism.

We affirm that it is the high price of land, high interest rates and the taxes governments levy on ordinary people that are at the heart of such problems as high unemployment, difficult housing access, and the growing gap between rich and poor.

It is time to change to something better and, if you are interested, visit Tax Reform Australia, 31 Hardware Street, Melbourne 3000, between 10 a.m. and 3.30 p.m. on week days, telephone (03) 670 2754 during the same times, or write for free literature.

Arthur Cannon.

VICTORIA'S THIRD PR ATTEMPT

Last month the Victorian Government introduced a bill for a PR electoral system for the Legislative Council. Victoria now has the only bicameral Australian parliament without a PR system for one of its Houses.

The Constitution (Proportional Representation) Bill 1990 embodied exactly the same PR provisions as the 1988 PR bill and its predecessor. All three have now been rejected by the Upper House, despite the Government's PR election "mandate".

The PRSA's Victorian Branch naturally favours a PR system rather than the present majority only system, but it was nevertheless unimpressed with the restrictive nature of the system in the bills. They each sought a Senate-style system, with casual vacancies filled by party nomination rather than direct election as in Tasmania, or even from those next on the ballot-paper, as in NSW. Our Hare-Clark goal seems elusive.

"Quota News", Dec. 1990.

A RECENT HISTORY OF LAND TAX IN VICTORIA

By Roland Staub

(Talk given at the Land Tax Forum, November 17, 1990.)

It has been the practice of the Government of Victoria to make annual increases in the level of exemption from land tax on all lands, or property holdings, below a certain value.

The number of landowners called upon to make a contribution, as landowners, for the benefits they receive from the Government and society, has remained small in proportion to the number of persons and corporations owning land in Victoria. The debt to society was eased on those who had to pay as site values of land increased.

A change occurred last year. The Government had introduced three Budget Revenue Bills, including one for the usual changes to the Land Tax Act. The other two Bills dealt with Payroll Tax and a Goodwill Tax applicable on the transfer of business. The combined effect of the three Bills was to be approximately revenue-neutral, and the Government insisted that the three must be passed as a package. This the Opposition in Parliament, which has the numbers in the Upper House, refused to allow. It was happy to pass the Land Tax Amendment Bill, which would have cost the Government money the State could ill afford to lose, but the Opposition would not agree to the compensating tax increases in the other two Bills.

Land Tax is seen as a class-based tax on the wealthy, without the slightest understanding of its foundation in equity, if correctly applied.

With increasing population and increasing needs of society, the Government has at hand a natural growth tax in land tax, yet here we had politicians on all sides ready to reduce it.

With unemployment a significant social problem, politicians were ready to increase it by making it harder for employers to keep men and women on the payroll.

COMPLAINTS ABOUT LAND TAXES

When State Parliament had stymied the Government's package of three Bills, the 1989 exemption level and Table of Rates, in conjunction with the higher revised 1988 site values adopted by the metropolitan and many non-metropolitan municipalities, where site values are used for Land Tax purposes, resulted in

steep increases in Land Tax Assessments. These began to bite in May 1990 and soon there were complaints about tax increases of 100 to 400 per cent.

The curious thing that emerged was that the squealing did not come from the landowners themselves, but mainly from small shopkeepers and traders.

In Geogist circles there has existed a fixed idea that land tax cannot be passed on, but must be paid by the owner. Upon looking into this claim in the market place, you will find that 99% of commercial leases and tenancy agreements stipulate that the lessee or tenant must pay all rates and taxes in addition to the monies payable to the landlord. Indeed, the Land Tax Act itself provides a clear mechanism, in Section 42, whereby a lessee shall be assessed and liable for Land Tax.

In terms of political economy this means that any increase in Land Tax equates with an increase of rent, and is payable by the hapless tenant or lessee who gets nothing for it.

By this legal stratagem, by the operation of Section 42, the landlord can and does convert at his pleasure a tax that is meant to fall on the unearned increment of land values, into a tax on production and enterprise. In theoretical terms, the tax on land becomes a tax on wages at the landlord's behest.

