

Sham Taxes for Sham Reasons

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The next **Federal Election** will be decided on whether Australian electors **accept or reject** the proposed **40% Mining ‘Super Profits’ Tax** - the result will go down in Australian history as one of the most important decisions regarding the future of Australia.

The following are five significant Australian political history dates which are responsible for Australia’s democratic system as it is today:

- January 26, 1788 – **Foundation of Australia for UK Convict Settlement in Sydney**
- July 1, 1851 – **Separation of the Port Phillip District (Victoria)** from New South Wales
- December 3, 1854 – **The Eureka uprising in the Victorian goldfields** after the imposition of a mining gold licence tax of £1 a month.
- January 1, 1901 – **Federation of the Australian States**
- December 10, 1949 – **Rejection of ‘Bank Nationalisation’** at the 1949 Federal Election. (Mentioned on Page 49 but not covered in detail.)

The sixth significant date hasn’t happened yet - it will be when the future of the proposed **40% Mining ‘Super Profits’ Tax** is decided - perhaps another Eureka!

There is little doubt that Victoria and Australia would be a very different place today if early Port Phillip settlers had not on July 1, 1851, after 11 years, obtained **Separation of Victoria** from NSW and subsequently in 1855 recognised the inequity of the mining tax that started the Eureka Stockade, resulting in the 13 defendants found ‘Not Guilty’ of treason at the **Eureka trials**. (Many of Melbourne’s legal establishment at the time had since the early 1840’s been vocal supporters of the Separation of Victoria).

The Eureka uprising was about a sham mining tax, I am sure many Australians see the similarity to today’s **40% Mining ‘Super Profits’ Tax**.

In 1854, under Governor Sir Charles Hotham and before the ‘Eureka uprising’, the Victorian Legislative Council Budget stipulated £155,000 pounds be allocated to education and “...**£400,000 should be transmitted, according, to law, for the purpose of promoting immigration from the United Kingdom**” – an obvious legislative ‘sham’ ordered by the British Administration as a reason for transferring funds collected mainly from miners and land sales to the UK.

In 1855 Slater, Williams (my great grandfather, see Note below) and Hodgson sent a critical letter, “Bounty Immigration”, to all Members of the Victorian Legislative Council strongly objecting to the ‘sham’ misappropriated allocation of funds by the Victorian Government “...promoting immigration from the United Kingdom.” (See below)

Today, 156 years later, the Federal Government is proposing to legislate a **40% Mining ‘Super Profits’ Tax** – like in 1854, a proposed legislated ‘sham’ – on the ‘false’ premise that the minerals owned by a State are the property of the Federal Government to freely distribute to other States – for all Australians to benefit - a ‘sham’ reason!

Stopping the **40% Mining ‘Super Profits’ Tax** is as important today as the 1851 ‘**Separation of Victoria**’, the 1854 ‘**Eureka Uprising**’ and in 1949 stopping ‘**Bank Nationalisation**’.

The **40% Mining ‘Super Profits’ Tax** is:

- retrospective on existing mines and has already significantly **damaged Australian’s ‘sovereign risk’** as a country worthy of investment and safe to invest in – both for mining projects and other projects
- a Federal Government tax on mines and minerals – which are owned by the States

The **40% Mining ‘Super Profits’ Tax** will have far reaching consequences.

Making the tax 40% on the profit of an individual mining project means the npv (net present value after tax) used by financial institutions to lend funds for that project is now **significantly lower so fewer mining projects will begin – 40% tax = 40% nationalisation.**

The net effect:

- Value of mining companies now **lower**
- Dividends to be **lower**
- Superannuation assets **lower**, and
- **Lower** employment due to a weaker mining industry:
 - **fewer** new mines opened
 - **fewer** mining related/service industries
 - **less** mineral exploration

Acceptance or not of the **40% Mining ‘Super Profits’ Tax** will be decided at the next Federal Election – **if rejected**, Australia will continue its remarkable growth; **if accepted and legislated** it is the beginning of the nationalisation of many other Australian industries – the beginning of Australia with a ‘Greek’ economy!

