

THE NEWTIMES

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Protect the Public from Land Sharks

One of our daily papers reported a week or two ago what it believed to be a new method of gulling the unsuspecting land buyer. The fraud practised in this case was to conduct the prospective purchaser to an allotment, which at the price quoted was a genuine bargain. Upon his completing his payments and coming to take possession, however, he found that the land shown him did not correspond with the particulars set out on his contract, and that he had paid for a different and an inferior lot.

In point of fact the trick is by no means new, as anyone can tell you who was familiar with the operations of the professional land subdividers in the years before the depression. The trick was, indeed, one commonly practised, and particularly on country buyers coming to town to inspect lots which they had bought from the highly imaginative lithographs exhibited by itinerant salesmen. Not only were such people shown wrong lots but salesmen have been known to make assurance doubly sure by shifting beforehand the correctly numbered allotment pegs from bad lots to good ones, and then pointedly drawing the purchaser's notice to the numbers, thus "establishing" their bona fides. The deception is by no means difficult to practise, particularly on a large, unoccupied area, which is unfamiliar to the buyer and well known to the seller.

A similar device has often been worked on subdivisions, which are divided into sections; the lots on each section beginning with number one. In such a case, and in the absence of well signposted streets, the purchaser of, say, lot seventy-five, section D — a very inferior lot — can easily be shown the good lot which is numbered seventy-five on section A. From the point of view of the unscrupulous salesman, this latter arrangement is ideal, because if an unusually shrewd or suspicious buyer by any misfortune happens to notice on the ground that he is being shown the wrong lot there is always the opportunity to plead an honest mistake.

It would be interesting to discover how many people in the country districts of Australia, who bought suburban land for investment are holding the title deeds of, and paying rates on land which they have held for years, and who fondly imagine, as a result of one of these "personally conducted" visits of inspection, that they really own something quite different from that set forth on their deeds. Deceptions of this type may go on for many years yet before the last of them is brought to light. One reason is the setback to building caused by the depression; another that, even if we had a real boom in

building, a great deal of the land sold by the professional sub-divider would never be genuine suburban building land for generations. Think of the areas sold by great subdivisional "experts" as far back as the war years, which are today almost as rural as they were when put on the market nearly twenty years ago.

WHO IS TO BLAME?

When frauds such as have been outlined are discovered it is usually the salesman involved who gets the blame and who suffers the penalty, if any. The highly respectable firms who employ him naturally disavow any shady dealings. But these highly respectable firms, even if not directly aware of what takes place, must be held morally responsible, in land selling as in assurance, for a large share of the impositions practised by their salesmen.

Such firms, even in what we now call the boom days, rarely paid their men a living wage. The ordinary land salesman, if working in the metropolitan area, was generally given an advance against commission of about £3 a week for three or four weeks, at longest. The man going to try his luck in the country was fortunate if he were advanced his fare and £10. After that they had to battle. No contracts no pay. In the country, conditions were particularly bad, as the salesman, a stranger in a strange land, had to foot his hotel bill; had to meet heavy accounts for motor hire to the surrounding farms, and was always expected to stand drinks when the farmers came to town. The inevitable result was that, abandoned by his employer, in sheer desperation rather than from criminal intention he told any tale to make a sale. Started on the primrose path, he often kept to it.

The country salesman received further encouragement on this course from his employer. This lay in the particular lots given him to sell. A man going to the country would naturally be out of close touch with the office, and so he was usually given a parcel of allotments for his own particular reservation. These exclusive country lots were generally the worst on the subdivisions — those furthest from transit facilities, or else the most low lying, the most broken, or the most rocky land, the dregs of the estate which no city buyer would

WHAT THE LAST WAR COST

Number of fallen:
12,996,571

Number of wounded:
16,257,000

Number incapacitated for
life:
5,669,000

Direct financial expenditure:
£37,000,000,000

Losses in property:
£17,000,000,000

be likely to select. If by any chance the truth were told about them they would never be sold for a fraction of the prices at which they were marked.

In some parts of Australia there has been a half-hearted attempt to clean up some of the scandals associated with land selling. In one direction we find men under a bond; in another the man who is devoting his whole time to a business must be paid a minimum wage. But the prob-

lem of protection to buyers has never been seriously attacked. During the past few years, with land sales in the doldrums, the matter has not been so pressing. Meantime the suburban housing problem has become more and more urgent and some means will have to be found of dealing with it in the immediate future. Whether or no the methods adopted be in accord with the canons of sound finance (which means that the bankers and their allies must get their rake-off) we shall probably begin shortly to see some kind of activity in the suburbs of our capital cities. And it wants only a few new chimneys, or the vaguest talk of a tram extension or a new bus route to set the subdivider to work again. Hence now is the time for the people's Parliaments to protect them. In this respect there are two quite simple devices which might be put into operation, and which would go a long way in the direction desired.

CENSOR ADVERTISING MATTER

The first is that all sales lithographs should be submitted to and approved by a competent authority. In Queensland, when the Greater Brisbane Bill was enacted, there was constituted a central town planning authority by which all subdivisional applications had to be approved. The purpose of this was the wise one of making land subdivision conform to principles of layout superior to those required by the transient and often unskilled councillors of a municipality. Once land is subdivided and built on there is no going back except at enormous expense, and the Queensland Government very rightly held that plans which made or marred a locality for generations to come required expert consideration and proper coordination. A similar authority should be in existence in all

our cities, and this authority should approve or veto those most beautifully drawn, but not necessarily truthful lithographs which induce such numbers of people to buy land they have never seen. If this were done it would be found that many of those "proposed" facilities so alluringly depicted, alongside your allotment would automatically be deleted, and that many of those masterpieces of foreshortening would disappear along with the telescopic lensed photographs and aerial views "from the estate."

DISCLOSE COUNCIL VALUATIONS.

The second and more important suggestion deals with the rateable value of the land to be offered.

When the prospective buyer of land, whether standing on it or viewing it through the salesman's mind's eye, comes to the point of signing the contract, he will generally, as a measure of insuring himself against the vendor's price-fixing ideas, enquire what is the valuation put upon it by the local authority responsible for the rates. He may also ask his annual rate commitment. To both of these questions the salesman can generally plead with, truth that the land has not yet been assessed. He is then free to draw upon his imagination. If the buyer is afraid of a heavy rates bill he goes low; if the purpose be a check on price the sky is the limit.

All of this could be overcome if it were made compulsory to have every allotment on a new subdivision valued by the local authority before it is offered for sale. The valuation of each lot should then be printed clearly upon it on the lithograph and also written alongside the purchase price on the contract of sale. There could also be indicated the local rating per pound of such valuations. Were this done the buyer would have a definite guide to assist him in determining value — a point that is just as import-

Sir John Latham,

Melbourne Club. Dear Sir John, —

In your address to the Constitutional Club, Melbourne, on Monday, you are reported as having said: "We can at best see that our policy is fair, honest, honourable and square towards our own people and towards the world as a whole . . . It demands hard thinking, clear thought and honesty, of intention all the time."

Many people in Australia, Sir John, would be happy to follow a lead from you. You have retired from the hurly-burly of party politics. You are popularly supposed to be quite ready to assume a judicial attitude. Hence we submit to you the following item of news from last Saturday's Melbourne press: "Since January 1 of this year, 1142 permits have been granted to girls of 14 years of age to work in factories, mostly in businesses manufacturing clothing and textiles . . . Legislation provides that 'before a girl of 14 may be employed at a factory, she must satisfy the Chief Inspector of Factories that her family is in poverty, and that hardship would be caused by a rejection of the application.'"

You may not have first hand knowledge of such plebeian matters, Sir John, but we can assure you that, as things are, it is necessary for little girls to provide sweated-labour goods in this fashion. Otherwise their poverty-stricken mothers would not be able to get the bargains they, need in clothing and textiles to keep

the members of these little girls' families from being arrested for indecency. For you must remember that the fathers, if alive, are out of work. That is how the little girls get permission to enter factories at 14.