This affects not only shopkeepers and the like, but ultimately their employees as well. The welfare of the latter is bound by their employers' ability to pay them wages and salaries. If employees in commerce and industry were given a share of the profits they help produce, there would soon be an end to anti-economic work practices and the conflict between employers and workers would be replaced by partnership to the benefit of everyone.

I must return to Section 42 of the Act, which is an abuse of landlord power and should be abolished.

MELBOURNE MEETING

It is this power that the Act gives to the landlords that enabled them to bring shopkeepers to the Melbourne Town Hall meeting on July 4, 1990 and let them bay like hounds at the quarry of the landlords, namely the State Government.

A leading protester against the land tax rises was Mr. Mark Hunter, a hairdresser renting a shop at Tooronga Village. His own tax increased from \$1303 to \$3830 (or 194%), and he saw reason to fear that, being hit with this type of bill he would lose his business and home. Many small businesses have been forced to close, indeed, shop and office vacancies have increased all over Melbourne.

In June, Mr. Hunter was among a Chamber of Commerce delegation which met the Treasurer, Mr. Tom Roper, to discuss the concerns of traders. Afterwards he complained that Mr. Roper appeared to have no answer for traders struggling to stay on their feet following the release of the first round of Land Tax Assessments in early May.

Unfortunately I must record that Tax Reform Australia as a whole appeared to be equally unconcerned at that time. I felt, then, that if we did not rise to this occasion, and provide some assistance or direction in this disastrous situation for which land tax was blamed, we would become irrelevant as an organization.

I contacted Mark Hunter and a few other traders to investigate the facts of the situation and brought them to the attention of some fellow Geogists. Further, I drew attention to the rent connection, or factor, of these tax increases. I also contacted the Chamber of Commerce and was told that it would not pass any resolution which affected the interests of landlords who are represented in the Chamber of Commerce along with the Small Business Association of Victoria.

PROPOSED RESOLUTIONS

I drew up a set of proposed resolutions, and with the blessing of Mark Hunter and the assistance of some colleagues at T.R.A., about 280 copies were distributed at the Town Hall together with a background briefing which emphasized the linkage of land tax with rentals and the need to secure a moratorium on both. It pointed out that, if Land Tax were abolished, lessees and tenants could expect rentals to rise.

My proposed resolutions read as follows:

1. a MORATORIUM on automatic rent

increases specified in commercial leases and tenancy agreements.^{1, 2, 3}

2. a MORATORIUM on the operation of all such leases and tenancy agreements where these provide for the lessee and/or tenant to pay land tax and/or rates, to the extent that such land taxes and rates exceed the levels operating before the 1st January 1990, and

3. that FUTURE leases and/or tenancy agreements of a commercial nature must provide for all taxes and rates which are a charge against property to be paid by the owners thereof.

At the Town Hall meeting, not all speakers followed the landlord line of thinking. One speaker was heard to say: "If you don't own land, you should not have to pay land tax!" I heartily agree with him.

A letter was written to David White, the Minister for Industry and Economic Planning, enclosing a copy of the resolution proposals and seeking a meeting with him, but the latter did not even-tuate.

In early October, the response of the Government to the outcries over Land Tax was to commission a comprehensive review of the operation of Land Tax, and it appointed the Hon. Robert Fordham, M.P., to conduct it. Submissions may be made by any interested organizations and members of the community. The Land Values Research Group will certainly make one.

We are encouraged by the fact that the South Australian Government is leading the way with an announcement, reported in "The Australian" of 5th September 1990, that it will outlaw retail lease provisions that require shopping centre tenants to pay the cost of Land Tax in that State.

- Roland Staub is Honorary Research Director, Land Values Research Group.

SALES TAX ON RECYCLED PLASTICS

The Labor Party and the Liberal and National Parties, combined to defeat proposals by Senator Sid Spindler to exempt from sales tax:

- *that proportion of goods which consist of 100% recycled plastic products;*
- *100% recycled plastic products;*
- *that proportion of goods which consist of 100% recycled paper.*

"Hansard", 15/10/90.

