

Australian Adam Smith Club (Melbourne)

President: Michael Warby, Editor: Regina Bron, P.O. Box 950, Hawthorn, 3122

Bad laws are the worst sort of tyranny. *Edmund Burke (1780)*

Dr Katharine Betts on Political Divisions: Economic Differences or Culture Wars?

**The Adam Smith Club will host a dinner meeting on Monday the 30th of May, 2005,
at the Curry Club, 396 Bridge Road, Richmond.**

Dr Katharine Betts teaches Sociology at the Swinburne University of Technology. She has been doing research in population studies for over twenty-five years, beginning with fertility and family planning and then turning to migration studies and questions of national identity. Her major work is an analysis of the politics of Australian immigration published in *Ideology and Immigration* (MUP, 1988) and in *The Great Divide* (Duffy and Snellgrove, 1999), as well as in a number of journal articles. This work draws on the idea of the new class to help analyse immigration and settlement policies since the mid 1970s.

Are Australian politics converging on questions of taxation and economic management, but diverging on cultural questions, such as national identity and the value of diversity? If cultural questions from a new dimension polarizing electoral opinion, is this new division represented by the men and women who stand for election to the Federal Parliament? Dr Betts will use data from the Australian Election Studies (1987 to 2004) to explore these questions.

Attendance is open to both members and non-members. Those desiring to attend should complete the attached slip and return it to the Club no later than Friday the 27th of May 2005. Tickets will not be sent. Those attending should arrive at 6:30pm for dinner at 7:00pm. The cost is \$35.00 per head for members and \$40.00 per head for non-members (see next page for explanation of arrangements).

**Enquiries to Ms Regina Bron, tel 9859 8277 (AH)
or Dr Tom Jellinek, m 0413 755 533 (BH)
or email asmith@economic-justice.org**



— detach and return —

The Secretary,
Australian Adam Smith Club (Melbourne),
PO Box 950, Hawthorn, Victoria 3122.

Please reserve place(s) at \$35.00 dollars per member andplace(s) at \$40.00 per non-member for the May 30th meeting of the Australian Adam Smith Club. I enclose the amount of \$..... in payment for the same.

NAME (please print):

ADDRESS:

.....

SIGNATURE: TEL:

LAISSEZ FAIRE ON THE WEB

This newsletter has an address on the web: <http://www.economic-justice.org/asmith.htm>. The Institute for Economic Justice has been created by David Sharp a former president (and current committee member) and Timothy Warner the current Treasurer of the Club. As stated on the web site, 'The Institute has been founded to assist those who have been subject to economic injustice, and to increase both public and professional awareness of remedies available under the Law.'

THE ANGLO-SPHERE

The return of the third member of the 'Anglo-sphere' is re-assuring for those who support the regime change in Iraq and the campaign for democracy. But many of the larger L liberals who support the war are becoming concerned at the economic costs and direction of the Australian, UK and US governments.

Although all claim some degree of small

government rhetoric, the tax and spend nature of each is very disturbing given that we are at the very end of this economic cycle.

The CIS Tax Freedom Day came a full week later this year.

If the coming Coalition senate majority in Australia is to mean anything then the easiest measure will be Tax Freedom Day 2006. *TW*

FREE TRADE THE FORGOTTEN TRIUMPH

Although few Australians are aware of the struggle in the first decade of Federation between Protection, Free Trade and Labor, even fewer are aware of the details of that contest. At the end of the decade the two non-Labor Parties merged to form the Fusion Party (later renamed the Liberal Party). The normal narrative of this was that Protection, having led the creation of a fair and equitable system, found more in common with the Free Traders than Labor - an act of principle on the part of Deakin.

For those who would claim that free trade and free markets are electoral poison, it was the collapsing vote and influence of Protection that drove the merger. (Shown under each party is the number of seats and in brackets the percentage of the vote obtained.)

