

# AUSTRALIA'S NATIONAL BALANCE SHEET

AS AT 30TH JUNE, 1959

ALSO

## AUSTRALIA'S NATIONAL CREDIT ACCOUNT

FOR THE YEAR ENDED 30TH JUNE, 1959  
(with notes to each account)

Compiled from official publications  
by **D. J. AMOS**, late F.A.I.S., F.C.I.S.  
(Fellow of Australasian Institute of Secretaries)  
(Fellow of Chartered Institute of Secretaries)

Herein is shown that, by a proper use of our National Credit at 30/6/1959, every citizen could have been given a Cash Bonus of £328, plus another £328 in Discounts off his (or her) Purchases. The Government would have found itself in possession of £3,278 millions for Public Works, £500 millions for Redemption of the Public Debt, and £2,777 millions for ordinary Government Expenses, without the necessity of any taxation at all.

# AUSTRALIA'S NATIONAL BALANCE SHEET AS AT 30TH JUNE, 1959

Compiled from Commonwealth Statistician's figures published in official Books  
and from other reports by D.J. AMOS, Ex F.A.I.S., F.C.I.S.

Abbreviations—C.Y.B. = Commonwealth Year Book. Q.S.A.S.= Quarterly Summary  
of Aust. Statistics. N.B.I. = Not Bearing Interest. B.I. = Bearing Interest.

<b><u>LIABILITIES:</u></b> For (a), (b), (c). See page 6	£millions	£millions
<b>LEGAL TENDER</b>		
Australian Notes (a) C.Y.B. 45 P.1186	398	
Coinage (b) C.Y.B. 45 P.1186	<u>41</u>	
	439	439
<b>PRIVATE DEBTS (c)</b>		
<b>All cheque paying Banks.</b> Deposits N.B.I., Q.S.A.S. 237 P.69	1,207	
<b>All cheque paying Banks.</b> Deposits B.I., Q.S.A.S. 237 P.69	461	
<b>Hire Purchase Coy's Balances</b> Q.S.A.S. 237 P.67	<u>354</u>	
	2,022	2,022
<b>PUBLIC DEBT</b>		
<b>Government Stock.</b> Q.S.A.S. 237 P.86 (Includes Short-Term Debt.)		4,041
<b>OVERSEAS CLAIMS</b>		
International Monetary Fund. Budget 1959/60	209	
<b>International Bank.</b> Budget 1959/60 (Holdings of Aust. Notes and Non- Negotiable Securities N.B.I.)	<u>195</u>	404
<b>EXCESS OF ASSETS</b>		<u>72,466</u>
		<u>79,372</u>

<b><u>ASSETS:</u></b> For (d), (e). See page 6.	£millions	£millions
<b>PRIVATE PROPERTY (d)</b>		
Wickens' Estimate for 1929, Showing Net Appreciation for 8 years ending 30/6/1929 at approximately one-third of cost of gross production (C.Y.B. 26 P.492)	3,351	
Plus net appreciation since: One-third cost of gross production for 30 years £37,836 millions (C.Y. Books and Production Bulletins 35, 36, 39, 46)	<u>12,612</u>	15,963
<b>PUBLIC PROPERTY</b>		
Total National Debt (C.Y.B. 45 P.1189)	4,041	
Less War Debts (C.Y.B. 45 P.1189)	<u>1,147</u>	
Cost of Construction	2,894	
Plus net appreciation since, taken as 100%	<u>2,894</u>	5,788
<b>OVERSEAS FUNDS</b>		
Gold and Balances held abroad. (Q.S.A.S. 237 P.71)	412	
Contributions to International Monetary Fund (Budget 1959/60)	212	
Contributions to International Bank (Budget 1959/60)	<u>197</u>	
		821
<b>VALUATION OF AUSTRALIAN CITIZENS (e)</b>		
10 million persons at £5,680 per head (Q.S.A.S. Ps.4 and 19)		<u>56,800</u>
		<u>79,372</u>

## AUSTRALIA'S NATIONAL CREDIT ACCOUNT FOR YEAR ENDED 30TH JUNE, 1959. (GOODS A/C.)

Abbreviations. C.Y.B. = Commonwealth Year Book. Q.S.A.S. = Quarterly  
Summary of Aust. Statistics. P.C.A.S. = Pocket Compendium of Aust. Statistics.