PRESS LETTERS

NEW ZEALAND'S GST PROVED FATAL

It is no coincidence that the rout of New Zealand's labor government follows its introduction of a goods and services tax, instead of increasing existing charges on land values.

The GST increased prices and stifled demand. The failure to increase land value charges allowed land prices to harden, making it more difficult for labor to gain access to natural resources in primary industry.

This has a manifold effect. In New Zealand, every person finding work in forestry, farming, building or property improvement generates job opportunities for four more. A mere 25,000 so engaged would generate work for a further 100,000, halving our unemployment problem and reducing social welfare demands.

This economic ineptitude precipitated political suicide.

R. D. Keall,
New Zealand Land Value
Rating Association.
"Vancouver Sun", Nov. 1990.

HENRY GEORGE

L. E. Lyons (Letters, 29/10) states that economics is a subject no one has mastered. He obviously has not read Henry George's Progress and Poverty.

John E. Hall,
Belair, SA.
"Australian", 1/11/90.

Congratulations for daring to publish the name Henry George (Briefs, 1/11). Why not a feature about him? After all this unhappy globe could do with all the Henry George logic it can get.

F. J. Auld, Hobart.
"Australian", 9/11/90.

MR. PREMIER - PLEASE MAKE A NOTE

Every economics student at Harvard would know the most proper ethical and economic revenue for a good government is uniform site value taxation.

It clearly allows optimum prosperity and does not increase costs or prices of goods and services.

On the other hand other main taxes act as deterrent fines on transactions

upon which economic activity depends. The Premier is complaining he has inadequate revenue and threatens to increase the bad taxes; but astonishingly he has hugely reduced the one proper revenue - site value taxation.

Presumably this is at the behest of a small, powerful group of families privileged to hold some 80 percent of the land value of this State at the expense of the community.

Payroll tax acts as a fine for employing people. It increases the cost of labour, goods and services.

It is no wonder manufacturers cannot compete with overseas and there is increasing unemployment.

S. S. Gilchrist, Roseville.
"Parramatta Advertiser",
10/10/90.

PROPORTIONAL REPRESENTATION

Neither Roger Miles (C.T., July 6) nor Graeme Evans (Letters, July 12) are technically correct about what constitutes a proportional representation (PR) voting system, although the term is used loosely for want of something more precise.

Even given full preferential voting rights and mathematically correct vote counting of the Hare Clark system, single-member electorates may represent as few as half the voters. The proportion grows with the number to be elected from each electorate but never quite reaches a guaranteed 100% unless everyone represents themselves. And such direct community democracy went out, I believe, with Ancient Greece.

Electorates of five or seven, even given Hare Clark, may leave as many voters as 16.7% or 12.5% respectively unrepresented. A seventeen-member electorate, which may be the politically practical limit for A.C.T., reduces the possibility to a more modest 5.6% but still a Raiders' home game crowd left out in the democratic cold.

The A.C.T. electorate is entitled to nothing less. Our Federal representatives must be pressured to deliver it without any more undemocratic nonsense.

Bill Mason,
Pearce, A.C.T.
"Canberra Times", 17/7/90.

C.I.R. CONTINUES TO GROW

Without doubt, 1990 has been the most promising year for citizen-initiated referenda (C.I.R.) in Australian history. Since our last newsletter:

- The City of Burnie in Tasmania has adopted citizen-initiated referendum.
- A voters' veto bill has been introduced to the Tasmanian parliament.
- Various Victorian municipalities are examining the benefits of C.I.R.
- Mr. Ted Mack, an ardent supporter of C.I.R., has been elected to the House of Representatives as an Independent.
- A federal Labor M.H.R. has promised to introduce an appropriate C.I.R. private member's bill.
- A member of the A.C.T. Legislative Assembly has also promised to introduce C.I.R.