Year	Free Trade	Protection	Labor
1901	28 (30.03%)	31 (36.75%)	14 (15.76%)
1903	25 (34.37%)	27 (29.70%)	23 (30.95%)
1906	27 (38.17%)	20 (21.28%)	26 (36.64%)

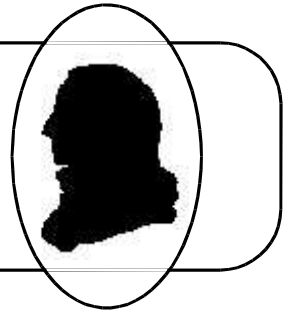
I strongly suggest to all those interested in these electoral figures to reconsider the received wisdom - that the Liberal Party can only succeed when it is led by the protectionist wing of the party. Although these election results are now ten decades old, they are the basis for the myth that the Deakinite settlement was the result of principle and electoral realism. *TW*

VENUE ARRANGEMENTS

For the Curry Club, drink is not included in the price. You may bring your own drinks (no corkage will be charged) or purchase from the restaurant which is fully licensed. A room has been reserved for the dinner meeting. We hope these arrangements do not cause inconvenience and we welcome your feedback.

Laissez Faire

Newsletter of the Australian Adam Smith Club (Melbourne), No 72, May, 2005



OUR FREEDOM RUN DOWN

In Western civilization the car has become a symbol and practical embodiment individual freedom. However for the chattering classes (whether armchair socialists of the Left or Right, PC do-gooders or just plain “Watermelons”) the car represents the evils of capitalism; it must be opposed in the name of reducing pollution, greenhouse warming, oil company profits, traffic congestion, traffic accidents but never in the name of removing people’s freedom.

Here are three recent examples of how our freedom is being restricted by stealth.

Tram “superstops” are being created in the name of public safety and helping the disabled to use public transport. One of the justifications touted for these superstops is that over 50% of the population will at some stage in their lives be disabled and therefore will benefit from the improved access to public transport. This is, at best, an irrelevant argument and at worst deliberately misleading. The real question to be answered is, what percentage of the population (disabled or not) that currently do not use public transport will use public transport as a result of the introduction of superstops? The answer to this is most probably so close to zero as not to matter; certainly too low to justify the millions of tax dollars being spent. (There is even speculation that the superstops may reduce the overall number of people using trams. Along with the superstops, the total number of tram stops will be reduced, thereby increasing the distance between stops. This will cause some people, especially the disabled, to seek alternate means of transportation.) The claim has been made that the effect on motorists is negligible but anyone who has traveled along Whitehorse Road and experienced the constrictions caused by the superstops will refute this claim. The practical outcome of the superstops has been marginal benefit at best to a few public transport users but significant inconvenience and delays to motorists. But the superstops are visible and the politicians’ spin machine can brag how wonderful they are, while the insignificant individual motorist is powerless to complain.

In the name of public safety, forty kilometre per hour zones around anything and everything are being introduced by councils. I doubt there is any evidence to show a reduced accident rate as a result of the introduction of forty kilometre zones. There is one street upon which I often travel where the speed limit changes between 40 and 50 kilometres per hour four times in the space of a few hundred metres. This can only serve to increase the risk of accidents as the motorist is constantly distracted from concentrating on driving, while trying to check for a change of speed limit. Again, while the effect of these speed limit changes is of questionable safety benefit, it does have the effect of making the life of the motorist miserable. Of course the increased opportunity for speeding tickets it not something the politicians are going to advertise as it only serves the poor motorist right.

It has been announced that a tax of \$400 per parking space is to be levied on all metropolitan Melbourne city car parks. This will apparently be increased to \$800 per annum after the first year of the new tax. The clearly announced intention of this tax is to increase the use of public transport by making it too expensive for many motorists to park in the city. Notwithstanding the millions poured into public transport (taxes taken from families, the vast majority of whom own cars) it apparently cannot compete on a level or unlevel playing field with the evil motor car. Given a free choice, too many people for the government’s liking use their car to commute to the city. How high will the parking tax have to be before the government is satisfied? Well before that level is reached, how many businesses will relocate out of the central business district?

