

To see what is right and not to do it,  
is want of courage - Confucius

Justice is to give every man  
his own - Aristotle

Countries are well cultivated, not as they are  
fertile, but as they are free - Montesquieu

Every government intervention into peaceful  
private activity tends to make things worse  
rather than better - Peterson's Law

The assistance given to any industry or group  
in the community is never free, someone must  
pay for it in the end - Alf Rattigan

World peace through world trade - IBM motto

There is no free lunch

Any government that gets so big  
it can give you everything you  
want will also be so big it can  
take everything you've got. -  
Gerald Ford



With full competition  
And freedom of trade,  
Each dollar, as spent,  
Votes what shall be made.  
A thousand commissions,  
Working daytime and night,  
Could not guide production  
So nearly aright.  
WILLFORD L. KING

If I had to depend for my rights on democracy, I would  
prefer the capitalist one to the State one - Dr Jim Cairns

For even when we were with you, this we commanded  
you, that if any would not work neither would he  
eat - Second Thessalonians, 3:10

The tax on nothing  
is nothing - Lang Hancock

Those who would give up essential liberty to  
purchase a little temporary safety deserve  
neither liberty nor safety - Benjamin Franklin

They pretend they are paying us so we  
pretend we are working - Soviet Proverb

We are accused of being Philistines - who can blame us when we are  
continually being assaulted by the jaw bone of an ass.

The enemy will not perish  
of himself - Mao Tse Tung

The power to tax is the power  
to destroy - Clarence Carson



# 1. INTRODUCTION

## 1.1 The Problems

Despite the tremendous discoveries of science, the substantial wealth inherited from our ancestors and the large reservoirs of specialised skills, the harmony and prosperity of modern societies is seriously threatened; the more advanced societies are showing signs of disintegration. Why?

Many people suggest that the western world is facing a crisis of capitalism, but the crisis is more pronounced in countries where there has been considerable increase in the size of government such as Great Britain. The crisis is caused not by capitalism but by too much government intervention. It can be solved not by more intervention, but by less.

A major cause of the crisis is perversion of the humanitarian principle of help for the needy and unfortunate. Authoritarians of both left and right have converted this principle to the Marxist idea of enforced equality for all.

The use of the state for the alleged purpose of assisting the disadvantaged has caused enormous growth in the size, power and cost of government. Like a giant octopus, government now intrudes into every aspect of our lives. It is seriously threatening the freedom of every individual, and removing from his hands the control over his own destiny.

The bureaucracy grows larger every year until government is now the biggest employer in society — in Australia one in every three employees works for some arm of government. The taxation needed to support this apparatus is now consuming wealth as fast as it is being created. It is destroying the incentive to work, to save, to invest and to create jobs.

Government has become the master rather than the servant, the consumer and destroyer rather than the protector. Its record is one of taxation, conscription, inflation, confiscation and regulation.

It is time to reverse the tide.

## 1.2 Current Alternatives

The only real alternatives offered to the Australian people are the dedicated intervention of the A.L.P. and the ad hoc intervention of the Liberal and National Parties. The similarities between the policies of these parties now exceed their differences. We are offered no serious alternative to increasing government manipulation and intervention in the economy and in our private lives.

Is it any wonder we are facing an economic and moral crisis? Our society is becoming a rigid and oppressive monolith. It treats individuals as social and economic aggregates to be manipulated by alternating compulsion and prohibition introduced by the left and the right.

### **1.3 What is Progress?**

Let us look beneath the superficial aspects of progress such as electric toothbrushes and TV dinners and ask more fundamental questions —

For most of recorded history men periodically died of hunger.

Why don't we?

In many countries of the world today men still die of hunger.

Why don't we?

It is not because we have more natural resources; these have always been there and many backward countries have enormous unused resources. It is not because of technology; the ancients were as intelligent and inventive as we are and the results of modern developments are known in under-developed countries. It is not because we are racially superior; our own ancestors starved along with everybody else and genius today is not confined to any one race. It is certainly not because we work harder; in past ages men struggled at back-breaking toil for long hours merely to stay alive and the same applies in backward countries today.

What then is the answer? In one word the answer is FREEDOM. Freedom is the one essential requirement without which there can be no prosperity, culture, morality or peace.

Freedom is the mainspring of human progress and a party which stands for freedom stands for progress.

### **1.4 The Progress Party and its Allies**

The Progress Party is part of the world wide movement for limited government which first found political expression in Australia with the formation of the Workers Party in 1975.

This growing voice of protest will replace the tired cliches of yesterday's men. The Libertarian (limited government) parties in the U.S.A. and Canada are challenging the old ideas of the established parties. In the Danish parliament, the Progress Party holds the balance of power and is the second largest party. A limited government party is forming in New Zealand.

In addition to these political movements there is a growing band of individuals and organisations all over the world involved in study, teaching and propagating the same moral principles. They are found in other political parties, in churches, in the media and in schools and universities.

As would be expected from a philosophy which believes in individualism and freedom there is no enforced conformity or rigid alliances in this diverse group of voluntary organisations. This however, is the source of their strength — the ideas are crossing all boundaries and invading all sanctums. No army can stop them.

It is a philosophy whose time has come.

## **1.5 Government and the Individual**

There are only three fundamentally different political philosophies – anarchy, statism and limited government.

Anarchy means no government. To idealists of both left and right it is the utopia which will result with the withering away of the state. In reality all attempts to create anarchy have resulted in chaos or dictatorship.

Fundamentally opposed to anarchy is the philosophy of statism which accepts state intervention into every aspect of human affairs. Statism has been the dominating philosophy of the world – it supported the divine right of kings, the dictatorship of the proletariat and the mob rule of unlimited democracy. It comes under various names including socialism, communism, Fabian socialism, fascism, national socialism (nazism), the welfare state and the planned economy. Proponents of all these systems have one thing in common – they base their actions on the absurd belief that free individuals are self destructive and thus their lives must be totally planned and controlled by the state. The result of this philosophy is the total pre-eminence of the state at the expense of individual liberty and the development of a society dominated by elitism, privilege, corruption, coercion and poverty.

Limited government stands between the extremes of anarchy and statism and is the guiding philosophy of the Progress Party. Under this system the need for government is accepted but the powers of government are limited to those necessary to defend and protect individuals against invasion, violence, and crime. The philosophy is based on protection of individual freedom, the free market, and private property. This system of government has been approached but never achieved in recent history. The closest approximation was the American republic for the first hundred years of its existence. Since then statism has become the guiding philosophy.

The other major parties in Australia are committed either by words or deeds to varying degrees of statism. They all stand for privileged pressure groups such as business, unions, or farmers. We stand for freedom and capitalism – the free enterprise type not the kind of government-protected state capitalism which is coming to dominate Britain, Australia and even the U.S.A. We believe this is the only economic system consistent with morality, freedom and progress.

## **1.6 The Political Spectrum**

It is traditional to classify politics by use of the terms "left" and "right". Where does the Progress Party fit in this spectrum?

Communists believe that the state should be supreme and that individuals exist only to serve the state. No individual property rights are recognised. It is traditionally regarded as extreme left wing. Socialists have the same beliefs but aim to achieve them gradually rather than by revolution. They are also traditionally classed as left wing.



Nazism and fascism represent the extreme right wing of the traditional political spectrum. These philosophies also believe that the state should be supreme and that individuals exist only to serve the state. Private property is allowed providing the state has total control of its use. To any objective observer there is no effective difference between these extremists on the right wing and communism on the extreme left wing. The traditional political spectrum is no spectrum at all, and the Progress Party cannot be located on such a spectrum.

All of the philosophies mentioned above are variations of statism, or total government. This represents one end of a true political spectrum — let us call it the bottom of the political spectrum. At the other end is the opposite to total government which is no government, or anarchy. We now have a real spectrum with anarchy at the top and statism at the bottom. Between these extremes is limited government. The relation between these systems is best shown in a diagram —

#### Political System

##### **ANARCHY**

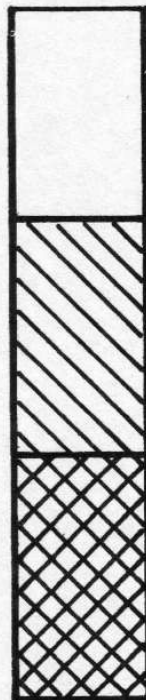
— no government

##### **LIMITED GOVERNMENT**

— has an effective written constitution which defines the powers of the state and guarantees basic individual rights and freedoms

##### **STATISM**

— total government. No effective limits on the power of the state; no real guarantees of freedom.



#### Examples

Generally short lived

##### **PROGRESS PARTY**

Constitutional Government.  
Free enterprise capitalism.  
Freedom.  
Laissez faire.