C.I.R. COMES TO TASMANIA

On 7th April 1990, Burnie City Council asked its ratepayers and residents whether they wanted citizen-initiated referenda. More than 87% voted in favour.

TASMANIAN OPPOSITION SET TO ADOPT C.I.R.

Mr. Neil Robson, of the Tasmanian Opposition, has introduced a private member's bill for a voters' veto. He needs the support of just one of the "Greens" for this bill to be passed – but he has been told that support will only be given in exchange for watering down the bill to the point where it would become inoperable.

Mr. Robson, who has previously introduced valuable reforms to his State's electoral system, assures us that he would rather wait until he has majority support than accept these terms.

C.I.R. AND LOCAL GOVERNMENT IN VICTORIA

Until a few years ago, the Victorian Local Government Act allowed for C.I.R. at municipal level in certain strictly limited circumstances. This statutory right was removed by amendment. *People's Law* has been campaigning for its restitution and at last Victorians once again have this right – but only in the same circumscribed situations.

As part of our ongoing campaign for C.I.R. at all levels of government we have now approached over half the local councils in Victoria, trying to interest them in adopting non-statutory C.I.R. on

the Burnie or North Sydney models. Several councils are now investigating the concept.

C.I.R. AND N.S.W.

In N.S.W. the Rev. Fred Nile has been advocating his own highly detailed bill for full C.I.R. since 1988. Unfortunately, as the Democrats have learned, minority parties find it hard to get their bills even debated, much less passed.

Mr. John Hutton, an Independent M.P. in the New South Wales parliament, who has shown courage in opposing organised crime and corruption in that state, wrote to us in April of this year saying: "You can be assured of my strong support for the concept of citizen-initiated referenda."

C.I.R. MOVES TO CANBERRA

Most readers know that Ted Mack is one of the country's most committed supporters of C.I.R. While he was mayor, North Sydney chose to make itself responsible to the people by adopting citizen-initiated referenda. (This mechanism has never been used, since the council has called its own referenda on all contentious issues).

Mr. Mack moved to federal parliament after the last election, and has already introduced one private members bill on C.I.R. to the House of Representatives and is currently preparing a second bill.

Dennis Stevenson, a Canberra M.L.A., has also promised to "work to introduce Voter's Referenda".

C.I.R. AND THE A.L.P.

The A.L.P. endorsed C.I.R. from its earliest years until 1963 when it abandoned the idea. Good news is that Mr. Frank Walker has been elected to the federal seat of Robertson as an avowed supporter of C.I.R. It will be interesting to see how successful he is in reinstating this issue within a party that was entirely committed to it, until the likes of Don Dunstan arrived on the scene.

C.I.R. AND THE LIBERAL PARTY

In July of this year, Mr. Peter Reith, the deputy leader of the Opposition, again called for C.I.R. We have repeatedly tried to discover the Opposition's formal attitude to the issue only to be met with the usual non-committal response.

It is about time the Liberal Party actively embraced meaningful democratic reform. The Liberals have had over two years to decide their attitude to C.I.R.

and they still have no policy on the matter.

C.I.R. – "LEFT" OR "RIGHT"

Two years ago some unscrupulous politicians in both the National and the Labor parties tried to misrepresent C.I.R. as emanating from the "extreme right" of politics.

The idea, of course, was to dismiss the concept out of hand and therefore avoid debating the issue on its merits.

At the time of this outburst the Australian Democrats (hardly of the "extreme right") were doing their very best to have their C.I.R. bill heard in the Senate.

C.I.R. is neither "left" nor "right", it is a concept designed for use by all Australians whatever their political persuasion.

C.I.R. will never be adopted in Australia if it is seen, however wrongly, to be a divisive, factional or extremist issue.

Accordingly we have devoted much of our precious resources pointing out to supposedly "left-wing" organisations and individuals the benefits of C.I.R. A good number of favourable responses have been received.