All three government (that is coercive) measures serve a common purpose; in the so called public interest to increase the shackles on the motorist. This is only a small example of what is happening consistently at all levels of government. Slowly, bit by bit, our rights are being pared away. We are on “The Road to Serfdom” but how many realize it? *MG*

A DROP IN THE BUCKET

The Victorian State Government introduced new legislation last July to reduce energy consumption in new homes by bringing about an improvement in the fabric of the building. In many ways I applaud this. The quality of most urban residential design is poor from both the aesthetic and design perspective. The last decade saw the rise of the scaled down Neo-Georgian style, basically double storey boxes with tacked on double storey roof over the front door, supported by oversized columns: no eaves, no verandahs, no pergolas, no window shading, no interest and certainly no consideration as to orientation for views, let alone sun control. Inside the entry usually opens onto a double storey void filled by a grand staircase. These boxes overheat in summer and are difficult to keep warm in winter.

Passive thermal design principles are far from recent discoveries, but the new 5Star legislation, which attempts to redress some of the many problems these tacky boxes present, takes a prescriptive approach instead of one which develops common sense.

The bulk of residential developers give no consideration to orientation, passive thermal design principles, passive ventilation and sensible use and arrangement of spaces. The easiest way to meet the demands of the rating system without any serious reassessment of 'fashion' is to build the same boxes on a concrete slab with reduced window sizes. The problem is compounded as many volume builders repeat the same building design in many different locations. As the building design must be 5Star rated for all locations, each façade is treated as if it were the worst orientation, thus totally ignoring the benefits an individual site may present.

But even if all new homes were to be designed to exacting standards

of energy efficiency, the legislation is seriously flawed.

Domestic energy consumption in Victoria is approximately 15% of the total. Of that percentage well over 50% is attributed to the use of appliances, equipment and lighting, approximately 28% is attributed to hot water, 12% to heating, with another 2% to cooling.

The 5Star legislation mainly affects the building fabric, which can only impact on the energy used in heating and cooling. (5Star also requires the installation of a gas boosted solar hot water service or a water tank to collect rainwater for use in toilet flushing). Even with the best technology we cannot improve the building fabric so that it requires no energy inputs for heating. Realistically let's suggest that we can save 25% of energy inputs required for heating by careful choice of building materials, good insulation and the application of passive design principles. A 25% reduction of 12% (heating uses) of 15% (domestic consumption) of maybe 5% (new homes built across the state as a percentage of the existing), the overall savings is a tiny 0.0225%. What next, draconian restrictions on the number of lights that can be on at the one time or restriction on the number of TV's, videos, dvd's etc one can have in a household?

Similarly, domestic water usage is approximately 7% of the total (ABS 19/5/04), with the bulk being used in agriculture and industry. We are being urged to save water by installing water efficient fittings and appliances and changing habits.

Take a look at your water rates and you will find that consumption accounts for maybe a third of the total. It's comforting to see the half page ad taken out by City West Water in the Melbourne Leader 25 April. Here the new three tiered tariff is explained with a section

headed Assistance for larger households: it states, 'Households of five or more people that find it difficult to pay their water bill will receive help to *reduce their water consumption*' (my italics). Families of five or more people inevitably use more water – more showers, more loads of washing, more toilet flushing, even more water is drunk! Their bills will be naturally larger! City West Water will send out a water conservation adviser. I suggest many would find this insulting. If the family is having difficulties paying their quarterly water bill, they are hardly likely to have the spare cash to change over plumbing fittings, the work of which must be done by a licenced plumber or buy a new front loading washer machine. What else can the water conservation adviser advise? Turn underwear inside out to wear a second day? Shower every other day or with a friend?

A recent government sponsored announcement has a smart water saving hint. Don't waste the first few litres of cold water in the shower before it warms up. Catch this in a bucket and take it out to the garden. This might be practical for some, but most people would not be too keen in carrying dripping buckets of water over carpet through bedrooms, living rooms and down stairs.

One can't fault the sentiment, but is this type of advertising value for taxpayer money? Would not the money be better spent in funding research or new technology in partnership with industry to develop for instance a showerhead bi-pass that recycles water until it reaches the desired temperature, or a rebate to encourage the replacement of wasteful fittings with more efficient ones or maybe to target industry and agriculture where, after all, 93% of our precious water is consumed? *RB*