[Our latest Morgan Poll conducted June 12/13, 2010 gave the ALP 51.5%, L-NP 48.5%](#) – forget the published telephone polls showing the L-NP with a big lead – the Federal Election will be close, and the ALP people I have spoken to (all close to ‘god’) know where the **ALP now stands – in a good position to win the next Federal Election** – then Australia will need more than ‘god’ to help us!

Like the Eureka Trials ‘through out’ the treason charges in 1855 the Rudd Government must now ‘throw out’ the proposed **40% Mining ‘Super Profits’ Tax** to reverse the damage already done to Australian’s ‘**sovereign risk.**’

The **40% Mining ‘Super Profits’ Tax** issue is bigger than the Mining Companies (not wanting to pay more tax), the issue is bigger than the L-NP Opposition wanting to win the next Federal election – it is about the future of Australia and all Australians.

Note:

In 1852 my great grandfather, **William Williams**, began his printing and publishing life working at George Cavenagh's *The Melbourne Morning Herald* with George Heath and Henry Howell. On October 28 1853 Heath, Howell and Williams, with support from George Cavenagh, began *The Diggers Advocate* – “Voice of the Gold Diggers” which closed after 6 issues and on February 24, 1854 published as *The Gold Diggers' Advocate* with George Black as Editor, H R Nicholls an Assistant Editor and during 1854 up to its last edition published before Eureka (December 3, 1854) contained contributions from John Pascoe Fawkner and Ebenezer Syme (eldest brother of David Syme and George Syme – Stewart McArthur's great grandfather).

My family's involvement with *The Herald* in Melbourne ended in June 1973 – 121 years after William Williams joined *The Melbourne Morning Herald*. Then my father and I conducted our last **Australian Gallup Poll** which since September 1941 was published in Melbourne in *The Herald* and other newspapers throughout Australia. **Gary Morgan, June 18, 2010**

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(Available on Roy Morgan website: www.roymorgan.com)

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BOUNTY IMMIGRATION.

“ This Council, having given the Financial Minute of His Excellency the Lieutenant-Governor the most careful consideration, is of opinion—

“ 1. That, as a principle of prudent legislation, the ordinary expenditure of the Government for the year 1855 should not exceed the revenues estimated by this Council at £2,400,000, which includes £400,000—the unappropriated moiety of the land fund—and an estimated increase in the tariff of not less than £320,700.

“ 2. That the expenditure should be apportioned on the following basis:—

	£
“ (1.) Education	155,000
“ (2.) Appropriations, as by act	132,000
“ (3.) Local and Imperial public works, inclusive of interest on a loan to pay for reproductive works, as already approved by law	800,000
“ (4.) Salaries, establishments, scientific and charitable in- stitutions, &c.	1,313,000
	<hr/> £2,400,000

“ 3. That the appropriated moiety of the land fund, as estimated for 1855 at £400,000, should be transmitted, according to law, for the purpose of promoting immigration from the United Kingdom.

“ 4. That this Council cannot sanction, either as a loan or as an appropriation, the sum of £869,000, being an amount of money solemnly guaranteed by Act of Parliament for the purposes of emigration.”—Resolutions of the Legislative Council, passed on the 13th of December, 1854.

“ The loss to the Colony by this seizure of the immigration moiety of the land fund had been at least 50,000 souls.”—MR. O'SHANASSY'S SPEECH.

“ With reference to the misappropriated moiety of the land fund, it had been defended as merely borrowing from the left hand to the right. But they overlooked the wrong done to the poor of Great Britain and Ireland, who were not represented in that House, but who were so deeply interested.”—MR. MOLLISON'S SPEECH.

TO THE MEMBERS OF THE LEGISLATIVE COUNCIL,

Gentlemen,

WITH the first and second of the resolutions, which form my text, I am no further interested than to avail myself of the opportunity they afford of congratulating you on the consistency of the course you have