OVERSEAS TROUBLES WITH CONSUMPTION TAX

Chaos erupted again in the Senate after the Conservatives tried to introduce a motion that would cut off further amendments to legislation implementing the proposed goods and services tax.

The Government will be seeking parliamentary approval for \$365-million in costs related to collecting, administering and advertising the proposed goods and services tax and doing out GST credits.

New Democratic Party Leader Audrey McLaughlin said the unemployed, aboriginal people and veterans will, in effect, be "subsidizing this war effort," and that preparing the GST is costing more than the military effort in the Gulf.

"Instead of declaring war on Canadian taxpayers, why not declare war on Canadian poverty?" she asked.

"Ottawa Globe and Mail",
24/11/90.

DEFINITION

A consultant is someone you pay for reading the time from your own watch.

PRELIMINARY DRAFT PLAN FOR AN ECONOMY IN VICTORIA BASED UPON LAND TAX

E. F. Heywood

Basic Requirements

1. All sites of land in Victoria, apart from Crown land, will be valued. Improvements on the land will be disregarded. The value will be expressed as an annual rental value for the land. Valuations to be open to public scrutiny at municipal offices.
2. A tax will be levied on each site of land, as a percentage of the annual rental value of the site. This percentage will be increased in equal steps each year, so that in a period of a number of years the land tax will be equal (or nearly equal) to the annual rental value. The land tax will reduce the sale price of sites, so that at the end of the period of years the sale price of sites will be nothing (or nearly nothing).
In order to have a definite example, it will be supposed that the initial percentage is 10%, and that 10 equal steps in a period of 10 years will bring the land tax to 100% of the annual rental value. (It may be better to have 10 equal steps of 9.5%, bringing the land tax at the end of the period to 95% of the annual rental value, so that there should always be a small residual sale price presumably equal to approximately one-half of the annual rental value.)
3. There will be no exemptions and no gradations in the levying and the collection of the land tax. If any reductions are to be made it must be by a "Subsidy Commission" which receives funds from the consolidated revenue of the State and passes an agreed subsidizing amount to the receiving body, and reports fully to Parliament and to the public on each body receiving a subsidy, and the value of the subsidy. Each such body must submit annually to a Corporate Affairs Department or similar body an audited balance sheet which shows the land tax as a cost, and the subsidy. This information must be available to the public.
4. Land tax shall be paid regularly at 1-2-3-6- or 12-monthly intervals, and as frequently as desired.

THE RIGHT TO ROAM THE U.K. COUNTRYSIDE

Rambling, that peculiar British pastime of taking a quiet, solitary stroll across the moors or through the leafy woodlands, has become a political activity, a protest against the greed and privileges of a feudal society.

British ramblers, led by the Ramblers' Association, are engaged in a campaign – against landowners and their barbed-wire fences – to gain access to all uncultivated land, mainly moors and woodlands.

The ramblers believe that everyone should be free to roam at will, across the moors, through the woods and along the byways.

In Scotland, walkers are free to wander across almost all uncultivated land. But not in England and Wales, where much of the land is owned by the aristocracy, the rest by farmers and, increasingly, large companies.

Naturally the aristocrats who prevent rambling have attracted the most attention, from both the media and the Ramblers' Association. The aristocrats, many of whom use their land for shooting, claim that ramblers frighten away the wildlife.

As the Ramblers' Association becomes more committed in its struggle, there could be some truth to the landowners' claims. Early this month, the association organised simultaneous "mass trespasses" of up to 300 people each on the land of hostile landowners across England and Wales. With 78,000 members, the association has considerable rambling power.

The Labor Party, not surprisingly, is supporting the association, promising changes in the law if it comes to power.

"People should have an absolute right of access to uncultivated land unless there is a proven danger to walkers or wildlife," says a party spokeswoman.

The Ramblers' Association has set itself up not only as the guardian of rights to wander but also the protector of the land. It has attacked British farmers for destroying the countryside by modern farming methods.