Mixed economy.  
Welfare state.  
Socialism.  
State capitalism.  
Nazism, Fascism, Communism,  
Slavery

The Progress Party stands for limited government, and falls in the middle of this spectrum. All other major parties in Australia advocate or practice varying degrees of statism and thus fall at the bottom of the spectrum. For example, consider which party advocates, has introduced, or accepts the following examples of statism — control of wages prices rent or interest, export controls, the AIDC, conscription, protection of government business monopolies, interference with the media, licensing of jobs, compulsory unionism, restrictions on the right to trade, forcible redistribution of property, state banks and insurance companies, compulsory acquisition of agricultural products, new taxes, and so on.

When judging political parties what they do is more important than what they say. In Australia they have been introducing statism at varying rates. The Progress Party offers a real alternative.

### **1.7 The Fundamental Objective of the Progress Party**

The aim of the party is to implement consistently the fundamental moral principle of non-interference which can be stated thus — “No individual, group or government has the right to initiate the use of force fraud or coercion against any other individual, group or government”. Although no individual or government may “initiate” or start the use of force, they may of course use force as retaliation or defence against others who initiate it, or threaten to — for example criminals, invaders or lawbreakers.

We believe that as every man’s life is his own he should be able to live that life in the manner of his choice, provided that he does not trespass on the freedom of others. It follows that in a moral society the proper role of government is to protect the individual’s rights from violation by force, fraud or coercion.

The party does not stand for weak government or for no government. It stands for limited government. A limited government is strong in enforcing the rule of law, in defence, in combatting crime and in defending the rights of each citizen. It is limited by way of a written constitution which firmly prevents it from arbitrary decision making and from interfering with any honest, peaceful citizen. A limited government is a predictable servant and protector, not an arbitrary master.

The rest of this document attempts to explain the application and implications of this fundamental principle. It sets out the long term objectives of the Progress Party. Undoubtedly it will not be easy to undo the decades of statist advance. But the sooner we start moving in the right direction the sooner the goal will be achieved.



## **2. INDIVIDUAL RIGHTS**

No conflict exists between civil order and individual rights. Both concepts are based on the same fundamental principle — that no individual, group or government may initiate force, fraud or coercion against any other individual, group or government.

We believe that all men have certain basic rights which are not granted by, and should not be taken away by, any other man or group of men. These include the rights to life, liberty and property. These rights have two characteristics in common.

Firstly, they apply equally to all persons and thus no exercise by any man of his rights can involve the violation of the rights of any other man.

Secondly, the acceptance of these rights guarantees the freedom of individuals from violent, coercive or fraudulent interference by other individuals or groups.

It is an essential role of government to guarantee and protect these rights.

The only use of force permissible in a moral society is that necessary to defend rights and to combat violence, fraud or coercion initiated by others.

### **2.1 The Right to Life**

All legislation should recognise that each person is the sole owner of his own life and of the values honestly gained therefrom. No other man or group of men has any claim on any portion of another's life without that person's consent.

We uphold the unconditional recognition of every person's individual right to life and therefore advocate the repeal of all laws based on the assumption that a man's life belongs to the state or to society.

### **2.2 Liberty and Freedom**

Liberty is the state where each man respects the rights of others. Liberty is freedom from coercion by other men, where men choose to deal with each other only by mutual consent. We believe that liberty is the only state moral to man. The concept "liberty" includes:

- \* The freedom of thought, speech, opinion and religion;
- \* The freedom of association, which means that all men are free to come together or stay apart as they choose;
- \* The freedom to trade, and the freedom not to trade; including the freedom to choose one's employers or employees, whether singly or collectively; and the freedom to determine wages and prices by mutual agreement;
- \* The freedom to contract, which means that men are free to commit themselves in contract to each other in any manner consistent with their rights as individuals;

- \* The freedom of the press, of information, of broadcasting, of the arts, of all forms of human expression in any medium, which means that any man may offer for sale or use any form or type of expression provided that he does not violate the rights of others;
- \* The freedom of movement, which means that everyone has the right to move and reside in any location, provided he respects the rights of others.

### **2.3 Property Rights**

A man without property rights — without the right to the product of his own labour — is not a free man. He can only exist through the charity or forbearance of others. Individual freedom is impossible without economic freedom and the right to own property gained by honest means is the basic economic freedom.

The right to own property means the right to use it, to save it, to invest it for gain, and to transfer it to others. It necessarily involves limitations upon governmental powers of search and seizure, resumption and taxation.

### **2.4 The Rights of Children**

We believe that all adults are morally responsible for the results of their actions. Therefore parents have an obligation to provide for the children they have caused to be born into the world. They have the responsibility to protect and provide for them to the best of their ability until they are able to support themselves.

While parents are supporting a child they have authority over him and are responsible for the manner of his upbringing. They therefore have the right to determine what is in his best interests. No other person may interfere without their consent as long as parents are fulfilling their obligations to the child.

In cases of neglected or mistreated children, any concerned person will be able to initiate legal proceedings against the parents on behalf of the child. Where parents cannot or will not meet their obligations the courts should have the power to place the child with alternative guardians. However, no such decision should be made against the will of the child and all his other rights must be respected as, and to the extent that, he is able to exercise them.

### **2.5 Discrimination**

We believe that no law should discriminate against or favour any individual on the grounds of race, sex or creed. In particular we believe that aborigines should have the same rights, privileges and responsibilities as all other Australians. This in no way conflicts with the rights of any individual to employ, trade with or associate with whoever he chooses.



### **3. JUSTICE AND THE LAW**

#### **3.1 The Legal System**

The law should serve to provide equal protection for the rights and property of all individuals. However government abuse of the law has led to the situation where pressure groups now compete for power in order to use the law to their own advantage. There will always be conflict in society unless the law serves all people equally.

In many respects the Australian legal system is contradictory and complicated. There is no consistent concept of justice and the application of the law does not guarantee that justice is served. The Progress Party would reform the legal system to ensure consistent application of the following principles —

- \* Equality of all before the law.
- \* Respect for individual rights.
- \* Consistent definition of crime.
- \* Presumption of innocence until guilt is proved.
- \* Restitution to victims by criminals.

#### **3.2 Crime**

A crime is an act which violates the rights of another individual or group of individuals. If there is no victim there is no violation of rights and therefore no crime. There are numerous laws which make crimes out of peaceful actions in fields such as trading hours, competition with the Post Office, working without a licence, import and export of goods, free negotiation of wages, prices and rents, sexual activity between consenting adults, failure to vote, the use of drugs, gambling and so on.

We believe it is not the business of the state to intervene in voluntary exchanges between consenting adults be they private or economic. Defining such activities as crimes merely encourages disrespect for the law and corruption of the police. Attempts at blanket prohibition of "victimless crimes" invariably draws attention to the activity and drives it underground.

The Progress Party does not express approval or disapproval of any particular private conduct. We are saying merely that the state should only be concerned to protect the rights of all individuals (including parents and children). Prohibition is neither effective nor moral — in fact it destroys morality. It is impossible for a person to be moral unless he is free to choose between good and evil and responsible for the results of his actions.

### **3.3 Due Process**

Until a person is proved guilty of a crime, he should be accorded all possible respect for his individual rights. Present safeguards for the rights of the accused must be improved. Speedy trials should be available to accused persons.

Losses or costs suffered by any person arrested, indicted, imprisoned, tried or otherwise injured in the course of criminal proceedings which do not result in his conviction should be recoverable from the agency, person, or persons laying the charges.

### **3.4 The Police**

The provision of police protection for individual rights is an essential function of government.

However, in our society, the police are often the means by which the state violates individual rights and oppresses its citizens — for example by policing laws against victimless crimes. This is the fault not of police, but of politicians. It has resulted in widespread distrust of police themselves. It has made their legitimate role more difficult to perform, partly because of non co-operation by the public and partly because of the introduction of arbitrary restraints supposedly designed to protect civil liberties.

In order to be effective in their legitimate role the police must exercise wide and discretionary powers of search and arrest **but not with impunity**. If in the course of their investigations it is necessary for the police to violate the rights of any individual, the officers responsible should be accountable for their actions and any aggrieved individual should be fully recompensed.

### **3.5 Punishment**

The purpose of any system of courts should be to provide justice. The present system of criminal law is based on punishment, with little concern for the victim. The primary emphasis should be changed from the present "crime against society" to "crime against individuals". Thus, to implement this principle, we advocate that the goal of the legal system, upon a determination of guilt, should be restitution to the victim for his loss but only at the expense of the criminal. Whether the restitution to the victim be paid by the criminal as a result of work in a free environment or as a result of work within a restricted environment (e.g. gaol) should be a question for the courts to decide.