What does not yet seem to have entered the mind of that legislature which you but recently adorned is that, if the fathers had reasonable incomes — with jobs, if necessary; without them, if not — it would no longer be needful for us to go back to the evil days of child slavery. It would no longer be essential for shopkeepers to place orders for sweated shoddy when they would much rather give their customers the best material and workmanship that Australia can produce. It would no longer happen that 90 per-cent, of us must think always of price and never of quality. And no one would suffer injustice thereby.

We believe that such a course would be a practical effort to do what you recommend, to "see that our policy is fair, honest, honourable and square towards our own people and towards the world as a whole." Why not supplement your remarks to the Constitutional Club with a little constitutional action to help these fourteen-year-olds? Think of the poor, tired-out little creatures of a night, Sir John. Think of them as a citizen and a father. Think of them as the knights of old would have thought of little maidens in slavery.

Why not give the people a lead in hard thinking and honesty of intention!

THE NEWTIMES

Dental Treatment is Not Provided For in the Basic Wage or the Dole

The result is that the majority of the population have decay and pyorrhoea. The "National Dividend" would make available to everyone his heritage of (a) health, (b) education, and (c) sustenance in their fullest sense. In the meantime, dental science has produced (A) the only University proven, antiseptic tooth-paste in the world:

VIOPEN (Blue)

THE ONLY ANTISEPTIC
TOOTH PASTE

42 of the world's leading tooth-pastes have been tested in Universities to an internationally accepted standard. They all failed except Viopen (Blue), the antiseptic.

(B) A tooth powder that will actually harden teeth:

VIOPEN Recalcifying Tooth Powder

This is the tooth hardening formula of Professor Andresen, of the University of Oslo — its claims have been confirmed by Dental Professors and authorities of different nations. If you have orientated your economic thought to realities — put your mouth health in line with modern dental scientific facts. Viopen advertisement is plain, undistorted, scientific truth. The proof is on the wrapper. Sold every where, 1/-, 1/6 and 2/-.

THE "NEWTIMES"
IS OBTAINABLE AT ALL
AUTHORISED
NEWSAGENTS

tant to the city as to the country purchaser.

RESIDENTS SUFFER THROUGH SPECULATORS

This would also prevent another far-reaching abuse, which has followed the inflated prices obtained by land sharks operating in a big way. Years ago official valuations were assessed on a summing up of those features, which made home sites desirable. As a result valuations for rating purposes were often as low as a third or a quarter of the prices obtained by subdividers, which were away in the clouds compared with local ruling values. Gradually, as local authorities saw large numbers of people paying inflated prices and as they even received complaints from such of the disparity between their assessments and the prices actually paid for land they tended more and more to accept the subdividers figure until today in some places it is the practice to impose a rating valuation of about 90 per cent of the last sale price. That this price may have been dishonestly extracted from a buyer who knows as much of local values as a native of Timbuctoo matters not. The position then arises that all valuations in the locality tend to rise in sympathy, with the result that particularly where rates are assessed on unimproved capital values the local residents the people who have made the district are bled through the nose. And the benefit goes to a pirate whose concern in their community enterprise is no more real or permanent than, say, the interest displayed in Australian Glass or the Emperor Mine by Stock Exchange gamblers buying for a rise.

But, you will say, local residents benefit by local levies, which are expended locally. They may; though we all know how easily increased levies in this direction tend to be spent, either in overhead or in other ways, without showing a proportionate result in tangible improvements. Besides, it is one thing to impose the levies and quite another to collect them. As is well known, there are today millions of pounds owing to our Councils in unpaid rates. And it is a fair assumption that on a pro rata basis a very high percentage of such sums are in respect of subdivided but unoccupied allotments.

ROADS SHOULD BE MADE.

In Victoria there is also another reform, which is badly needed. Before a subdivider puts land on the market he should be compelled, as in other States, to construct roads, gutters and footpaths to a standard equal to that of the locality in which the land is situated. For long years Victoria has been the happiest hunting ground of the heartless shark who has prostituted what should be one of the most honourable professions. And his activities have been promoted more by laxity in this respect than by any other feature. Small deposits have been paid on dairymen's paddocks; the land has been cut up by a rule of thumb survey; pegs have been stuck in the ground; and then the salesmen, armed with their works of art—one of the biggest items in Victorian subdivisions have been turned loose to tell their fairy tales.

Make the philanthropic subdivider a genuine provider of home sites. Make him offer the public something properly equipped for immediate home building, and you will put out of action most of those wild cat schemers who are even now getting ready again to coat their bricks with gold leaf.

If you think the NEW TIMES is worth supporting, your best way of doing so is to make it known to your friend.

ABOLISH POVERTY, SAY INTERNATIONAL WOMEN

The report of a speech by Miss Alison Neilans to the International Women's Congress at Istanbul on April 22, proposing a resolution on Economic Problems.

(With acknowledgments to *Social Credit*.)

In this speech, Miss Neilans showed that the present crisis is affecting men and women alike. Men and women are standing together to demand a better world (women suffer specially, because their equal right to paid work is not everywhere recognised).

In the present state of affairs, said Miss Neilans, we find terrible poverty, not only in the backward countries, but also in highly developed countries like the U.S.A. The number of suicides in all industrial countries is rapidly increasing, and fear and worry are driving people insane. Men and women dare not have children, and regard them as a curse rather than a blessing—they have no food, no clothes, no shelter and no hope.

At least one hundred million people are affected by these appalling conditions, and hanging over us all is the fear of a war, which may entirely destroy civilisation.

The result will be that women will get nothing but cheap, monotonous work, and men will lose what work they have.

When we come to the heavy industries—the production of iron and steel, coal-carbonisation, and the handling of freight—we find the machine all-powerful. For example, in 1712 the steam engine gave 56 manpower; in 1772 the steam engine gave 756 manpower; in 1871 the steam engine gave 20,000 manpower. Now one turbine unit produces nine million manpower in twenty-four hours.

In the production of food, scientific methods have enormously increased the output of wheat, sugar, wines, coffee, etc. In the production of such materials as cotton, rubber, wool, etc., the same multiplication of output takes place. So that there is in fact limitless power at man's disposal—enormously increased production of all the necessities of life, and real wealth for all.

THE USE OF REAL WEALTH

What is being done with this wealth at the present time?

It is being destroyed, at the rate of twenty-six million sacks of coffee in Brazil; twelve million pigs and cattle in the U.S.A.; 500 thousand lambs in New Zealand; ten million gallons of wine in Portugal. People are even paid not to produce! As a result of the Ottawa Conference fourteen million acres were put out of cultivation in Canada.

In his recent Alexander Pedler lecture to the British Science Guild, Sir Daniel Hall remarks: "It used to be said that the greatest public benefactor was the man who could make two blades of (grass grow where one grew before. Not so today, when nations are considering agreements to restrict output, and even destroying the products of the soil. . . . As an American Professor of Agriculture writes to me: 'Ten million acres of cotton and some thousands of tobacco have been ploughed under. The latest move is the killing of some five million pigs weighing under 100 lb. and the slaughter of some 200,000 sows. If this will bring national prosperity, I have wasted my life.'"

THE PURPOSE OF WORK

We women, concluded Miss Neilans, denounce this as fundamentally wrong. It is blasphemy against God's gifts. Wealth is piling up around us, and we ask the people of the world to starve in the midst of plenty.

But these miracles of production throw men and women out of work. They receive no wages. They cannot buy the goods, which the machine produces. So in many countries we are trying to invent work so that people may be employed.

But do we live to work or work to live? Are men and women born merely to pay the interest on the world debts or are we born to glorify God and to enjoy Him and serve Him forever?