It is also waging war on barbed wire fences and overgrown paths. Almost 40,000 kilometres of the 225,000 kilometres of footpaths and bridleways in England and Wales are blocked or overgrown.

"Sunday Age", 2/10/90.

SOVIET LEADERS READY TO HEAR MORE ABOUT GEORGE

by Richard Noyes

A handful of Soviet thinkers and planners want to know more about the ideas of Henry George.

As delegates to a three-day workshop at the University Club in New York City in August, they came across his concepts during talks with economists and scholars from the United States and other western nations.

The subject of the workshop: How to collect economic rent for social purposes.

It was Dr. Ivar Raig of Tartu, Estonia, who said, midway through the second day of the conference, that George's ideas seem to be a merging of the best parts of two theories of government.

"You have capitalism and we have socialism, and they (have turned out to be) a fiction," he said.

"It is time to work out a new theory as society emerges from a long struggle between the two."

Igor Nerush of Leningrad, Director of LENNIP gradostroitesva in that city, joined Raig in asking George Collins, as Director of the Henry George School of Social Science at New York, the workshop's sponsor, to assemble a team which can travel to eastern Europe as soon as possible to say more about ideas they were being introduced to here.

Raig, a member of the Supreme Soviet of Estonia, is also a deputy to the Supreme Soviet of the USSR, as is another member of the visiting delegation: Dr. Mikhail Bronshtein of the University of Tartu.

Collins said, as this issue goes to press, he is already at work organizing the team which will travel to eastern Europe, probably in the spring of 1991.

Dr. Nicolaus Tideman, who teaches economics at Virginia Polytechnic Institute, will probably be one of them. So will Ted Gwartney, real estate analyst for the First Nationwide Bank in California.

It was Tideman who organized the August workshop. Gwartney delivered one of a dozen papers heard and discussed during the three days.

RAIG'S OWN WORDS

Here are the words Ivar Raig chose in his invitation made during a conference in New York City in August, the results

of which will be to bring a team of Americans to Estonia and Russia next year to "teach Henry George".

The quotation is taken from a news release drawn up by Pat Aller of Schalckenbach on the basis of the taped record, and sent out at the close of the three-day event.

Raig said, "As a scientist, I thank Henry George and his follower, Robert Schalkenbach . . . George's ideas are especially interesting and useful for us, since our country is poor and higher taxes are not the best solution. Right now we are trying to copy the Swedish or Finnish tax systems, but these are not right for us and we shall make new mistakes. We must study George's theories because we can use them in our countries. Maybe this conference will help us find a new, unique way to apply them. Although they have not been widely used, and changing tax laws is difficult, we must work out, now, a new system, and it may be better to start from the beginning with new ideas.

I propose that you teach George's ideas, through his writings, and translate them into Russian, so that Eastern Europe will be able to use these ideas, and to organize seminars there showing how to put these ideas into practice. I invite Schalckenbach Foundation economists to Estonia and have another project, that you teach Henry George School course in Estonia's Sangaste Castle after it is restored. If you take my suggestions, you have a chance to realize your ideas in practice in Eastern Europe, there is an old song by the Beatles, 'Power to the People', 'Property to the people' is my new version.

"U.S. Groundswell"
Sept./Oct. 1990.

LET'S GO SHOPPING

Have you ever realised how much money taxes on things you require for use or amusement take out of your purses?

Suppose you have a shopping day. You buy a length of dress material, some buttons, some silk thread, a pair of pantyhose, a slip with lace trim. Every one of these items is taxed, and every one of these taxes was imposed by government, both Labour and Conservative alike.

When you pay your bills, you pay not only for the goods themselves, but the taxes in addition. Whether they are made in Australia or imported from overseas, you have to pay more for them

than if tariffs or other taxes had never been invented. All these taxes raise the prices of things.

The shop assistant wraps your taxed purchases in taxed wrapping paper, and you pay the tax on that when you pay for the goods. You take your parcels home, and start cutting the material with a pair of taxed scissors, meantime listening to a taxed radio working on taxed batteries or watching a taxed TV.