At present criminals are kept in prisons at the expense of taxpayers, who include the victims of these crimes. The criminal is often not liable to pay restitution, so the victim loses twice — (a) through the crime and (b) through taxation for the upkeep of the criminal. We believe penal institutions should be used only for incorrigible criminals and criminals whose continued freedom is a danger to society; there they will have to work out their debts under supervision. Otherwise, criminals should be required to work and pay off their debts as determined by the courts.



## 4. ECONOMIC AFFAIRS

Political freedom is impossible without economic freedom. Every attempt by government to regulate honest and voluntary trade is merely an attempt to control people and a clear violation of property rights. The only legitimate role for the government in the economy is to ensure that the players abide by the rules of fair play; that is, they ensure there is no force, fraud or coercion in the market.

Every attempt by the government to regulate the economy must benefit one individual or group at the expense of another individual or group. Such attempts inevitably divide society into competing classes. Only in the free market can there be harmony among men.

Not only is government intervention in the economy immoral — it is also destructive. The majority of problems in the economy are traceable to many and varied attempts by the government to “regulate” trade, “fix” prices and wages, “redistribute” wealth, “regulate” the currency, “manage” the economy, “direct” production, “set” standards, “control” exports, and so on. The problems of inflation, coercive monopolies and cartels, price fixing, industrial unrest and shortages are the inevitable result of the present statist system. The two chief causes of our economic ills are —

- (1) Failure of governments to protect the rights of individuals and groups against violation by pressure groups which are immune from, or protected by, the law — for example, trade unions and tariff lobbies.
- (2) Attempts to cure the symptoms of this problem by direct intervention in the economy. This usually compounds the problem and further restricts the freedom to trade.

### 4.1 Taxation

#### 4.1.1 General

There are only three sources of government income — taxation, which is taken forcibly direct from taxpayers; earnings of government businesses, which are frequently coercive monopolies and which were established with funds obtained by taxation; and deficit spending, which is financed either by loans which must be repaid by future taxation, or by printing more money which is paid for by all citizens through currency inflation.

Thus it is clear that all government expenditure is paid for by the individuals in society, sooner or later, directly or indirectly and generally under compulsion.

To take money from an honest individual by force or under threat of force is robbery, whether it is done by an individual, or by a group of individuals organised by government.

The Progress Party believes that it is immoral to utilise funds obtained forcibly from taxpayers for any purposes which do not clearly benefit every citizen. There are clearly few government activities which fall into

this category — these include the legitimate functions of government necessary for a peaceful and harmonious society — defence against invasion, aggression, violence, crime, fraud, and coercion; maintenance and administration of justice, and little else. All other government activities should be made self supporting, phased out, or sold.

All taxation aimed at forcible redistribution of wealth is legalised theft and should be abolished.

#### **4.1.2 Reduction and Reform of Taxation**

The immediate priority for the Progress Party is to reduce the size and cost of government and thus to reduce the burden of taxation.

We believe taxation should be minimal, direct and non-discriminatory. It should be used for raising revenue, not for social engineering. It should also be simple. A major objective of the Progress Party is a substantial reduction in the burden of taxation and a major simplification of the system. We envisage three areas of attack.

Firstly, the cost of government will be reduced by —

- \* Eliminating the costly duplication between the federal, state and local government bureaucracies.
- \* Improving the efficiency of the bureaucracy, the public utilities and government ventures (see 6.6, 6.7, & 6.8).
- \* Eliminating bureaucracies whose sole effect is to restrict trade and freedom of choice, and to dissipate wealth.

The second step in the overhaul of the taxation system is to ensure that it does not favour or discriminate against particular classes of people. Most of our taxes are discriminatory and unjust. For example, payroll tax discriminates against those who provide jobs, sales tax falls heaviest on poor people, progressive income tax penalises people who work hard, tariffs protect manufacturers and penalise consumers, company profits are taxed twice before any shareholder receives benefits, land tax discriminates against farmers, property rates discriminate against home owners. These and other inequities will be eliminated.

Thirdly, we aim to simplify the taxation system and to ensure that taxes are direct and where possible, related to the service provided. There are currently over 50 separate taxes and charges levied by federal, state and local authorities. In some cases, the costs of assessment, collection and redistribution of individual taxes exceeds the net benefits. Many of these taxes will be eliminated during our first term of office — for example sales tax, payroll tax, land tax, undistributed profits tax, provisional tax, gift duty and death duty. Other taxes such as customs duties and export levies will be phased out over a fixed period.



The major tax, income tax, will be simplified, levied at a flat rate, and reduced to an absolute minimum. Salaries of all public employees will be adjusted so that their income after tax is unchanged by the move to flat-rate income tax. Companies will pay income tax at the same rate as individuals. The double taxation of dividends will be eliminated.

#### **4.2 Inflation, Booms and Recessions**

Price inflation is a persistent fall in the purchasing power of a unit of money. The ultimate cause of price inflation is currency inflation — that is, an increase in the amount of money in the community compared to the amount of goods and services.

Government, with its control of the money supply and the banking system, is the principal cause of inflation and is therefore the only institution which can prevent it. (Clearly many pressure groups urge inflationary policies on government, but it is government which makes the final decision).

Inflation is a cruel, hidden and discriminatory tax. It discourages prudence and thrift. It encourages speculation and often gives more profit to gamblers than to producers. It makes economic forecasting and calculation impossible. Its injustice drives men towards desperate remedies. Unfortunately so few people realise the real cause of inflation that they call for more government “stabilisation”. This will not solve the problem — it is the problem.

In a well adjusted free economy there will be fluctuations in prices and production, but for the most part these will be small and quickly self-correcting. There will of course be gradual long term changes in the prices of some goods, some decreasing and some increasing relative to others, as technology changes and long term demand is altered by fashion, substitution or obsolescence. It is one of the most damning indictments of a managed economy that such changes are continually impeded thus hindering the trend towards increased efficiency and higher standards of living.

In contrast to the self-correcting fluctuations of a free economy, the mixed economy results in long periods of increasing inflation culminating in a speculative boom and followed by a long destructive recession or depression. Both the inflationary boom and the subsequent recession are caused chiefly by government intervention in the economy.

It is not sufficient to say, as do other political parties, that inflation should be reduced. It has been practiced by unscrupulous governments since time began in order to enrich themselves and their supporters at the community's expense. It can and should be stopped, not just reduced. All that is lacking is the courage of governments who are afraid to upset their privileged supporters.

The first step to eliminate inflation is to eliminate deficit spending by governments. This will force governments to live within their means instead of printing money to cover their excesses.

Secondly, all Australians should have the right to protect themselves against inflation of the currency. We thus advocate —

- \* The repeal of all laws and regulations which restrict the right of individuals or companies to use or write contracts in any currency, including gold.
- \* The removal of all legislative obstacles to the establishment of a free currency market in Australia.

Thirdly, we believe that the special privileges of the banking system and the monopoly power of the Reserve Bank should be removed.

#### **4.3 Production and Trade**

Who created the wealth of Australia?

It wasn't government. Government cannot create wealth, it can only redistribute what already exists. And redistributing the money supply does nothing to increase the supply of goods — it merely transfers buying power from one person to another.

All wealth is created by someone who produces more than he consumes. He then trades or invests the surplus. The reason that redistribution fails to relieve poverty is that discriminatory taxation takes this surplus which would have been invested in more tools of production and diverts it to immediate consumption.

The history of the twentieth century has been the increasing violation of property rights "in the national interest", or in the name of some other public good. But this increasing control of production, distribution and exchange has brought innumerable new problems in its wake, the ultimate expression of which is stagflation, unemployment, high prices, shortages and disputes.

Only in the free market can there be justice and harmony among men. In the free market the consumer is king. His choices determine what is produced and its price. Wealth is acquired not at the expense of someone else, but by providing the best or cheapest products in the market. Profits are earned not by addition to price, but by the efficiency with which producers can reduce costs below those of their competitors.

The only way to restore progress and harmony to the economy is to deregulate it — to remove legislative restrictions on competition, production and trade.

Thus we will work towards the abolition of controls on prices, wages, rent, exports, imports, trading hours, production quotas, occupation and production licences and so on.

#### **4.4 Monopolies**

In the whole history of the world there have been two chief methods of maintaining a monopoly —

- (1) By supplying goods of such quality and/or price in every market that no one else is willing to compete in that line, and
- (2) By persuading the government to provide a privileged position — tax exemption, tariff or quota protection, subsidies, government franchise or licence, supply of government services at below cost, government purchasing agreements, legislative prohibition of competition or special concessions for powerful friends.

If all government protection of monopolies were removed the only remaining monopolies would either be so efficient that they would be a benefit to consumers, or so short lived that their effect would be negligible. We propose to remove monopolies by removing their protection.

On the other hand there should be no government prohibitions on the formation of voluntary associations of producers or consumers providing these associations do not employ force, fraud or coercion to achieve their aims.