Everything progresses except human happiness—women regard the civilisation of today as a biological failure. We demand a world fit for our children, our men and ourselves to live in. We live in the Age of Power. The Curse of Adam has been lifted from us. We are face to face with something entirely new in human experience—some mighty corner has been rounded. We have left the age of Scarcity for the age of Plenty.

We call upon the governments of the world to face the fact that the Promised Land, flowing with milk and honey, is open before all the nations of the earth, and they must devise the way to let their peoples enter.

THE RESOLUTION.

The resolution was adopted unanimously in the following terms: This Congress, representing many millions of women through-

out the Eastern and Western World, and voicing the views of that section of the community most closely associated with the personal distribution of the means of life to the family, records its conviction that destruction of urgently needed necessities cannot improve the condition of the world, and is fundamentally unsound and wrong in principle.

Whereas—

(a) There is widespread poverty, malnutrition and urgent need for the common necessities of life among large sections of the world populations;

(b) There is no true shortage of raw material, human labour, productive machinery and cultivable land;

(c) Science, research and invention are constantly increasing the productivity of the earth and of industry, and thereby increasing or having the potentiality of increasing the real wealth of the world;

(d) This increased real wealth or-potentiality of real wealth is available to the majority of the people of any country only by means of the purchasing power which they obtain in return for their labour;

(e) The use of machinery is more and more replacing human labour, so that millions of people are unable to earn wages and consequently have little or no purchasing power;

(f) The development of machinery should everywhere lighten the burden of the workers rather than add to their distress;

the Congress calls upon all Governments to consider how purchasing power can be made available for those whose paid work is temporarily or permanently not required by the community and, further, to consider what effective action can be taken whereby the potential productivity of the earth and of industry can be distributed for the benefit of the peoples of the world.

WHAT IS SOCIAL CREDIT?

An explanation to an enquirer who had heard about it and was keen to do something, but who had stuck over technicalities and failed to understand the nature of money.

One of the commonest difficulties is to understand the nature of money. It is not now, in the industrial world, so much a means of exchange as of distribution. It is created by banks, lent to industry for purposes of, production, and has to be repaid to the banks by whom it is regarded as debt, though costing nothing to create.

This money paid for goods is not available to buy further goods, but is due to be paid back to the bank from which it was borrowed to finance the production of the goods. It may not necessarily be paid back directly, but if it is not, the debt which

its direct payment would cancel remains to be repaid later.

When the money is repaid to the banking system it is destroyed, but more often than not the price of the goods produced by its use is not simultaneously cancelled, and in fact, except for immediate consumable goods such as food, it remains to add to the total discrepancy between purchasing power and prices.

This discrepancy is manifested quite obviously by the prevalent paradox of "poverty in the midst of plenty." There is an enormous and increasing surplus of goods unpurchasable at prices covering their costs of production. This explains the competition for foreign markets.

There are several reasons why we are not actually faced with a vast accumulation of such goods. One is because of sales below cost (due to bankruptcies and writing down of capital); another is because of the non-payment of debt (manifested by what are known as national debts and the financial capital of private corporations); a third is due to the deliberate restriction of production (e.g., limitation of wheat growing, cotton production and ship-building) and the destruction of unsaleable commodities (e.g., throwing fish back into the sea, burning coffee and slaughtering cattle).

To understand Douglas Social Credit one must have some knowledge of how the existing financial system works—a knowledge, which can, of course, be gained by a careful reading of Douglas's own writings.

It is, however, quite unnecessary to become acquainted with either the intricacies of the existing financial system or with Douglas's analysis of it to know that there is something radically wrong with a world the productive capacity of which is virtually unlimited, yet in which poverty and insecurity tend to become worse.

The role of the average citizen of a democratic country who realises the anomaly of this situation is simply to express his will to have the matter put right—for there was never a truer statement than that "the will of the people must prevail." The method of expressing the popular will is by the ballot box.

The plain duty of the conscientious and responsible citizen of a democratic country is, then, to penalise his candidate if he will not undertake to insist that the government shall see that poverty is abolished, and a dividend of the unexploited productive capacity issued to everyone as a right of inheritance.

Any government faced with that clear demand, and knowing it will be thrown out if it fails to respond, will instruct the experts to devise the means.

— "Social Credit."

To New Readers of the "New Times"

At a moment when the world is gorged with unsaleable goods and human bodies are crying out for food; at a moment when most of the press is gorged with items of undigested news and human minds are crying out for information, the "New Times" is endeavouring to put before you, without regard to whom it may offend, the truth of what is happening.

At the same time the policy of this paper is not mere destructive criticism; that, in view of what is happening on all sides, requires no effort at all—the facts alone provide it. The policy of the "New Times" is one of hope in the midst of despair. It is one that would lay the foundations of a happier civilisation without disturbing anything that is good in what we have. It spells prosperity alike for the producer and the consumer without upsetting private enterprise and with a minimum of government interference or control.

If the "New Times" meets with your approval you can best help its campaign by making it known to your friends and by yourself placing an order with your newsagent for regular weekly delivery or by sending your direct subscription to New Times Pty. Ltd., Box 1226, G.P.O., Melbourne. The subscription rate is: One year, 15/-; six months, 7/6; three months, 3/9 (post free). If your newsagent does not stock the "New Times," will you please notify us?

PROGRESS OR A BALANCED BUDGET?

By BRUCE H BROWN

By arrangement with the "Castlemaine Mail."

About this time each year it is customary to hear of budgets and government deficits. The supposed virtue of the Government balancing its budget has been harped upon so assiduously by interested parties that most of the middle-aged and practically all the elderly people have grown up to look upon it as essential to good government. Actually it is evidence of bad government.

Comparisons are regularly made between the budgets of individuals and the budgets of governments, and we are told that just as any private business must balance its budget or face bankruptcy, so must the Government "live within its income." Without looking into the question for ourselves we swallowed that bait for years, and joined in the popular clamour for economy and budget-balancing. Fortunately the premiers' Plan outrage forced us to do some thinking, and thus helped to open our eyes to the swindle under which we have been ruled.

WHERE GOVERNMENTS DIFFER FROM INDIVIDUALS

How utterly absurd it is to compare the National Government, the owner of Australia for the time being, with an individual businessman who is merely a tenant in the case of the individual he lives from day to day and must recover his costs or fail. In the case of the National Parliament, however, it does not have to "recover" its costs because it is endowed with power to provide its own cover. That is to say, the National Government can perform services without "collecting" any money at all, for it has complete power over money and can issue credit up to any amount it thinks fit. Any deficiency in its "accounts" could be met by the simple process of drawing a cheque on itself, exactly as the banks do now when they "subscribe" to Government loans or have buildings of marble erected.

Banks never suffer from shortage of "funds" and are always ready to make credit available to "approved" people for "approved" purposes. In other words, they decide who shall be financed and how the finance shall be used. They are never required to disclose their intentions by way of a "budget," and yet it is they who have most to say about the necessity for Governments to "live within their income." At first this might appear to be righteous fervour, but it assumes a totally different aspect when we realise that Government financial income is limited to what these self-same banking interests permit. This is why we have the ludicrous spectacle of a supposedly "sovereign" Government telling us that it cannot do this, and it cannot do that, because of the shortage of funds, when, as a matter of fact, it alone should be the creator of funds.

WHO OWNS AUSTRALIA?

When I asked Sir Harry Gullett (who at this moment is seeking to spread "goodwill" on the Continent, although he has not shown much capacity for spreading it in his own country!) if the Commonwealth Parliament is the owner of Australia, he laughed and replied: "Of course not." I then asked if the Commonwealth had power to take our possessions by way of a capital levy? He replied that such a thing was extremely unlikely, but it was fact that it could do so. This naturally led to the further question "Has the Commonwealth Parliament the power to take our lives by way of conscription?" He replied that he thought it had, and that when we look at it in that way it is

perhaps not far wrong to say that the Commonwealth Parliament is the owner of Australia.