Your taxed clock suggests that time is getting on. While you listen to a taxed record player playing taxed records, you proceed to drink taxed tea, sweetened with taxed sugar, from a taxed cup on a taxed saucer. You cut with a taxed knife a piece of cake containing taxed raisins and taxed currants, with taxed icing and a taxed crystallised cherry on top. You eat from a taxed plate.

In the evening you pick up your taxed handbag, put a drop of taxed perfume on your taxed hanky, and go to the pictures where from your taxed seat you watch a taxed film, meantime enjoying taxed sweets or taxed ice-cream.

Having drunk a cup of taxed cocoa you prepare for a taxed bed. Sleep, for which your nightwear is taxed, brings temporary relief from the tax collector, but only until tomorrow, when you begin the day by fortifying yourself against his new demands by drinking some taxed health-salts.

Every tax makes the price of the thing higher than if it were not taxed. The only tax that doesn't send up the price of the thing taxed is a land tax.

TAXATION COMPONENT IN COMMODITIES

Information is being sought on the actual amount of the tax component in prices of various commodities.

Readers who can supply information or any relevant suggestions are asked to contact the Hardware Street office.

THE SHEPPARTON CANNERY DISPUTE

The offer by workers, per their unions, to forego some of their award conditions in order to keep the Shepparton fruit cannery viable, caused widespread controversy.

The Georgist view is that employers and employees should be free to negotiate contracts without outside interference. Fears that employers might use such freedom to exploit workers would not be tenable under a Georgist economy, as land would be readily available for all who wished to set up their own activities, or alternately, work for others. Available jobs would exceed the number of workers – a condition difficult to imagine at present. However, the Georgist reform would involve a radical transformation of society, beyond the grasp of those brainwashed by the follies of the present economic confusion.

IMPORTANT INFORMATION

Payroll tax averaged \$294 per man, woman and child in 1988-89 (ABS 5506.0), plus government and administrative costs, while Grants Commission July 1988 taxable land values averaged \$28,714 per head.

The latter amounts to \$475,000 million. Each percentage point of land tax then would have raised \$4,750 million public revenue, enough to replace 1988-89 payroll taxes of \$4,900 million.

(With acknowledgements to Bill Mason, Canberra.)

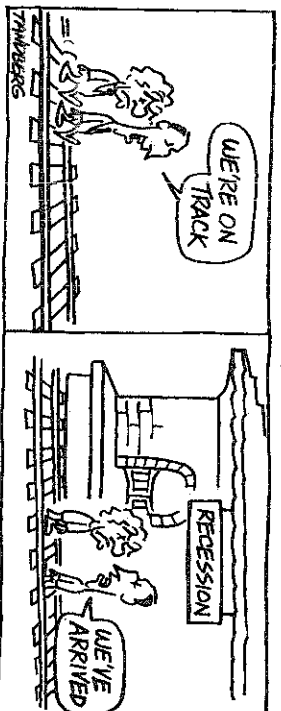
Mourn not the dead . . .

But rather mourn the apathetic throng – The cowed and the meek,

Who see the world's great anguish and its wrong.

And dare not speak.

Ralph Chaplin.



PROGRESS

The Journal of TAX REFORM AUSTRALIA INC.

(Formerly Henry George League — Victoria)

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

We are a non-party educational body which believes:

- the earth is the birthright of **every** person
- people have the right to freehold tenure of land — if they pay the annual site value to society for the privilege
- site value revenues should be used to abolish other taxes

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Honorary Secretary: Geoff Forster. Office Supervisor: Loma Sutton. Fax: (03) 670 2754.

DATES FOR YOUR DIARY:

- Lunch-hour videos, Monday Series, 12.30 p.m. 1st Monday of month.
- Executive Meeting: 7.30 p.m., Thursday, March 14th.
- Annual meeting Tuesday, February 19.
- Basic Economics Classes, Monday, March 4.

DEADLINE FOR PROGRESS:

Noon on 12th of previous month.

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