Such associations may be able to bargain better with large overseas consumers who are similarly organised. At present, Australian producers are deterred or prohibited by the Trade Practices Commission from forming such associations; at the same time, other arms of government are insisting that compulsory government controlled cartels are necessary.

If the benefits of Australian producer cartels are obvious, all producers will join voluntarily; if there are disputes about the long term benefits of such cartels, who has the right to impose his will on all others? And who pays the compensation if, later, the enforced solution proves to have been a mistake?

The only efficient and just solution is to allow individuals and groups of individuals to form their own voluntary associations, providing there is no force, fraud or coercion in the market.

#### **4.5 Foreign Investment**

In any voluntary transaction, both parties gain. Thus people who wish to discriminate against foreigners are also harming the Australians with whom the foreigners were going to trade. Free and honest international trade is the greatest force for peace, progress and prosperity in the world. Economic nationalism is a root cause of war.

We see no reason for the government to discriminate against individuals or companies on the basis of race or country of origin. We would only insist that foreigners be given no special privileges over Australians, particularly when awarding government contracts. Individuals and private companies may, of course, deal with whoever they choose.



#### **4.6 Tariffs, Quotas, Subsidies and Bounties**

Tariffs, quotas, subsidies and bounties are methods by which governments transfer wealth from one section of the community to another. Tariffs and quotas are especially objectionable because their cost is largely hidden from the community at large. All of these government controls interfere with the market, promote inefficient production and reduce competition. They deny consumers the right to purchase the cheapest goods available.

We believe that all such discriminatory taxes and subsidies should be phased out over a fixed period. We also believe that government fiscal and monetary policy should be predictable and not changed suddenly without warning. Hence a Progress Party government would publicise its intention to phase out all tariffs, quotas, subsidies and bounties over a specified period starting from the date of its election to government. Should the party lose office before the phase out is completed, it will be resumed again at the same level, immediately the party regains office.

We recognise that businessmen who invested in tariff protected industries were induced by the existence of the tariff to do so. The phase out period will allow them the chance to recoup their capital and will warn others of the risks of investment in protected industries.

Many people believe that tariffs are necessary to maintain defence industries. However there is considerable evidence to show that most wars are fought for economic reasons such as restriction of trade, monopoly control of raw materials, resource diplomacy, attempts at self sufficiency, protectionism, isolationism etc. Thus the best single defence policy is a willingness to dismantle barriers to trade. The kind of dependence which results from such a policy is a reciprocal dependence — we cannot be dependent on the foreigner without the foreigner being dependent on us — war will hurt both parties.

Nevertheless, should there appear to be a danger that Australia will be short of a strategic defence material or skill, this deficiency should be remedied by stockpiling the material, or by awarding defence contracts to Australian companies. These expenditures should come clearly out of the defence budget. Supposed defence needs should not be used as an excuse for general tariffs which distort the economy, perpetuate inefficiency and raise costs.

#### **4.7 Agriculture**

The same principles will apply to agriculture as to all other industries — the government will get out of the way. Our policies will be built on the following framework —

- \* Unconditional protection of property rights.
- \* Accelerated free-holding of crown land with first offer going to current occupiers.

- \* Abolition of land tax, sales tax, gift duty, death duty and payroll tax and reduction and simplification of income tax.
- \* Elimination of tariffs and subsidies over a fixed period.
- \* Abolition of quotas and export controls.
- \* Immediate abolition of compulsory powers of acquisition and other monopoly powers possessed by government marketing boards. This will be followed by disposal of such organisations to private hands with first offer going to employees and producers or their associations.
- \* Elimination of those regulatory bureaucracies whose sole achievement is to restrict freedom of trade and freedom of choice and to consume a considerable proportion of the value of production.
- \* Elimination of inflation, and protection against the use of exchange rates to redistribute wealth.

#### 4.8 Mining

We believe the mining industry should operate under legislative conditions no better and no worse than any other industry. The role of governments should be to provide a fair and stable environment which protects the individual and property rights of all those associated with or affected by the industry. In addition to the general principles outlined elsewhere in this document, the following guidelines will apply in determining policies for the industry.

- \* **Mineral titles** should be clearly defined and protected. They should not be subject to retrospective legislation. Every exploration or mining title should spell out clearly the rights and conditions of exploration and mining. These should not be varied during the term of the lease except by mutual consent.

In addition, we propose to enable mineral rights to be purchased from the state and held under freehold title. No action will be taken which harms the holder of mineral or surface rights under existing titles. All vacant land will be available for claim as at present, and discoverers will continue to have the first right to secure title to their finds.

- \* **Mineral royalties** are a type of rent, paid to the owner of a mineral resource (usually the state) for the right to use that resource. Royalties should be related, as nearly as possible, to the value of this right.

In Australia, the assessment of state royalties is a confusing and arbitrary patchwork which can vary from state to state, mineral to mineral, and even mine to mine. The inequitable methods of assessment, the rapidly increasing burden of royalties, and the frequent changes to royalty regulations have discouraged exploration for new deposits, delayed development of known deposits, and reduced the amount of ore which can be profitably extracted from producing mines. Simplification and rationalisation is an urgent necessity.

All new mining leases granted by a Progress Party government will specify the payment of a government royalty calculated in the same way as income tax and not exceeding 5% of net profit. This royalty will be regarded as a cost of production in the calculation of income tax.

Holders of existing leases will be given the option of retaining their existing royalty conditions, converting to standard royalty conditions, or purchasing freehold title. No state royalty will be levied on production from mineral freeholds.

Government mineral reserves or forfeited leases will be sold by public tender or auction. Should there be no bids, such land will become vacant and available for claim.

\* **Rent** on existing leases or authorities will be replaced by a title fee applied to all mineral titles (including freehold). This will represent a fee for the service of recording, registration and transfer of title.

\* **Marketing** — We are opposed to all compulsory marketing or stabilisation cartels whether they are state, national or international. It should be left to individual producers, or voluntary associations of producers to decide whether or not to participate in national or international marketing arrangements such as OPEC (oil), CIPEC (copper), IBA (bauxite) ITC (tin) or any of the proposed UNCTAD commodity “stabilisation” schemes. (See also section 4.4)

\* **Essential services** — Many services necessary to mining operations are supplied by government business monopolies which operate railways, shipping lines, power and water utilities, ports and harbours. All such businesses will be treated as outlined in 6.7 and 6.8. In particular, such businesses would not be permitted to demand capital contributions or to charge premium prices solely because of their legal monopoly.

All private businesses, including mining, should be free to choose the best method of providing essential services. All government businesses should be run in a commercial fashion and not used to provide either indirect taxes to governments or indirect subsidies to favoured taxpayers.

\* **Capital controls** — Governments all over the world have proved the futility of attempts to forcibly “manage” the balance of payments and “control” exchange rates and the movement of capital. Such interference merely postpones necessary adjustments until the pressure becomes too great and a large sudden change is necessary. A Progress Party government would move quickly to remove all obstacles to the establishment of a free currency market in Australia and to dismantle capital and investment controls.

\* **Export controls and taxes** are unnecessary and discriminatory. They and the bureaucracies administering them should be abolished.



## 5. COMMUNITY AFFAIRS

It is in the area of community affairs that the promise of well-meaning, big-spending politicians has proved to be a cruel hoax the world over.

On every side the problems multiply — a costly welfare system that does not provide security, an unfair pension system, open warfare over the state health system, signs of a great malaise in education and a union movement rivalling the power of government. A close examination of every problem shows that the chief cause is government intervention concerned more with enforcing equality on all, than with helping a poor and disadvantaged minority.

### 5.1 Welfare

Any objective analysis of the welfare state will show that the number of people needing assistance has grown as fast or faster than the welfare programs. This result is inevitable.

The British welfare state provides a stark example — fifty percent of the population are now partially or totally dependent on the government.

We do not deny that there are disadvantaged people who find it difficult or impossible to make adequate provisions for themselves. But what starts as meagre state aid for the desperate and needy soon becomes a generous handout demanded by all. Soon the number of consumers and officials exceeds the number of producers. Such a system must eventually collapse causing great distress particularly for those in real need.

We believe that a fundamental reappraisal of the government's role in welfare activity is urgently required. This reappraisal must recognise the fact that the majority of welfare problems are caused by the government itself. Thus it is necessary to attack the cause rather than the effect.

Most poverty and unemployment are the direct result of minimum wage laws and excessive taxation.

Minimum wage laws are the direct cause of unemployment among disadvantaged people. A minimum wage law makes it illegal to pay anyone less than the prescribed wage. No employer can stay in business if he pays workers more than they produce. Thus workers whose labour is worth less than the minimum wage cannot continue to be employed.

The chief result of minimum wage laws is to penalise those of limited talents — the young, the old, the unskilled and the handicapped. These workers are deprived of the right to earn even the moderate wage appropriate to their abilities and the community is deprived of their services. Unemployment is substituted for low wages. Those most hurt are those supposed to be protected by minimum wage laws.