There can be no doubt, therefore, that the Federal Parliament is the supreme authority in this country, and yet, in the essential matter of finance, it meekly submits to the dictation of a private outside body which has thus filched the power of government, for those who control the creation of credit hold the policy of Governments in the hollow of their hand. This being so, the first step in our emergence from the mess we are in is to demand that the Commonwealth Parliament shall resume control of Australia's financial system and let us hear less of debt and more of credit. It is monstrous that Government activities, i.e., popular welfare, should be circumscribed by artificial financial limitations imposed by a marauding group of individuals who brazenly misappropriate the community's property. The owner of the country must be the owner of the country's credit; and as the country's credit is based on its ability to produce needful things, and is the medium for securing the distribution of those needful things, then obviously the owner of the country is the proper authority to control the use of the credit and to monetise the nation's assets in harmony with the requirements of the community.

THE CONTROL OF FINANCE

To get the hang of the business clearly we must remember that finance controls everything, and that finance in the main consists of credit. Currency is often referred to, but that merely represents the small proportion of money, which is issued by the Government as legal tender, whereas credit, representing the great bulk of the money, is the portion issued by the banking system. The former, known as "cash," consists of notes and coin, and the latter, known as cheques, consists of paper and figures entered in bank ledgers. Credit money is therefore only a system of figures. Ninety-nine per cent of our business transactions are conducted by cheque, and the volume of this cheque money is increased or contracted at the will of the banking authorities. They contracted it in 1929-30 and sent hundreds of businesses insolvent.

So you see that when we talk of "money," or "funds," or "finance" we are talking almost entirely of the use of credit, which is just a host of figures in bankbooks. These figures are our money system, and the extent of the figures is limited only by the amount of "cash" on hand. For every £1 in cash the banks may create credit money up to £10. If they hold £100,000 in cash they may create a million pounds of credit money as their own property, and this is the "money" our Governments "borrow"! Now we put it to you—is there any sound reason why the Commonwealth Treasury should not have its own cheque system and write up the credit money in our name on the security of our assets, our productive ability, and the constant appreciation of the unearned increment of our general association with each other?

By the term "unearned increment" is meant the constantly increasing value of our community activities, which no one has earned as an individual but to which we have all contributed in association with others. Funds would never be short under that arrangement for anything the community required, as the money figures would be available for public works or for the distribution of goods.

SOURCES OF GOVERNMENT FUNDS

As things are, the prevailing belief is that Governments can obtain money only from three sources—viz.: Ordinary Revenue, Taxation, and Loans.

Ordinary revenue is received by the various Government departments as fees and payment for services rendered, and there is little objection to that.

Taxation is the withdrawal of purchasing power from individuals, which they need for the adequate maintenance of themselves and their families, and most of us do object, particularly when we know that it is required to meet improper charges on book entry money.

Loans are simply figures written up against us as debt on which we are to pay interest each year forever. This last-named is a barefaced swindle, and while the Government continues to be a party to it we are doomed not only to chronic financial difficulties, but to meet from our limited incomes an ever-increasing charge for interest. No solution is possible until this treacherous robbery is discontinued.

Thousands and thousands of well-meaning young fellows believe that the only way in which the poor can be made less poor

EVEN THE ORGANS OF SOUND FINANCE ADMIT IT!

From the London "Economist" of July 13:—
"Economic conditions in Germany have not improved recently. The impetus of industrial revival, first felt during the Papen Administration of 1932, has not ceased; but it is now mainly kept going by rearmament. . . . Rearmament and 'work-creation' are mostly the same thing."

is by giving them money which has been taken from the rich. That is to say, they have swallowed the idea that there is only a limited quantity of money and that that quantity cannot be increased. It is because of that very belief that our ever-increasing production cannot be disposed of, — i.e., the quantity of goods has far outstripped the quantity of money. Poverty can be abolished without taking a penny from anyone. The only thing that would be taken is the power now improperly exercised by a few private people to create their own money, and that power would be restored to the community, from whom it should never have been filched.

WHAT IS "STABLE" GOVERNMENT?

The London "Times," of which Mr. Montagu Norman is one of the controllers, recently expressed itself as follows:—

"Only one thing could destroy the edifice which has been erected on the basis of sound national finance and stable Government and that is the introduction of un-sound finance, with unbalanced budgets and extravagant national expenditure."

That is typical of the financiers' press generally. Apparently the edifice referred to should be something to be proud about, but when we think of the widespread poverty, the slums, the financial insecurity of millions of individuals, the mental stress to which practically everyone is now subjected, and the compulsion to lifelong work (if it can be got) as the sole right to live, we may be excused for being joyful at the prospect of getting rid of such an edifice by the simple process of not balancing our national budget. And that, in a nutshell, represents the actual position. It is the silly effort to balance a silly budget that keeps us in the mire.

"Stable" government is of course meant as anything but fickle. On the other hand, how-

ever, a stable is a building in which tractable and obedient animals are accommodated until their master orders what they shall do. Can it be that a "stable" government is a government composed of obedient creatures accommodated at a certain place to carry out the orders of its master? Many would say its master is the sovereign people, but that cannot be so, because Finance controls all policy, and Finance is not controlled by the people. The people, therefore, are definitely not the master. The controllers of finance are the master, and they are a world-wide private monopoly. In principle, then, there seems little difference between stable government as we have it and a stable for obedient animals.

"EXTRAVAGANT" EXPENDITURE.

Particular notice should be given to the reference to "extravagant national expenditure." Our own Mr. F. W. Eggleston talks like that and then goes to the Premier to ask him to be "extravagant" on our Museum and Art Gallery. He is the gentleman who wrote special articles to the Melbourne "Herald" supporting the Premier's Plan and the "cutting" of practically everything. The deputation to the Premier would have been quite as effective without his presence, and he should be reminded that he and those who held similar views are largely responsible for the deplorable conditions, which surround us today. The Premier's reply was quite suitable for Mr. Eggleston, but it should not have been accepted by Mr. R. D. Elliott.

Is it actually possible for a government, by simply putting its God-given resources to use, to be extravagant? Any talk of extravagance can surely only arise after those resources have been brought under the control of financial figures, which have nothing whatever to do with the gifts of God. If the Government, by bookkeeping arrangements and the issue of tickets, places old age and invalid pensioners in the position to obtain a greater share of God's material gifts, how in the name of all that is sensible is the Government extravagant? Extravagant of what? Figures and tickets!

This fact should be blazoned everywhere—that money is merely a set of accounting figures, which are transferred from one person to another by means of notes, coin, cheques, and bookkeeping. The figures are the same in every country, although they are given different names. We hear of them in one country as pounds, shillings and pence; in another as dollars and cents; in another as yen and sen; in another as marks and pfennigs; and in others as guilders, belgas, roubles, etc. And all countries, by subscribing to this budget-balancing scheme, place themselves absolutely under the control of the manipulators of the money figures. Budget balancing is the moral law of the international fi-

nanciers to coerce and govern the subject peoples, who have been referred to by Mr. W. M. Hughes as morons.

A balanced budget is but a method of keeping the community permanently separated from a large part of its own produce, for government deficits represent nothing more than an extension of credit to the amount of the deficit. Please note that particularly.

