

PROSPER AUSTRALIA: PREAMBLE

Prosper Australia is an incorporated association of individuals dedicated to minimizing or even eradicating the many problems that confront our nation. These problems include rich-poor gap, homelessness, unemployment, the need for big government and environmental degradation.

Our plan and proposal is simple and elegant, but not simplistic. It comes from 'left field' and is not a view prevalent in government or academia. However, it is sophisticated and solid. We are willing to debate with anyone, at any level.

We propose that the sole source of public finance should be obtained by collecting the free-market rental value of sites privately occupied. By 'sites' we mean parcels of land, yacht moorings, flight paths, radio & TV frequencies and the like. Humanity did not make these sites, yet we give individuals exclusive rights to use them. It is the presence and the enterprise of the entire community which gives these sites value. Logically, the rental value of them is the only proper source of funds to pay for public infrastructure and the expenses of government.

In a small way, Site Revenue is already collected in Australia. Some local governments (e.g. Queensland and NSW) collect rates based on the unimproved capital value of land. It is important to note that the proprietor's improvements to the land are not taxed in any way. Some water authorities charge users (e.g. irrigators) for the amount of water they consume. It is not possible to avoid Site Revenue, as sites and their ownership, and the value of their tenure, cannot be hidden.

We are opposed to all the other forms of taxation at present applied in Australia and see them as theft. We oppose income tax, as it penalizes effort, is expensive to administer, is easy to avoid, and involves complex legislation which even the High Court cannot interpret without deep divisions. We oppose payroll tax, since it discourages employment. Sales Tax, Stamp Duties and financial institutions duties are just a clogging constraint upon freedom of transactions. Land tax is more appropriate, but it does not apply to the full range of 'sites', all sorts of improper caps, thresholds, exemptions etc. apply and the rate of taxation is arbitrarily set by governments.

For hundreds of years the English taxed windows, so folk built houses without any. When the Egyptian pharaohs taxed date palms, the peasants cut them down. Given the range & complexity of taxes applying in Australia, and usually involving conscription of citizens as self-assessing tax collectors, it is no wonder we have such an array of economic problems. Truly, it is vested political & professional interests which drive & protect our current revenue system. Prosper Australia appeals to the people for sanity and commonsense.

Collecting Site Revenue would force proprietors to use their sites to the maximum economic extent. It would not be possible to hold sites vacant for speculative reasons. Sites would become available for anyone willing to work with hand or brain. Land, especially at the economic margins, would become available to the unemployed who would be able to build self-sufficient lifestyles. Sites receiving the most benefit from public infrastructure, such as commercial sites at city centres or industrial factories near transport, would attract the most substantial revenue obligations. Residences with desirable location or vista People profiting from extraction of renewable (e.g. fish & timber) or non-renewable (e.g. ores & oil) resources would have to pay the community the full economic value of their extraction rights.

Site Revenue is easy & transparent to administer. Trained valuers, watching the sale price of sites, can tell whether sites are transferring at above or below the value of their improvements. The site revenue collected from equivalent can thus be adjusted, continuously, to meet market trends. Folk can still own their sites in freehold, but that tenure would be subject to collection of site revenue, just as it is now subject to collection of local rates. All other taxes and imposts would end.

Site Revenue would bring peace & plenty in its wake. It would tend to bring full employment, low (if any) interest rates, a stable currency, small government and environmental responsibility. Please contact us for a range of more detailed material on the implementation & effects of Site Revenue, and on how it would affect you.