The other major cause of poverty and unemployment is excessive taxation. Some taxes, like payroll tax and compulsory workers compensation, are a direct penalty on providing jobs. Others, such as "unearned" income

tax and undistributed profits tax, are a discouragement to the new investment which provides new jobs. All other taxes, especially income tax, reduce profit and redirect it from investment to consumption. All taxes destroy productive jobs and wealth in the private sector and replace them with largely unproductive jobs and consumption in the public sector. The result has to be a reduced standard of living for all.

We believe that if the economic problems are solved, most welfare problems will solve themselves. Our policies will give all people the opportunity and the incentive to work, save and invest. We will reduce the burden of taxation which destroys profits and jobs. These moves will ensure that the number of people needing assistance will be reduced to those who genuinely lack the capacity to support themselves.

What about those still in genuine need?

A study of history shows that no government has been able to devise a state welfare system which helps the needy without eventually encouraging idleness and widespread abuse of the system. No other result is possible for a system which is funded by compulsory taxation, controlled by officials with a vested interest in its growth, and considered a right by all citizens. The urge to "get something for nothing" or to "get some of our tax back" becomes irresistible to both the needy and the greedy at all levels of society.

Thus every state welfare system has a built-in growth factor. Like a cancer it cannot be kept small. Once initiated it must grow until it is removed or destroys its host.

What is needed then, is to dismantle the state welfare system with minimum harm to the large number of innocent victims of it, and to replace it with a stable system which will provide adequate assistance for the needy and deserving.

This requires defining an ultimate goal and a phased plan for achieving this goal.

The ultimate goal is clear. Welfare must be funded by voluntary contributions administered by private welfare organisations. These will assist the temporarily distressed to regain their independence and will provide support for profoundly handicapped people.

The steps to achieve this goal are less simple — curing a cancer is never easy. The Progress Party welfare policies would be designed around the following framework —

- \* All laws relating to compulsory retirement and minimum wages must be repealed, thus making it possible for many welfare recipients to return to work and recover their lost independence and self esteem.
- \* Resources currently devoted to government welfare schemes must be

diverted to independent schemes. This will be done by freezing the state welfare budget and then transferring a steadily growing percentage of it to independent welfare organisations in proportion to the amount of voluntary donations each such agency receives.

- \* Funding must then become entirely voluntary. This will be achieved by reducing the state welfare budget and at the same time reducing taxation.

Such a welfare program will restore the family, the local community and voluntary welfare organisations to the central place they once held in assistance to the needy and disabled. It will help people to solve their problems instead of creating a new class of able bodied but dependent people which grows more numerous and more demanding every year. It will provide a diversity of welfare organisations which will provide more personal assistance than can ever be achieved by a large bureaucratic welfare state. And once the clear abuses and waste of the current system are eliminated people will again support the good work of independent welfare agencies.

## **5.2 Pensions**

Most people now receiving government assistance have already paid for it through a lifetime of taxation and inflation. This applies particularly to pensioners the great majority of whom were hard working productive members of society who were promised adequate pensions in their retirement.

However the current pension system has serious flaws —

- \* People with savings or income lose their pension entitlement. This is a stupid rule which discourages enterprise and thrift and increases the number of people entirely dependent on state aid for survival.
- \* Forced retirement throws many active and productive people on the scrap-heap.
- \* Inflation and reduced national productivity has placed increasing strain on the financial ability of state pension schemes to remain solvent without great increases in tax. There is increasing evidence that state guaranteed pensions may prove to be an empty promise unless people are encouraged to regain their own independence.

Our policies on pensions are designed around the following framework —

- \* All regulations which discourage people of any age from working, earning or saving will be abolished.
- \* The purchasing power of payments to people who have already retired will be maintained by indexing payments or by reducing indirect taxes.



- \* As soon as the Progress Party takes office, all people above the age of 40 years will be given fully paid up insurance policies to mature at retirement. The value of this policy will vary with the age of the person. For those about to retire, the policy will provide retirement benefits equal to the prevailing pension rate. The benefits will reduce on a sliding scale according to age reaching zero for people below the age of 40. People may add to these policies, allow them to mature or surrender them.
- \* There will be no promise of a state pension for any person below 40 years of age when the Progress Party takes office. Our policies will result in a substantial reduction of taxation, which will give people the ability to provide for their own retirement through contributions to super-annuation or insurance schemes. In addition we will eliminate inflation so that people can once more save for their retirement with the knowledge that their savings will be worth something when they need them.

### **5.3 Education**

The widespread discontent among administrators, staff, students, parents and employers, the declining standards in basic literacy and numeracy, and the crisis in private schools are symptoms of an education system in deep trouble.

The present system contains numerous contradictions and in many ways violates the fundamental principle of non-interference. The major problems are —

- \* Enforced uniformity which results in a drab, monotonous system which satisfies no one and which quickly kills the enthusiasm of students and teachers. There is little freedom of choice for parents, students or teachers.
- \* The inequitable and discriminatory funding system. “Free” education is not free — it is paid for by all taxpayers including those with no children or those who send their children to private schools.
- \* The belief that all education occurs in schools. There are many students who would benefit from on-the-job training rather than schooling. These students should be free to choose this alternative and to return to school later in life if they wish.

#### **5.3.1 Primary Education**

To restore diversity, competition and freedom of choice to primary education and to ensure every child receives basic education, we advocate, as an initial step, the immediate introduction of primary education vouchers. These vouchers may be used by parents to pay for education at the school of their choice. Their value will be set at the prevailing cost of education at state schools. Parents may if they choose, supplement the vouchers with their own money.

Any school may participate in the voucher system provided it agrees to submit its students to a final external examination set by an education board. The questions and results of these examinations will be published to enable parents, teachers, and students to judge the relative effectiveness of each school. All schools whose students receive at least the average result for their district will receive the full voucher refund. To ensure taxpayers receive value for money, those schools who fail to achieve average results will have their voucher refund for that year reduced in proportion to the shortfall. These will be the only conditions necessary for a school to participate in the voucher system.

### **5.3.2 Secondary Education**

Currently the state enforces compulsory education to high school level and funds all education up to and including post graduate and doctorate level. Education to this level is clearly beyond the obligation of parents to provide basic education. We see no justification for compulsory education funded by the state to extend beyond primary school. We thus advocate abolition of compulsory education laws for secondary schools to allow students to choose on-the-job training, apprenticeships, or other productive activities instead of forcing all students through an increasingly irrelevant formal schooling system.

We also advocate, as an initial step, the introduction of tax rebates for all taxpayers not using the state secondary school system. Introduction of tax rebates would be accompanied by a withdrawal of state aid to non-state schools.

While the state is still involved in funding of secondary education we would support re-introduction of external examinations based on the semester system.

### **5.3.3 Tertiary Education**

The Progress Party sees no reason for the state to be involved in funding or controlling tertiary education. This is clearly a regressive taxation which provides research jobs and free education for privileged middle and upper classes at the expense of everyone else. If this system continues it will also destroy the freedom and independence of Universities. We therefore advocate the re-introduction of fees for all tertiary education together with the removal of all barriers to the provision of scholarships, bursaries or loans to deserving students. Provision of education assistance by employers to future employees should be tax deductible.

### **5.3.4 State Education Facilities**

It is the eventual aim of the party that all state education facilities be transferred to private and preferably local ownership and control. We thus advocate that all state schools and universities be converted to public

corporations, each controlled by a board of governors elected by the community served by it. This board would control the use of the facilities by the community, the employment of teachers and lecturers, the syllabus and the teaching methods. As soon as practicable, the government should dispose of these institutions to co-operatives of parents, teachers or other private organisations.

#### **5.4 Health**

Australia's health system is suffering a crisis of government interference. The private health funds were so restricted by regulations that their service was less than satisfactory. The introduction, alteration and mutilation of Medibank has added greatly to the confusion and inefficiency. This unsatisfactory state of affairs will continue while each political power group thinks it should revise the direction of the health system each time it regains office.

The Progress Party believes that health is an individual matter and should not be subject to government compulsion. Compulsory free health schemes will always expand beyond the willingness or capacity of the people to fund them and will produce dependence and hypochondria instead of independence and health.

Our health policies will aim at —

- \* Full freedom of choice for all people regarding health insurance.
- \* Full and fair competition between all state and private hospitals, health schemes etc.
- \* Conversion of all state hospitals and medical schemes to self supporting public companies whose shares are initially held by the state.
- \* Gradual disposal of all shares held by the state, giving first offer to employees of such organisations.

#### **5.5 Labour Unions**

Wages are the price of labour and like all other prices in a free society, wages are determined by supply and demand.