A Government deficit simply means that the Government has used the community's credit to give service and were it not for the stupidity which allows that credit to be written up as debt to a private monopoly, there would be no need to increase taxation or to meet the alleged deficiency by the curtailment of facilities. The very fact that for some years our State Governments have had substantial deficits proves (1) that Mr. Dunstan was in error some days ago in saying: "A Government could only return to 'the people what it received from the people', and (2) the serious insufficiency of the quantity of money in existence. If the Commonwealth exercised control of our national credit as it should and must, these deficits would be evidence of progress and not an excuse for injustice and inaction. While we stick to the idea that money can only be used in one place by taking it from another place, and believe that governments should balance their budgets, then we must be content to see the general conditions go from bad to worse. The fundamental fact is that in the case of governments, balanced budgets can only mean national retrogression.

League of Democrats

CAMPAIGN NOTES.

Hawthorn has decided to take up the Electoral Campaign. Will intending workers get in touch with Mr. Dawe, 36 Berkley-street, Glenferrie, E.2.

There is great enthusiasm in country districts, and enquiries are coming in from all over Australia.

What are you doing? Are you a Douglas supporter or merely an admirer?

Coburg held a meeting on Sunday afternoon, and has secured a good district supervisor in Mr. Paice, 28 Belgrave-street, Coburg.

Preston workers are requested to get in touch with Mr. L. Slinger, 87 Robeson-street, West Preston, N.18.

Mr. F. Cantwell, 45 Mary-street, Hawthorn, is acting for the Kew district.

Workers in other districts please get in touch with your local secretaries and ask what is being done about the Electoral Campaign.

Social Credit is founded on true Christian principles. — Archbishop O'Shea, Metropolitan of New Zealand.

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Hearts and Heads

From churches all over the world, now that war seems inevitable, prayers are going up for peace, or, if not peace, at least that the war, like the maid servant's baby, may be only a little one. As the Bishop of Exeter put it in the English "Daily Mail" this week, if war cannot be avoided it is advisable to curtail it as far as possible. Which is all very admirable.

At the same time, how the demons who seem to play a large part in guiding the destinies of so many of us must be chuckling. For what arrant humbug, what empty hypocrisy is behind many of these prayers? Why, the very people who will now be the ringleaders in organising prayer meetings are petitioning against themselves. They are seeking to avert, now that it is about to be granted, what they have for years sought. They are decrying that supply of work, which alone permits them to jog along their comfortable ways without undue anxiety for man's salvation.

War is the only means left that will temporarily "cure" industrial unemployment. And Mussolini seeks war for that reason. Mussolini is the apostle of work and of all those other attendant virtues so dear to many of our moralists and mediaevalists. For a dozen years and more he has dealt mighty blows at idleness. And now, rather than see his people idle, he will turn their ploughshares into swords.

Towards Mussolini's economic activities in the past most people had a considerable, even if a qualified admiration. But the thoughtful looked forward with anxiety to the outcome. For they knew that Fascism, which, like Communism, will not allow the people to interest themselves in the

mysteries of finance, likewise shares with Communism and with change-of-heart reform an implicit allegiance to the sweaty doctrine of work in industry. When Mussolini began to administer Italy, his country was economically more backward than most of Western Europe. Hence there was plenty of work for all — industries for the skilled, marsh reclamation for the unskilled, with the Duce ever ready to fly a plane or toss a bundle of hay.

Mussolini won the battle against scarcity a year or so ago. And then the people who don't make a habit of dodging their problems by wrapping them in easy spirituality began to grow anxious. They had good reason. First came the newspaper announcement that such as dared criticise the Duce's financial policy were to be deprived of Fascist rights. Then followed wholesale arrests amongst intellectuals.

Mussolini pulled down his flag with the asinine announcement that this year's Italian harvest was to be reaped by hand in order to create work for his million unemployed. After that, war was the logical outcome.

It will be noted that, amidst oceans of vague talk about colonial expansion, a place in the sun, and all that kind of rot, no one has yet suggested that Italy is in trouble because she cannot produce enough to feed, clothe or shelter her people. She is producing far more now with over a million unemployed than she did when she had no unemployed — which is not so very much to Mussolini's credit, any more than similar developments elsewhere are to the credit of kings, presidents or dictators. The credit rightly goes to the unobtrusive band of scientists and engineers, past and present, who from their workshops and laboratories have gladly and freely given to the world the results of their communing with the God of Peace and Plenty.

It is at this point that the Mussolinis and the change-of-heart moralists become criminals who between them must equally share the responsibility for the mass murders, the mass raping, and the opening of the floodgates of hatred that are imminent.

For years past it has been perfectly clear that industrial unemployment, properly availed of, is God's last and greatest blessing to men. But these false shepherds, shrieking that it was a curse, have deserted their sheep. Can they wonder that the poor, bewildered sheep, mistaking the recreant shepherds for the Good Pastor, execrate all alike?

'Change of heart! What change of heart is required for the three thousand men of North Melbourne who clamoured a few weeks ago for the jobs advertised for fifty? What change of heart is required for that good woman who sent her wedding ring to be auctioned in a Victorian town some days ago in order that her dead child might escape a pauper's burial? What change of heart is required for the 16,000 poverty-stricken children in Melbourne on whose behalf the "Herald" has vainly been appealing, these weeks past, for a cup of milk a day? What change of heart is required for the thousands of breadwinners who have spent so many days soaked to the skin through their only clothing, and so many nights shivering in wet tents in the

labour camps far from their wives and children? And what practical steps are being taken to change the hearts of such as are responsible for these outrages?

As in Victoria, so elsewhere in Australia. So throughout the world. So among the poor Italian lads who might be singing happy songs in their vineyards and on their hillsides and who instead are conscripted for bloody Moloch and bloody Mussolini.

But let us be clear about it. In a little while now the lying war slogans will be flying. We can not yet be sure on which side the youth of Australia may be called upon to spill out its entrails. When that time comes — as, except through God's mercy, it looks like coming — when the time comes for Joseph Aloysius Lyons, servant of the people of Australia, to communicate to the people the decision of their hidden masters, let the people, as they offer up their human sacrifices, know what they are doing.

Let them realise that the truly bloody-minded are not confined to Italy or to Abyssinia. They are to be found right here in Australia, in our highest and most honoured positions. They are in our Cabinets, in our Chambers of Commerce, in our Universities, in our great banking, assurance, trustee and newspaper directorates — aye, and even in our Churches. They are the dignitaries who are calling on us in the names of the false gods of Thrift, Hard Work, Sound Finance, Balanced Budgets, Loyalty to Stout Little Britain, and Change of Heart. These are the real traitors amongst us who, blaming other people's hearts instead of their own heads, are selling our bodies into slavery and our souls into perdition.

Slum Finance

The Victorian Premier, Mr. Dunstan, has inspected some of Melbourne's slums, and has come away with ample food for thought. The Acting Leader of the Opposition, Mr. Kent Hughes, has seized the occasion to provide a further exhibition of that fine breeding which is his outstanding characteristic. There have been some questions and interchanges in Parliament. There will be the usual inquiries and blue prints. And it seems perfectly safe to prophesy that the poor will remain in the slums and the schemes will be shipwrecked on the usual rock — loan finance.

If we are going to abolish slums we are going to create new wealth. Added wealth in a community, if it is to be sold, interchanged or distributed, clearly requires added money. And the issuing of this money should be the prerogative of the community itself.

Seeing that we have any quantity of materials, vacant land and skilled labour, the wiping out of all our city slums could be accomplished rapidly and completely if we made proper use of finance. A suitable method to be adopted would be something like this: —

Assume the value of the suburban home that would replace the slum tenement to be, say, £700. For each home so built let the Government issue £700 of new money — not borrowed savings, and not new interest-

bearing, bank money, but national money. This could be done either by the Government building the houses itself (which would probably not be desirable) or by its providing the necessary financial accommodation to private enterprise.

As each house was completed the position would then be: Additional saleable wealth in the community, £700; additional money to enable the wealth to be sold, £700. The £700 of new money distributed through the process of building the house would, of course, be a debt by the community to the various persons holding the money, but this would in every case be balanced by a lien over the house.