<b><u>DR</u></b> : For [a] and [b]. See page 7.	£millions	£millions
<b>EXPORTS:</b>		
Merchandise f.o.b. Q.S.A.S. 237 P.45		811
<b>CONSUMPTION:</b>		
<b>Should have been:</b>		
Production plus Imports plus Appreciation	18,940	
Less Exports	<u>811</u>	
(£1,813 per head)	18,129	
<b>It Actually was:</b>		
Personal Consumption P.C.A.S. 45 P.111 (a)	3,955	
Capital Consumption P.C.A.S. 45 P.111 (a)	<u>1,063</u>	
(£502 per head)		5,018
<b>National Dividend Available (b)</b>		
Cash Bonus: £328 per head	3,278	
Consumers' Discount: £328 per head	3,278	
Public Works: £328 per head	3,278	
Debt Redemption: £ 50 per head	500	
Govt. Expenditure: <u>£277 per head</u>	<u>2,777</u>	
1,311		<u>13,111</u>
		<u>18,940</u>

<b>CR:</b> For (c) and (d). See page 7.	£s Million	£s Million	£s Million
<b>PRODUCTION:</b>			
<b>Primary (Output)</b> P.C.A.S. 45 P.111 and Q.S.A.S. 237 P.16	1,681		
<b>Secondary (Product)</b> Q.S.A.S. 237 P.16	<u>1,851</u>		
		3,532	
Plus 100%, Wholesalers' Costs, Overheads, and Profits		<u>3,532</u>	
		7,064	
Plus 100%, Retailers' Costs, Overheads, and Profits		<u>7,064</u>	
		14,128	
Plus Sales Tax (c) O.S.A.S. 237 P.81	96		
Plus Excise Tax Q.S.A.S. 237 P.76	<u>236</u>		
		<u>332</u>	
			14,460
<b>IMPORTS:</b>			
Merchandise fob.: Q.S.A.S. 237 P.23		796	
Plus 100%, Wholesalers' Costs, Overheads and Profits		<u>796</u>	
		1,592	
Plus 100%, Retailers' Costs, Overheads and Profits		<u>1,592</u>	
		3,184	
Plus Customs Duty Q.S.A.S. 237 P.76	72		
Plus Sales Tax (c) Q.S.A.S. 237 P.81	<u>47</u>		
	119	<u>119</u>	
			3,303
<b>NET APPRECIATION ON PRIVATE PROPERTY (d)</b>			
Approximately one-third of Gross Value of Production			<u>1,177</u>
			<u>18,940</u>

## NOTES ON AUSTRALIA'S BALANCE SHEET AS AT 30/6/1959

(a) Held by Banks £46,770,000. By Public £351,501,000.

(b) Silver £37,512,000. Bronze £3,080,000.

(c) **Deposits** include overdrafts to Governments and Internal Treasury Bills (Q.S.A.S. 237 P.86. Note on Short-Term Debt.) During the year 1958/9, the Banks created £17,548 millions of cheque currency, and cancelled it again through their Clearing House when it had done its work (C.Y.B. 45 P.1187).

**Hire Purchase Balances** are an over-statement. A certain percentage of them is included in the Bank Deposits.

**Savings Banks' Deposits** £1,391 millions (Q.S.A.S. 237 P.72), originate either in Bank Advances or Government Borrowings, and so are included in the other Liabilities of Australia's Balance Sheet.

(d) **Gross Production** means that peculiar mixture of Gross, Local, and Net values of different items of production, as set forth in the first column only of the Table of Production published annually in the C.Y. Books.

**Net Appreciation** means Appreciation less Depreciation.

(e) **Productivity per head** (1958) Q.S.A.S. 237 P.19 £284.

**Productivity per head** (for 20 years of life) £5,680.

**Population of Australia** 10,061,222 (Q.S.A.S. 237 P.4).

A Nation's Balance Sheet is a statement of that nation's Liabilities and Assets, or in other words a statement of what it owns and what it owes.

**Its Assets** consist of the value of its private and public property, its claims on the assets of other nations, and the value of its citizens for productive purposes.

Practically all orthodox economists, who have dealt with National Balance Sheets, are emphatic that the human, as well as the non-human, machinery of production, must be included in the Assets. Any old-time slave-owner would see this point at once.