The chief factor determining the demand for labour is the productivity of labour. Productivity is determined by the efficiency of the worker, and the amount and quality of tools, machines and equipment at his disposal.

Why do workers in America have a standard of living higher than almost anywhere else in the world? It is not that Americans work harder nor that American unions are stronger. The reason is that the American worker has more and better tools — the capital invested per worker is greater, and because of their competitive capital market, it is invested more efficiently.

Wage rates have risen steadily since the industrial revolution because there has been a steady increase in capital accumulation. The increase has been



greatest in those countries which have left their citizens relatively free to save and to profit from the reinvestment of their savings. This investment of profits in new machines has greatly increased the demand for labour and the resulting competition for workers has driven up all wage rates.

Once these facts are understood, it is clear that many unions have indulged in policies which could not benefit workers as a whole and in fact have harmed workers in the long run. Policies in this category include those designed to reduce the productivity of labour in the belief that there is a fixed amount of work to be done which should be spread over as many hours or workers as possible. Examples include —

- \* Rigid distribution of labour, demarcation and jurisdictional disputes — often the source of frustration and diversion of effort for both employer and employee alike.
- \* Opposition to payments based on productivity.
- \* Promotion based on seniority rather than merit.
- \* Go-slow tactics.
- \* Victimisation of those employees and employers producing more than the norm.
- \* Opposition to the introduction or improvement of machinery.
- \* Insistence on make work rules and over-manning.

There is no shortage of work to be done. Work creates more work — firstly the investment in new machines creates work in tool industries; secondly the additional profits and higher wages made possible by the machines generates new spending and new jobs. Any policy which inhibits this process is anti-worker.

There is a role for unions and in the past they have done much to help their members. When labour was plentiful relative to machinery some employers adopted short sighted labour policies such as excessive working hours or work rates and conditions of safety or health which in the long run would reduce productivity. Provided workers were free to change employment such practices would be eliminated by competition but the activities of unions accelerated the process and benefitted workers and capitalists alike.

But the role of unions in correcting such foolish practices has been greatly exaggerated. They have nurtured and traded on public sympathy in order to enhance their power. We now face the situation where successive governments have permitted labour unions to become a law unto themselves, privileged to breach contracts and to coerce both employers and employees.

We recognise the right of all persons to form voluntary associations of any kind. We also recognise the right of all persons to refrain from joining any association.

Thus it follows that workers have the right to organise into unions, to withdraw their labour and to publicise any cause they wish providing they do so voluntarily and without initiating force or coercion against their employer or other workers. We would repeal all legislation which forces people to join unions or which forces employers to deal with particular unions.

We believe that contracts between employers and employees should be entirely voluntary, but legally binding, as is any other voluntary contract.

We recognise the right of an employee to withdraw his labour providing this does not breach his contract of employment. However no worker may withdraw his labour and forcibly prevent another worker from offering his. Likewise, an employer may terminate a contract of employment provided that he honours his obligations under the contract. No individual, group or government should be permitted to use force, fraud or coercion to restrict freedom of employment.

Accordingly, upon attaining office the Progress Party will act to —

- \* protect the right of workers to choose whether or not to join a union
- \* prohibit violent or coercive picketing
- \* protect the right of any employee to enter a contract with any employer to serve at a wage outside the prevailing industrial award
- \* remove the immunity of unions from civil and criminal liability.

## **5.6 Protection of the Environment**

Pollution may be defined as “the transfer of matter or energy to the person or property of another without his consent”. It therefore clearly violates the fundamental principle of non-interference. Any pollution is a violation of the property rights of the victim. Much of the confusion surrounding the problem stems from the fact that —

1. Property rights are not adequately defined or protected.
2. Much of the property affected by pollution lacks a specific owner, e.g. crown land, rivers and the sea. Anything that belongs to all belongs to none and becomes a refuse tip.
3. It is difficult to sue government departments which cause pollution.
4. The victim of pollution is the only person with a right to compensation from the polluter. For example, if a factory starts polluting surrounding properties with noise or smoke, the victims have a right to object and the factory has two choices — cease pollution or reach a voluntary agreement to compensate each affected owner. However most current pollution legislation ignores the victim and imposes arbitrary external controls which usually do not consider the wishes of affected people — the locals may have preferred jobs plus pollution and compensation rather than no jobs, no compensation and no pollution. No government has the right to deny them this choice.

Our policies in this area will be built around the following framework —

- \* Pollution laws should be designed to protect individual rights and to enable victims to obtain recompense.
- \* All unowned property should be transferred to public corporations capable of suing or being sued for pollution.

## **5.7 Conservation**

The reliance on statutory provisions and the good will of governments to conserve natural resources or man-made objects which is common to many "conservation" movements ignores the fact that governments are frequently the greatest destructive force affecting the environment. It is government whose powers of resumption have destroyed many truly historic buildings. It is government whose arbitrary splitting of land rights and mineral rights has destroyed any incentive for mining companies to engage in creative reclamation programs and caused them to comply instead with minimum statutory standards. It is the lack of property rights in much of the untamed wilderness which permits its destruction.

We believe that faith in government action in this area has consistently been misplaced.

It is also clear that many proposals for preservation of historic sites and wilderness areas are clear violations of property rights. Once this principle is accepted the effective destruction of all property rights is inevitable.

Our policies in this area will be built around the following framework —

1. Unconditional protection of property rights.
2. Transference of all government owned historical sites and wilderness areas to independent public corporations charged with the duty of preserving such areas.
3. Gradual disposal of such corporations to private hands with first offer going to employees and conservation groups. These companies may either preserve their property from all human activity or raise money by allowing limited access to tourist, hiking, hunting, fishing or other activities.



## **5.8 Consumer Protection**

Most consumer protection laws are misnamed. Far from protecting consumers much of this legislation merely serves to restrict the flow of goods and services onto the market and violates the freedom of choice of both consumers and producers. Moreover, no legislation can protect people from themselves.

The only laws which can effectively protect consumers (and producers) are those which enforce the fundamental principle — No individual, group or government has the right to initiate the use of force, fraud or coercion against any other individual, group or government. In the area of consumer protection, prevention of fraud and misrepresentation is essential and is not adequate under current legislation.

We advocate —

1. A review of all existing laws relating to fraud to make them clearer, more understandable, and more enforceable by an individual even against the largest corporation. We would also eliminate the immunities or exemptions granted in much legislation especially to government agencies.
2. The enactment of a body of law designed specifically to protect individuals against all forms of fraudulent practices.
3. The repeal of all existing consumer protection laws that violate individual rights, including all laws designed to protect people from themselves.

It should not be forgotten that in the free market consumers would be further protected because:

- \* a good name is an asset to a business and it can best be maintained by fair and honest dealing;
- \* the use of certificates, guarantees, and warranties issued by manufacturers and suppliers of goods and services are, in themselves, a protection to consumers;
- \* both professional and non-professional people can voluntarily form associations for the specific purpose of maintaining high standards, both in work and behaviour;
- \* privately owned consumer protection organisations producing journals and magazines would proliferate in a free market.

## 5.9 Planning

Planning is a well meaning concept which has been used to justify gross violations of individual rights, particularly property rights, and which more than any other concept is responsible for the conflict and dislocations in the economy and in society.

We have national planning of the economy, state planning of industrial development and local planning of land and buildings. In every area, central planning has created more and more problems. Examples are numerous —

- \* Confusion in monetary policy.
- \* Frequent changes in the tax and tariff policy.
- \* Chronic problems in agriculture and manufacturing.
- \* Uncertainty in the mining industry.
- \* Shortages and high costs in house and land development.

We are not against planning. The real question is not planning or no planning but who should do the planning, and what sort of planning is most efficient? Should a group of bureaucrats enforce their central plan, or is there a more moral and more efficient system?

We believe the only moral system of planning is that done by individuals and organisations who use their own resources to make their own plans within a framework of stable laws which ensure justice and protection of the rights of all individuals. This system also utilises all the knowledge available to every member of the society, whereas any central plan is based solely on that small fraction of the total knowledge available to the bureaucrat.

On the grounds of both morality and efficiency, central planning is a failure.

## **6. GOVERNMENT**

### **6.1 The Constitution**

A constitution is the body of laws which grant or limit the powers of government. We believe that these laws should be incorporated in a single written document.

The constitution of a free society should be the major protector of individual rights and should place clear and firm limits on the powers of governments.

Few constitutions have achieved this aim either because of omission or as a result of gradual erosion of the protection intended in the original constitution.

We therefore support alteration by referendum of the Australian and the state constitutions to place clear and distinct checks on the powers of the various tiers of government.

We believe all constitutions should include a Bill of Rights which guarantees every individual's right to life, liberty and property and in which it is the role of government to defend and protect these rights.

### **6.2 The Electoral System**

We believe that the electoral system should be fair and produce a Parliament which accurately represents the voting public as a whole.

