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## LNP Senator James McGrath Warns Labor's Economic Plans Risk Undermining Investment and Growth

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Liberal National Party (LNP) Senator James McGrath has issued a stark warning about the potential consequences of the Labor Party's recent economic reform roundtable. According to McGrath, the policies proposed could discourage Australians from investing in the productive sectors of the economy, ultimately harming growth and job creation. He argues that when taxpayers feel their hard-earned money is at risk, they naturally become more

reluctant to invest, which could have serious long-term effects on the nation's economic health.

Speaking on Sky News with host Steve Price, Senator McGrath pointed out that Labor's approach misunderstands how investment decisions are made. "What the Labor Party doesn't realise is that if people start to cotton on to the fact that Labor is going to come after the money they've worked so hard for, people will no longer invest in the productive part of the economy," McGrath said. His concern is that targeting wealth through higher taxes or stricter regulations creates an environment of uncertainty that chills investment and entrepreneurship.

To reinforce his argument, McGrath referenced the experience in the United Kingdom (UK), where the Labour Party attempted to tax what are known as "non-doms," non-domiciled residents who maintain financial interests outside the country. The term "non-doms" refers to individuals who live in the UK but claim their permanent home is abroad, allowing them certain tax advantages. The UK Labour Party anticipated raising billions of pounds in revenue from these taxes. However, as McGrath explained, "They thought they were going to bring billions of pounds of revenue ... the opposite happened." Rather than increasing government income, the policy discouraged investment and drove capital away, illustrating the potential unintended consequences of punitive tax measures.

McGrath's comments come amid a broader debate about Australia's economic future, especially under a government many view as overly focused on increasing taxes and regulation. He suggests that instead of fostering growth, Labor's policies could erode confidence among investors and entrepreneurs, which is crucial for sustaining jobs and innovation.

This criticism reflects a wider concern among many Australians who believe the government should prioritize policies that support economic stability and growth, rather than measures that could deter investment. McGrath's warnings underscore the importance of balancing revenue generation with maintaining an environment where businesses and individuals feel secure to invest and expand.

In conclusion, Senator McGrath advocates for an economic approach that encourages productivity and investment, cautioning against reforms that could jeopardize Australia's economic future. His perspective invites policymakers to carefully consider the long-term

effects of taxation and regulation, emphasizing that a thriving economy depends on a confident, motivated investor base