The homes could then be sold on the easiest of terms; on terms to correspond with the actual physical depreciation of each property — probably three or four per cent, annually of the original capital cost. There would be no interest, since the Government (the community) would not need to pay itself interest on the money it had itself issued. A £700 house could therefore be sold for about 10/- a week.

The purchaser of the house would pay instalments that covered natural depreciation. As these instalments (repayments of the money originally issued) came back to the Government they would be cancelled. Thus when a buyer had paid £100 off his house it would still be worth £600 (it would probably be worth considerably more, through improvements effected by his own labour and the assistance of nature). There would be £600 in money still in the community to enable the balance of purchase money to be met. The community would owe £600 to the holders of that money, and it would still have a £600 lien over the house.

There is nothing magical or mysterious about this formula. It is just plain common sense. It requires one thing only to put it into effect. That is, that the community reassert its lost right to control its own money supply, and that it exercise that right in such a way that the figures should reflect the facts and that finance should once again become the handmaiden, instead of the mistress, of industry.

The State of Victoria, as a State, has no control over the issue of money. But the Commonwealth of Australia has. And the people of Victoria elect representatives to the Parliament of the Commonwealth. If, therefore, the people have any sense of social justice, it is high time they put pressure upon their Federal members to be up and doing.

And, even if they have no sense of justice, such a policy is the policy of self-interest. For there is no limit, except the limit of our available population and resources, to the undertakings which might be financed in similar ways. The execution of such schemes could be started immediately, and we could literally abolish poverty by Act of Parliament.

WHAT ITALY

REALLY NEEDS

Elsewhere on this page comment is made on Italy's supposed need for territorial expansion.

Here are the latest available figures of Italian production, taken from returns published in the London *Economist*, dated July 13, and to hand by this week's overseas mail. The returns are as issued by the Italian Department of Corporations.

Taking the 1928 level of industrial production as 100, the general index for December 1932 was 73; for December 1934, it was 88; and in April of this year it had increased to 106!

The detailed items for 1928 are not available at the moment, but the following figures for the last three years speak for themselves: Textiles rose from 67 in 1932 to 89 in 1935; iron and steel from 72 to 112; engineering from 70 to 90; paper from 103 to 129; electricity and gas from 110 to 128; and building from 78 to 184!

In the iron and steel, paper, electricity and building industries, Italian production has broken all records. "The figures," says the *Economist*, "do not prove the usual hypothesis that only war industries are working at high pressure, because the last three groups are not directly connected with war activity. The spectacular increase in building activity is reacting in many ways upon general activity."

In primary production there is a similar story, and the *Economist* estimates that Italy's wheat yield for 1935 will be over 7,000,000 tons, — as against 6,200,000 last year.

From these returns it is evident beyond dispute that Italy is in a better position than ever before to provide liberally for her present population, nor need she have any anxiety for the future.

But let us now look at some other figures.

UNEMPLOYMENT AND FINANCE

At the same time as Italian production, both primary and secondary, is expanding by leaps and bounds, her unemployment returns for May last were 755,349, concerning which the *Economist* dryly remarks: "The despatch to the Colonies of 600,000 to 700,000 more young men has obviously eased the labour market." That is to say, the true figures of unemployment statistics, embracing both of the above and adding those directly engaged in such enterprises as Italian munition works, are now about a million and a half. The figures at the same time last year were 941,257.

And the money in the hands of the people is decreasing. Taking the total of postal savings banks, ordinary savings banks, current account and other deposits, the figures between December 1934, and April 1935, fell by 470 million lire (£10 millions Australian). Three-quarters of this amount was represented by a fall in savings bank, or poorer people's accounts. And it must not be forgotten; in considering this decrease in the people's money supply, that it was accompanied by huge increases in industries, which pay wages but which do not immediately withdraw the money so circulated. Apart altogether from payments for armaments — which are not sold to the Italian people, but are intended for presentation to the Ethiopians — there was the tremendous fillip in building. The index figures for this were 136 in December 1934, and 184 in April 1935. And as it has been a rare thing for many years to see buildings sold on other than long terms, most of the sums paid out in this connection are available for quite a while to supplement the supplies of money

(Continued on page 8.)

DEMOCRACY AT THE CROSS ROADS

By LESLIE H. HOLLINS, M.A.I.A.E.

Reviewing this work, the *New Economics*, Melbourne, said: "It is a good book — one which can be recommended both to the inquirer and to the convinced advocate" (of the Douglas Proposals).

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Soaring to Prosperity on the Floating Debt

MORE CANDID ADMISSIONS FROM THE BANK OF NEW SOUTH WALES IF ROBINSON CRUSOE BROADCAST

What Would He Say of Our Industries?

By G. W. L. DAY, in *Social Credit*.

In a recent issue of *The New Times* attention was drawn to the candid attitude adopted by the Bank of New South Wales in contrast with the misleading propaganda put out by some others of our private manufacturers of money. The bank has just issued another of its periodic circulars (dated August 19) in which candour is again the distinguishing characteristic of the editorial article.

Under the title, "The Deflationary Effects of Funding Treasury Bills", the circular begins: "The quantity of money in the possession of the public consists chiefly of bank deposits. 'Cash,' wrote Fullarton in the 'forties, 'is the small change of credit.' At the present time bank deposits in Australia are tending to increase slowly, because trading banks' advances are expanding slowly from the low level to which the lack of willing borrowers had driven them during the Repression. As advances expand, most of the money comes back to the bank in the form of new deposits, although a little additional cash is required for pocket money by the public, for till money by the shops etc... As recovery continues, so will the expansion of bank advances, and as bank advances expand, deposits too, will rise."

This, of course, is only what was said years ago by Mr. McKenna, chairman of the great Midland Bank in England, when he told the public that that "the amount of money in existence varies only with the action of the banks in increasing or diminishing deposits. We know how this is effected. Every bank loan and every bank purchase of securities creates a deposit, and every repayment of a bank loan and every bank sale destroys one." (*Post-War Banking Policy*, page 76.) The same thing has been admitted by nearly every other authority on banking outside Australia. But, in view of the dishonest attitude adopted by Mr. O'Sullivan, late chairman of the Associated Banks in Victoria, in the *Age* controversy last year, and of similar attitudes adopted elsewhere in Australia, it is encouraging to find a great Australian bank now openly admitting that bankers do not lend their customers' deposits, but that the loans themselves create the deposits. This is an important step in the direction of reform, since it makes known to the public on their own confession that bankers, and bankers only control our money supplies.

THE LIMIT OF MONEY CREATION.

The Bank then goes on to discuss the limits, which bind it in creating money. "The banks," it says, "can only allow deposits to expand without hindrance, so long as they hold sufficient liquid assets (cash and Treasury Bills) against their deposit liabilities."

For the benefit of those who may not be familiar with what they mean, it may be explained here that Treasury Bills are Government I.O.U.'s, repayable nominally in three months from their date of issue. They bear interest to the holders (the Commonwealth Bank or the trading banks) at a rate which a few years ago was six per cent, but which has gradually been reduced to 1¾ per cent, per annum; and they constitute the greater part

Douglas Credit Movement
A SOCIAL EVENING
To meet Mr. S. F. Allen President of N.S.W., will be held at Centenary Club Rooms, 4th Floor, the Block, Elizabeth Street, at 8 o'clock on Monday, August 26.

of what we like to call our "floating" debt. The amount of this debt for some considerable time has tended to remain constant at something over £80 millions. The purpose of Treasury Bills was originally to finance Governments over those periods of the year when revenue was low. Income tax payments, for instance, tend to come with a rush at the latter part of the financial year (after the assessments have gone out), and this short-term borrowing was designed to enable Governments to function normally pending the receipt of such revenues.

