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NEW IPA RESEARCH: GOVERNMENT SHOULD ABANDON BANK TAX

Free market think tank the Institute of Public Affairs today released a research brief outlining why the Government should abandon its proposed changes to the banking sector.

The brief argues that the proposed changes are illiberal and exemplify bad policy process; the bank tax will be paid for by all Australians; and the wage and price controls will distort the financial system and reduce economic growth.

"The Government should be reducing taxes and regulation to liberalise the financial sector and increase competition. The proposed changes will have the opposite effect," said Daniel Wild, research fellow with the Institute of Public Affairs.

"The proposed changes are highly illiberal. The government will take increasing control over basic business management decisions. It is a step towards quasi-nationalisation."

"The lack of consultation is concerning. Stakeholders were given practically no time to respond to the changes and this has resulted in some serious design flaws," said Mr Wild.

A copy of the brief is available to download [here](#).

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