**A Nation's Liabilities** consist of its Public and Private Debts, and the claims on its own Assets which it has issued in the form of money. That is all that money is in essence—a universally recognised claim, which can be used as a medium of exchange, upon any assets that a nation has. That is why, although it appears as an asset in the Balance Sheet of a person or Company, it is a Liability that must be met, in the Balance Sheet of a Nation.

**Australians are an extremely wealthy people.** If we paid off all our Liabilities tomorrow, we should still possess assets to the unencumbered value of £72,466 millions.

## NOTES ON AUSTRALIA'S NATIONAL CREDIT ACCOUNT FOR YEAR ENDED 30TH JUNE, 1959

(a) For the purposes of this account "Personal Consumption" means all goods habitually sold for personal use, satisfaction or consumption. "Capital Consumption" means all other goods sold.

The Account shows the value of the Total Production of all Goods (which includes Imports and Appreciation) on the credit side, and the value of the Total Consumption of the goods (which includes Exports and Depreciation) on the debit side. As the Depreciation is always very much less than the Appreciation, it is usual to deduct it from the Appreciation and not show it separately.

(b) This means that every citizen could have been given a Cash Bonus of £328, plus another £328 in discounts off his (or her) purchases. The Government would have found itself in possession of £3,278 millions for needed Public Works, £500 millions for Redemption of the Public Debt, and £2,777 millions for ordinary Government Expenditure, without the necessity of imposing any taxation at all. All Government Expenses during 1959 were met by crushing taxation and increasing our National Debt, and amounted to much less than this (being £1,944 millions). By a proper use of our National Credit we could not only abolish all existing taxation at once, but wipe out our entire National Debt in about 8 years.

The question at once arises, what became of this immense balance of unsold goods? The answer would appear to be: The goods were carried forward to 1960, and **potential production** sabotaged in order to allow them to be sold. In the United States, this is done by **paying** the producer **not** to produce. In Australia, Boards of Control are appointed to prevent him producing more than a certain amount. In 1949, Mr. Chifley told Parliament that there were 157 of such Boards or Commissions in existence. Many of them are still working busily in order to turn potential surpluses into actual shortages. Droughts, floods and fires assist them in their work.

**Extract from S.A. Advertiser. Thursday, May 26, 1960, P.10.**  
**"Too much sugar".**

About 1.2 million tons of sugar cane will have to be destroyed in Queensland during the approaching harvest because production will exceed available markets for sugar".  
(Following this announcement, the price of sugar was raised in Adelaide by 1d. per lb.).

**Extract from the Canadian Social Crediter, April, 1960, P.4**  
**"Something for Nothing".**

The United States Department of Agriculture reported that during the past three years, the Government had paid American farmers \$1,750 millions for the wheat, corn, cotton, tobacco and rice **which they did not plant**. But The Social Credit Consumer Dividend—based on **production**—is described as "a something for nothing." Makes you wonder?

(c) Taken as two-thirds of total Sales Tax £143 millions. One-third for Imports.

(d) See Commonwealth Year Book 26, P.492 and 857 for this fraction.



## AUSTRALIA

The industry of the Australian people, combined with Australia's natural wealth, has made Australia a very rich country indeed—but the Australian people are being cheated and blocked from access to this real wealth because its money-system does not reflect the resultant production.

A study of these account sheets will show that the Australian people are getting the benefit of only 25 per cent. (approx.) of their production and, to use the other 75 per cent., a mounting of unpayable debt is being forced on them.

Given men of will-power, integrity, and determination in our parliaments, this could be changed overnight and give Australians more leisure-freedom-and security, without any further increase of debt or taxes, and our indebtedness could be wiped off over a period of very few years.

We commend a study of these account sheets, which are compiled from the Commonwealth Statistician's official figures, to you as patriotic Australians, and we ask you to study this careful and scientific research into Australia's production, consumption and financial indebtedness.

It is obvious that the only fault in our economic system is its distributive medium—credit-money. Surely it is the Divine right of every human creature to full economic security in this age of actual and potential abundance. It is up to us as professing civilised and Christian people to strive towards that end for our own nationals.

LIBERTY LEAGUE OF AUSTRALIA

W. E. Carruthers, Hon. Sec.

218 Hutt Street, Adelaide, S Australia - 'Phone W 4947

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