However, Governments of recent years have found that, even with increased taxation, revenue has not been sufficient to enable them to carry on, principally on account of the need of providing for the unemployed; and so Treasury Bills upon expiry have been renewed over and over again.

From the point of view of the trading bank the Treasury Bill has this great advantage, that it can always be passed in to the Commonwealth Bank in exchange for cash, or at most its legal life is only three months, at the end of which time the Government, if requested, must either cash it or default. To prevent public default the Commonwealth Bank would of course always set the note printing presses going—after duly reading the Riot Act to the Government of the day. For this we have the public assurance of the late Sir Robert Gibson.

The Treasury Bill, being what is called a liquid security, and also bearing interest, is therefore a form of reserve against a run by depositors which particularly appeals to the trading bank. Long dated securities, held by the banks, if sold in the open market, are paid for by cheque. Their sale does not of itself add to a bank's supply of legal tender. Even if one bank sold a small parcel on the Stock Exchange for actual notes, these notes would only come from their withdrawal by the buyer either from itself or from some other bank, which would not help the banks as a whole.

Hence we find that, if the banks are to have a sufficient backing in notes and coin to meet the demands of the trade revival, which they are now anxious to bring about, it is necessary for our Governments (meaning ourselves) to accommodate them by obligingly keeping well in debt to them through Treasury Bills.

WHY NOT ISSUE MORE MONEY?

It should, one would think, be quite clear that if more legal tender is necessary to enable the banks to function properly — not to speak of the community — this could be done very simply by the Government issuing such notes to pay some of its bills. Or it might make a present of, say, £50 to each unemployed person in Australia, in which case the notes would within a few days find their way back to the banks and give them all the holding of legal tender which they are likely to require.

The drawback to this, from the bankers' point of view, is that such an issue of money would take place without anyone incurring debt to the banks—which is against all the canons of sound finance. It would also mean that money would be issued free of bank interest—which is utterly unthinkable.

And so the Bank of New South Wales, in a long and (from a private banker's point of view) well-reasoned argument, states its case for non-interference with the pre-

sent holding of Treasury Bills by the trading banks. The Bank's circular, which may be obtained free from any of its branches, is strongly commended to our readers for perusal and filing.

"THE LACK OF WILLING BORROWERS."

Before leaving the subject, it may not be out of place to refer back to the first paragraph of the Bank's circular, quoted above. "At the present time", it said, "bank deposits in Australia are tending to increase slowly, because trading banks' advances are expanding slowly from the low level to which the lack of willing borrowers had driven them during the depression."

Is this statement quite honest? Was it really a lack of willing borrowers that caused the depression, as the Bank would seem to imply? If we accept the assumption that, banking policy is directed merely by the ratio of banks' cash holdings to bank-created deposits, and if we exclude any more sinister motive, then we must also accept that the depression was brought about only because the banks felt that they had overreached themselves in their creation of new moneys. That is to say, the deposits which came into existence in consequence of bank advances had grown so big that the banks had no longer enough legal tender to face the demands for it which they saw would arise. There was no question at that time of a lack of "willing borrowers", nor was there any doubt that new assets were coming into existence faster than new money.

But the banks at that stage did not say to Governments: "Issue more national, non-interest-bearing money"—which would mean giving up some little portion of that power which they have built up for themselves. The banks instead decided to play safe by destroying such a proportion of claims to money as made their holdings of legal tender insufficient. They decided to destroy the people's bank deposits (claims to cash) by the simple expedient of calling up loans at once—for the sum total of loans cannot be reduced without a corresponding reduction in the sum total of deposits.

That was the evil and wicked thing done by the banks. Every serious student of money now knows that the amount of money issued by banks as loans for production is not sufficient to enable consumers to buy the whole of the goods so produced. Without any study of theory the state of the world today is a visible proof of this. And so the issue of some portion of our money in the form of credits to consumers is necessary. This is a matter of community policy, for which we must all take our share of the responsibility. But on the administrative side of the existing process the banks are entitled to the whole of the blame.

When they saw how things were going in 1928 it was their bounden duty as financial administrators to confer with the people's representatives, and to say, not (as they did): "You must live within your income"—which meant the starving of children and the bankrupting of business—but: "The amount of legal tender is not sufficient; print some more notes." Had more gold

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Mr. Wilson, the Chief Inspector of Factories, points out in his annual report that there has been a marked increase of accidents in industry during the last two years. The total number of accidents was 113,260 in 1933 and 136,858 in 1934. The number of fatal accidents was 688 in 1933 and 785 in 1934.

None of these accidents, says the report, were really trivial, and Mr. Wilson suggests, "Every effort should be made to effect improvement."

This last phrase has a familiar ring. It has already passed into our post-war language of despair, like the famous clichés "Searching for a Formula" and "Exploring every Avenue." It is verbal dope, and one can almost feel the prick of the hypodermic needle on hearing it.

But perhaps it is unfair to blame Mr. Wilson for using such a phrase. To do him justice, he has made a number of practical suggestions for reducing accidents in factories, and Dr. J. C. Bridge has written a supplementary chapter on health, showing, among other things, the dangers to brick and tile workers due to silicious dust. The point is that both writers can only conclude their reports with pious hopes, knowing perfectly well that the crux of the matter is Finance.

If an electrical combine dominated the Government and kept us short of current and equipment so that night traffic had to move about in semi-darkness, a Chief Inspector of Roads might report alarming numbers of accidents at night, and conclude with the suggestion that "every effort should be made to effect improvement." But, knowing what we knew, surely we should object: "What's the use of these pious sentiments? The electrical combine is to blame for starving us of light."

If Finance assessed values in terms of human well-being, factories and workshops could be made safer by far, for it is only cost which prevents it. But Finance knows only money values, and anything in the interests of the community has to be done against the grain, so to speak.

Who has not been thrilled by Defoe? Compare the adventures of Robinson Crusoe with, say, a Test match, and the feats of our flannelled heroes seem positively tame.

Now "Robinson Crusoe" is simply a description of Industry in an unalloyed condition. It is man's struggle with his environment, but with no complicating factors. Crusoe knew nothing about false systems of bookkeeping. He made a direct attack on all his problems, and thought always in terms of real values.

If he could visit Britain today he would be appalled at the ugliness

been discovered—for the purpose of being hidden away again in bank vaults—the banks would have raised, no objection to a further note issue, since it would have been based upon a scarce commodity under their control. But they could not bear the idea of printing notes at two pence a dozen—that would have been inflation.

Yet, such are the mysteries of banking, it is not inflation if a Government, instead of issuing money, borrows it from a bank in return for an interest-bearing slip of paper. Neither is it inflation for a bank to use this slip of paper as a right to set the printing presses going at its discretion, and against that slip to issue more interest-bearing money to the extent of several times its face value.

and sordidness of our factories, and when he heard of the numbers killed and maimed he would ask why we didn't spend more money—if necessary, a lot more money—in making them safer. If we objected that the nation hadn't enough of it, Crusoe might reply that lack of money never prevented him from exercising his own muscles and capabilities to the full.

How should we reply to this? We can imagine Crusoe mentioning the point in a broadcast address, during the Children's Hour, whereupon a suave professor of economics would allay the suspicions of 10,000,000 listeners-in that same evening by a few humorous, half-contemptuous remarks implying that Crusoe was unacquainted with modern methods of banking. All the same, Crusoe would be right. But for Finance, a parasitic perversion which has crept into the situation and been allowed to grow like some monstrous leech, we could make industry as pleasant as the games we pay to take part in, and build factories as beautiful as cathedrals.

Why not? The Institute of Industrial Psychology has found that factory conditions make a great difference to the quality and quantity of the work, which is done in them.

For example, a certain factory owner was in the habit of distempering the walls of his factory at least once a year. One day he decided to try the experiment of changing the colour each time he distempered. The effect was an immediate increase of output. So even from a purely utilitarian standpoint it would be good policy to improve our factories.