We therefore oppose attempts to manipulate the electoral system so as to allow a party with a minority of the vote to attain office, and we support the introduction of proportional representation.

### **6.3 Federalism**

We support the concept of Federalism. However the Senate has failed to operate as a "State's House" because of the desire of political parties to win votes in the populous states. This has allowed the introduction of policies which blatantly favour those states to the disadvantage of the people of Queensland, Northern Territory and Western Australia. This discrimination occurs by way of tariffs, control of exchange rates, export controls, centralisation of public services etc.

All Progress Party governments would work towards eliminating this discrimination. If this proved impossible because of Federal resistance, the party would support secession of disadvantaged states.



#### **6.4 Secession**

Secession from a Progress Party central government would be unnecessary since no group would be disadvantaged with respect to other groups.

However, in an interim period, the right of large disadvantaged groups of people to secede from a system which exploits them would be supported providing —

1. Secession is desired by a majority of people in the area.
2. The majority does not attempt suppression of the dissenting minority.
3. The government of the new entity guarantees at least as many human freedoms as that from which it seceded.

#### **6.5 The Monarchy**

We believe the monarchy presently provides a valuable check against unconstitutional actions by executive government. However we also appreciate the strong feeling that Australia should be a sovereign nation with no powers residing with another country.

Thus we would not oppose the creation of a Republican form of government provided this was approved by a majority of the people in referendum and provided that any change increased rather than reduced the checks and balances of powers and the guarantees of individual liberty.

#### **6.6 The Bureaucracy**

The party believes that the cost of government is threatening the prosperity of all Australians, including those who work for government. This is not a criticism of the people who work for government, but is caused by the enormous burden placed on government by politicians.

We will work constantly towards reducing government activities to those essential to maintain and defend a just and stable environment which protects individual rights.

On gaining office in any government the party would immediately reduce the number of departments to no more than twelve with a clear separation of responsibilities between various tiers of government.

This would eliminate the duplication and even triplication evident in many areas such as education, health, welfare, roads, environmental control, tourism, housing, agriculture, mining, aboriginal affairs, company law, transport, consumer affairs and many more.

We would also review the archaic "security of tenure" provision which allows public servants to wield power but avoid responsibility. This would be accompanied by opening many areas of public administration to competitive tender from private enterprise — such things as handling pension cheques and payrolls, maintenance of buildings and vehicles and so on could be done more cheaply by competitive enterprises than by civil servants. (See also 4.1.2, 6.7 and 6.8)

Displaced public servants would not be forced to bear the full cost of the necessary readjustments in the economy. Retrenched government employees having worked 5 years or more would be given a lump sum payment equivalent to one year's salary. This should be sufficient to enable them to establish a new business and find new employment. For employees of less than 5 years standing the termination payment would be calculated on a pro rata basis.

At the same time taxes and disincentives to the private sector would be quickly eliminated to allow expansion of productive and rewarding opportunities.

The Progress Party would also take steps to prevent the introduction of new regulations or government agencies, and to review the performance of those in existence. This will be done in two ways.

Firstly, politicians and bureaucrats will be required to make public a "Regulation Impact Study" before introducing any new law, board, commission, regulation or agency. This statement must give the aim of the regulation, its cost, and whether this cost is greater than the expected benefit, or greater than the cost of doing nothing.

Secondly, we advocate the introduction of "Sunset Laws" for all regulations and agencies. Under a Sunset Law, every regulation or agency will automatically expire every five years unless it can be proved that they are doing their job. Unless these justifications are accepted by the elected representatives the agency or regulation must be eliminated.

#### **6.7 Government Business Ventures**

We believe it is wrong for the government to use taxpayers' money to invest in business ventures. We think it is intolerable when such business ventures are given special business privileges or legislative protection from competition.

We advocate the immediate removal of all legislative protection of government business monopolies. We also believe that all government owned business ventures should be converted to public corporations, accountable to their shareholders. Shares held by governments should then be disposed to private ownership as soon as practical. Employees of such corporations would be given first offer to purchase such shares.

Funds raised by the sale of government business ventures will be used to reduce the national debt and to purchase retirement pension policies.

## **6.8 Public Utilities**

There is no necessity for public utilities to be owned and run as government protected monopolies. They are merely government business ventures and should be treated as detailed above.

However, for some utilities, such as main roads, sewerage and water, the long standing government monopoly has created a system which will prove difficult to convert to private ownership. In such cases, there will be a long change over period. In the interim our policies in the area of public utilities will be directed towards improving their efficiency and making them self supporting.

This will be done by —

- \* Repeal of all laws which prohibit competition with or give special advantages to any public utility.
- \* Ceasing forced merger of utilities — this usually results in subsidising one group of people at the expense of another.
- \* Separating utilities so that, for example, electricity consumers are not subsidising bus commuters.
- \* Allowing local autonomy of utilities — central control should occur for economic not political reasons.
- \* Insisting that public utilities are financially independent and charge on a user-pays basis so that no consumer is forced to subsidise another.
- \* Exclusive use of private contractors for capital and maintenance work. State construction crews will be assisted to become independent contractors during the change over period.
- \* Reduced emphasis on “free-ways”, “free-bridges” etc and more emphasis on “toll-ways” etc.
- \* Charging road users in proportion to their use of roads and using such money exclusively for roads. This could be done by way of a uniform petrol tax or tyre tax for all road users.
- \* Repeal of all provisions which tie the salaries of local government employees to the income or expenditure of the authority. Such remuneration should be set by mutual contract on a work value basis.



## **7. FOREIGN AFFAIRS**

### **7.1 Defence**

Defence is clearly one of the proper functions of government. However, it is just as clear that it is impossible to defend Australia in the traditional way, with a conventional standing army.

We believe there are three policies necessary to provide for the adequate defence of Australia —

- \* A strong diversified economy supplying essential requirements to the great trading nations of the world. This must be the cornerstone of Australia's defence policy. It will make us indispensable to the great powers who will protect our independence in their own self interest. Any policy which withholds resources, or puts barriers in the way of world trade and commerce is, in our opinion, a dangerous threat to our security.
- \* A small full time, highly mobile, adequately armed, air-sea defence force to patrol and protect our trading routes, ports, off-shore oil installations and fishing grounds. This will incorporate maximum integration of services and standardisation of equipment.
- \* Extensive involvement of Australians in a large part-time voluntary defence force. We believe the existence of a large reservoir of trained and armed civilians prepared to defend their homes, by guerilla activity if necessary, would be a powerful addition to a small full-time conventional army. We would encourage all adult Australians, both male and female to volunteer for such a force, to be trained by professionals, and to keep and maintain their own uniforms and equipment.

Conscription has no part in a free society. It clearly violates the fundamental principle of non-coercion and its introduction always undermines and divides the morale of the army and of the population.

It is also unnecessary. Our whole philosophy encourages the growth of self respect, morality and responsibility. There would be no shortage of volunteers to defend themselves, their homes, and their freedom in the face of a clear and present danger. Any military action which requires conscription for its success is probably unnecessary or immoral.

### **7.2 Foreign Aid**

Despite their well meaning intentions international welfare schemes are morally and economically destructive for all concerned. If current trends continue they will make paupers out of the diminishing number of donor countries and beggars out of the growing number of recipients.

We are told that foreign aid promotes Australian economic growth. Clearly no one gets rich by giving things away. If so, we could all get rich by doubling production and dumping it in the sea. We are also told that foreign aid buys friends. There is strong evidence that the reverse is true. Countries have found that if they abuse the West, foreign aid increases "in case they go communist". There can be no real friendship under such patronising and degrading circumstances.

The most persuasive argument for generous foreign aid is humanitarian. We are told it is desirable to help less fortunate people. This is not disputed. We believe strongly that any individual should be free to follow his conscience in this matter. However the source of government foreign aid is compulsory taxation, not a free choice by individuals. This is morally destructive for all concerned and wholly inconsistent with humanitarian principles.

Finally we are told we must give aid in order to generate prosperity and ensure peace in our region. These again, are worthy aims, but international handouts usually achieve the opposite.

The evils are numerous — government to government aid increases the power of foreign governments, does nothing to improve their efficiency and encourages corruption. What is actually spent on the country tends to be spent on grandiose projects with little chance of ever regenerating the capital. Even worse it encourages the evils of central planning which tends to sap the productivity of any industry that is already established.

We believe three steps are necessary to help our poorer neighbours (and ourselves) —

Firstly, remove all restrictions on the movement of private aid, donations, loans or investments to foreign countries.

Secondly, remove barriers to trade so that poorer countries have an incentive to achieve wealth by production instead of by political action.

Thirdly phase out all government-to-government aid.

### **7.3 The United Nations**

The United Nations was set up as a federation of peace loving nations devoted to the prevention of future wars. While its creation did capture the imagination and idealism of many people, its history has been a tragic disaster. It has not brought real peace anywhere and it has been unwilling or unable to prevent numerous cases of brutal aggression and international terrorism.

It welcomes as members numerous aggressive totalitarian States. Representatives of these countries hold many policy-making and executive positions within the United Nations and are able to enforce their will on peace-loving peoples of other countries.

Its recent decisions and actions show clearly that it is now devoted to setting up a new economic order based on socialist principles and presided over by a new super-bureaucracy whose aim is to plan and control the world.

It would be difficult for any country which values freedom and justice to support the activities of the U.N. We therefore advocate that Australia withdraw from the U.N.

#### **7.4 Immigration**

We believe the government should not be involved in subsidising immigrants to Australia or in supporting them on arrival. Similarly, immigrants should only receive welfare or other benefits paid for by Australian taxpayers after a substantial qualifying period. Until the welfare state is restructured in accordance with our policies, intending immigrants will be required to acknowledge that they understand and accept this position before embarking for Australia.

With these provisos, we believe there are substantial benefits for Australia in an open door policy towards new settlers subject to normal precautions against the introduction of contagious diseases.

Australia is a large, rich, under-populated country. The market for our manufactured goods is small; we could all benefit from the introduction of new skills and technology; our defence is a problem; our neighbours have every reason to distrust and envy us. As long as the immigrants pay for what they use and no Australian is forced to support, subsidise or trade with them, they will enrich Australia with their labour, their skills, their wealth, their culture and their diversity. In a free society which protects property rights, new settlers can only obtain land or housing in a community if the current owners choose to sell it. As long as no force or fraud is employed, the denser population in any community is thus the direct result of the voluntary actions of Australians. They have effectively voted to admit the new settlers. The same applies to whatever the immigrants get on the free market; in order to obtain resources for their own use they must bring or produce new wealth to acquire them. Both parties gain in every such free transaction.

The United States provides the greatest example of the potential benefits of an open door migration policy. Until the middle of the 1920's anyone who wanted to come was welcome and they came. They and their descendants created a large part of the cultural and economic wealth of the United States. This policy brought great benefits to America and would bring great benefits to Australia.

It is a shame that the argument needs to be put in terms of economic or defence benefits, because the crucial issue is moral. No government has the right to prohibit any individual from selling his own property, goods or services to any other individual. Maintaining Australia as a closed preserve harms Australians as much as our potential immigrants.



## 8. CANDIDATE'S PLEDGE

The Progress Party believes that "Truth in Advertising" should apply to politicians as well as to commercial products and services. We also believe that the electors are entitled to expect a candidate to keep his campaign promises once he is elected. Therefore all candidates endorsed by the Progress Party to stand for election have publicly proclaimed the following pledge —

1. The aim of the party is to implement the fundamental moral principle of non-interference which can be stated thus — "No individual, group or government has the right to initiate the use of force, fraud or coercion against any other individual, group or government". Although no individual or group may "initiate" or start the use of force, they may of course use force as retaliation or defence against others who initiate it, or threaten to — for example criminals or invaders.
2. I agree to do everything in my power to advocate and implement policies consistent with the fundamental principle. I believe every man has the right to live his life in the manner of his choice providing he respects the equal rights of others.
3. I believe the problems of Australia are caused by the scramble for power and privilege by vested interests. I will do everything in my power to stop these abuses of monopoly power and to restore justice to government.
4. I pledge to work to reduce the number of officials and bureaucracies at all levels of government.
5. I believe that inflation and excessive taxation are destroying the morality and prosperity of our society. I will make every effort to correct this by reducing taxes to the absolute minimum, reducing and eventually eliminating government deficits and eliminating monopoly powers in banking and currency.
6. I agree to put principles before party or votes. I consider this pledge to be a personal contract between myself and the electors. I do not feel bound to follow the dictates of the Progress Party or any other group should their advice conflict with the fundamental principle.
7. Should I violate this pledge I agree that the electors have a moral right to demand my resignation from office.

Signed.....

Witnesses.....

Date.....

## 9. REFERENCES FOR FURTHER READING

The philosophy on which the Progress Party is based has a well established and extensive literature. Unfortunately most of it is hard to find — it is not often prescribed in schools and universities or found in bookshops. The following is a selection of the best references arranged in order of increasing depth. (That is, the simplest and easiest to read come first).

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|---------------------|--|
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| M. Friedman         | — "Capitalism and Freedom", Univ. of Chicago, 1962.  |
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| L. von Mises        | — "Planned Chaos", F.E.E., 1947.   |
| L. von Mises        | — "Bureaucracy", Arlington House, 1969.  |
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| Periodicals         | — "Reason" — Monthly from Reason Magazine, Box 40105, Santa Barbara, Calif. U.S.A., 93103.                                 |
|                     | — "The Freeman" — Monthly from The Foundation of Economic Education (Aust), P.O. Box 174, Indooroopilly, Qld. 4068.        |

*Books may be obtained from some offices of the Progress Party.*

## 10. CONSTITUTION

**1. Name**

The name of the organisation shall be "The Progress Party".

**2. Fundamental Objective**

The aim of the party is to implement consistently the fundamental moral principle of non-interference which can be stated thus – "No individual, group or government has the right to initiate the use of force, fraud or coercion against any other individual, group or government". Although no individual or government may "initiate" or start the use of force, they may of course use force as retaliation or defence against others who initiate it, or threaten to – for example criminals, invaders or lawbreakers.

We believe that as every man's life is his own he should be able to live that life in the manner of his choice, provided that he does not trespass on the freedom of others. It follows that in a moral society the proper role of government is to protect the individual's rights from violation by force, fraud or coercion.

The party does not stand for weak government or for no government. It stands for limited government. A limited government is strong in enforcing the rule of law, in defence, in combatting crime and in defending the rights of each citizen. It is limited by way of a written constitution which firmly prevents it from arbitrary decision making and from interfering with any honest, peaceful citizen. A limited government is a predictable servant and protector, not an arbitrary master.

**3. Direction**

Each state branch of the Party will be directed by a Board of not less than five directors elected by all members. The function of the Board is to ensure that the Party pursues its objective.

**4. Election of Directors**

All directors shall retire annually and shall be eligible for re-election. Any member nominated by two other members is eligible for election to the Board. Nominations will be called by a notice sent to all members at least fourteen days prior to the close of nominations. In the event of casual vacancies or insufficient nominations, the Board may appoint members to fill vacancies.

**5. Activities**

The Party will engage in those activities considered by the Board to be consistent with the objective.

**6. Management**

The Board may delegate responsibility for management and appoint staff as required.

**7. Trustees**

The Board may arrange for the election or appointment of Trustees to hold property for the Party.



- 8. Membership**  
Any person who agrees to abide by the fundamental principle of the Party is eligible to apply for membership of the Party.
- 9. Powers of Board**  
The Board has power to determine any question on which this Constitution is silent.
- 10. Federal Organisation**  
The Party will be organised as a voluntary alliance of autonomous state branches. Each branch must incorporate the same fundamental objective.
- 11. Amendment to policy objectives**  
The fundamental objective of the Party may not be changed. Specific policies may be changed with the approval of the majority of the Board unless a referendum of members is demanded by at least 25% of Board members.
- 12. Amendments to Constitution**  
Clauses 2, 3, 4, 11 and 12 of this Constitution may not be altered. All other clauses may be altered by referendum of members. All members must be given not less than fourteen days notice in writing of any proposal to amend the Constitution. Voting is not compulsory and the result will be determined by the majority of members who vote.

## **11. STATE OFFICES**

<b>Queensland</b>	P.O. Box 93, Indooroopilly, 4068 Phone (07) 371 1122
<b>Northern Territory</b>	P.O. Box 4420, Darwin, 5790 Phone (089) 81 8801
<b>Western Australia</b>	G.P.O. Box S1555, Perth, W.A. 6001 Phone (09) 321 4721
<b>New South Wales</b>	P.O. Box 42, Spit Junction, 2088. Phone (02) 969 1328
<b>Victoria</b>	P.O. Box 68, Collins Street Post Office, Melbourne, 3000 Phone (03) 818 6521
<b>A.C.T.</b>	P.O. Box 328, Civic Square, A.C.T. 2608 Phone (062) 47 8404

## **FREEDOM VERSUS COLLECTIVISM**

*The battle of our times*

Everyone carries a part of society on his shoulders; no one is relieved of his share of responsibility by others. And no one can find a safe way out for himself if society is sweeping towards destruction. Therefore everyone, in his own interests, must thrust himself vigorously into the intellectual battle. None can stand aside with unconcern; the interests of everyone hang on the result. Whether he chooses or not, every man is drawn into the great historical struggle, the decisive battle into which our epoch has plunged us.

**LUDWIG VON MISES**