But there is far more in it than this. Just as Crusoe's life was full of romance and interest because he saw things in perspective and pursued true aims, so ours is sordid and dispiriting because we are working at one removed from reality and confusing the substance with the shadow.

Like the unhappy children in "Hansel and Gretel" who were turned into cats and dogs, we are all under a spell which has almost deprived us of our humanity and imprisoned us in a witch's house of frustrated desires.

The first thing to realise is that we have been enchanted by the witch of Finance, and the next thing is to break the spell, which can only be done by the concerted will of the people.

We must wake up to the situation and refuse to accept it any longer.

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THE ELECTORAL CAMPAIGN

The Counter Attack

By G. B. MALTBY.

Nothing is more certain than that Finance will not allow its power to be taken away without putting up a defence. We may expect a series of strong counter attacks from press and platform, and we must be ready to put up the answer without delay.

Judging by the lines adopted by a member of the U.A.P. at a recent meeting, there will probably be two or three main arguments directed against us. Firstly, it will be said that we are attacking politicians in the hope of finding places for ourselves; secondly, that, we are vague and unpractical in our aims and objects; and thirdly, that we are attempting in an underhand way to get voters to sign their names to a pledge which demands Douglas Credit—in short, to mislead the electors.

NO SELECTION OF CANDIDATES.

In reply to the first it will suffice to say that we are selecting no candidates for Parliament, but are willing to stand behind every sitting member every inch of the way he is prepared to go in pursuit of his electors' demands. Should he unfortunately refuse to do this, then, in the absence of another candidate who will do as we require, it may be necessary to induce someone in whom we may trust to stand independently.

This programme does not savour of place hunting, so that the correct riposte to this allegation is to point out the actual position and to demand an unqualified withdrawal of the statement.

IS POLICY UNPRACTICAL?

As we insist only on results, those who fear to attempt to produce them will say that our policy is vague and unpractical. This makes matter for a few well-rounded phrases that will sound well from a platform, and it is important that we should be prepared with the rapier of truth to prick the bubble of bombast.

A good line to follow is to ask a series of questions somewhat like the following:—

- (1) Do you believe that it is possible to distribute surplus goods to those who are in want?
 - (2) What method would you employ?
 - (3) If you don't know, why are you standing for Parliament?
 - (4) If you do know, is there any need for us to tell you?
 - (5) Then our scheme is only unpractical if you don't know what to do? And if you can employ an expert to tell you it becomes practical?
 - (6) If the expert fails, can you not employ others whose methods are different?
 - (7) Is not this method of experiment and trial precisely the way in which every advance in human culture is made? What then is unpractical in applying it to politics?
- By the time your victim has answered these his assurance will be greatly lessened.

A SOCIAL CREDIT PLEDGE?

The third line of attack is the reverse of the second. In it we shall be vilified, not because we have no scheme, but because we have!

This is going to be the worst to meet, because I fear that stout Douglasites will find it difficult to keep Social Credit out of their arguments. It is of the utmost importance that workers shall fully realise that their job is to get pledges to support the Abolition of Poverty, and that until this is done any question regarding method must be replied to only by the statement that our method is to give to Parliament that demand and support which

it needs to alter the financial-economic system, and that we do not propose to limit ourselves or Parliament by demanding any particular brand of reform.

If, after the voter has signed, he or she still wishes to know more about technical methods, which might be used, then you are entitled to tell more of the system you favour, but it must be put only as your own personal opinion, not as the policy of the League, which it most decidedly is not. Care on this point will save us from presenting our opponents with the best supply of "red herrings" they could wish for; will prevent dissension in our own ranks, and will make it impossible for politicians to cloud the issue or to impose some half-baked Socialised Credit scheme and put the blame on us. When you are out canvassing, if you cannot open your mouth without mentioning Douglas or Social Credit—wear a gag!

BACK TO THE KITCHEN

By L. W. MASON.

With habitual shortsightedness our trades union leaders may be expected shortly to give a further expression of their acquiescence in the present iniquitous system by a concerted attack on married women in industry. No one questions the motives of the leaders of workers' organisations, but if ever they do make such an attempt against the individual freedom of the subject, then workers generally may be excused if at last they begin to cast doubt upon their intelligence and think twice before they pay over their contributions to be squandered by officials with a mentality that is still groping in the darkness and ignorance of the industrial revolution.

Trades unions have always been over-concerned with work. It is an obsession with them almost yet; in spite of their efforts to overload everybody with labour they are still worried because, there is not sufficient to go round. It is quite true that they have ever fought for shorter hours and higher wages, but their clumsy methods and the point of their attack make it quite obvious that they have little idea of the real forces against which they are opposed. The fact, too, that those workers who are employed are, after all, existing precariously on the breadline is evidence enough that trades unions, as at present constituted, will never achieve for the workers what the workers want and what they are justly entitled to—increased leisure with greater economic freedom and security. It is not surprising, then, that in order to justify their own existence and endeavour to placate the bulk of their financial supporters trades union leaders may resort to what may appear to them to be the popular measure of excluding married women from industry.

The folly and illogicality of such a move is easily exposed. Obviously such legislation would operate only against one class, and that the very class of which trades unionism is presumably the champion. It will leave unhampered the married women in business on their own account, unless, of course, provision is in view to compel such enterprising females to hand over their businesses to their single sisters. Better still, perhaps, the husbands of such women will be forced to give the unemployed their jobs and manage their wives' affairs. Knowing their husbands as they

do, it is a wonder that married women with business ability have not already suggested this! Then there is, of course, the problem of the married woman of independent means. We might as well be fair and drive all married women back into the kitchen—deprive them all of their freedom.

A QUESTION OF PRINCIPLE

But the trades union leaders are apparently not concerned with freedom. Perhaps they do not know what it means. Their minds can visualise nothing beyond work—which to them is the end and not the means. They overlook, too, the growing feminine demand for freedom from the shackles which marriage under our present system imposes upon women. If the proposed measure is passed, presumably all married women desirous of continuing their employment will have to satisfy tribunals or industrial courts that they are compelled to work owing to force of circumstances; in other words, that they have found it necessary to find for themselves what the trades unions admit they are unable to find for their husbands.

But to be able to examine the problem disinterestedly and in fairness to all women, whether married or single, no consideration of circumstances should be allowed to enter the discussion at all. Although the employment of married women is, after all, a side issue, a very vital principle is involved. That principle is freedom. Man has for too long basked in the sunshine of his own masculine superiority. Woman, no longer content to remain in the shadows, is now clamouring to be heard, and we would do well to listen.

There are many reasons for a married woman desiring to earn wages, but they are no different and no more numerous than those, which actuate men in the same way. Some husbands are incapable of supporting their wives at all; others are unable to give their wives that measure of economic freedom, which they are capable of achieving themselves. Trades union leaders apparently support the good old "better or worse" rule, which merely treats a woman as an index to her husband's prosperity—or poverty. "By their wives shall ye know them"—so, back to the kitchen!

The real evil, which trades union leaders do not seem to be able to recognise, is not the displacement in industry of single women or men by married women. It is a bank-ridden society that tolerates money shortage and its consequent restriction in the movement of goods and necessities from the producer to the worker; a society that believes in "healthy competition" and the exploitation of female labour because it is cheap. Prostitution and all those sins the Church so strenuously denounces and which trades unions do not recognise as coming within their own province, all spring from the same evil source.

Workers themselves will do well to shake up their ideas and realise that the elimination of married women from industry, like the dole and various other social red herrings, may have an unusual scent, but it will lead them nowhere.

Is Social Credit so very difficult to understand?

BANK WINDS UP SHIPPING COMPANY.

On the petition of the Union Bank of Scotland Ltd., creditors for £1,132,000, Mr. Justice Crossman in the Companies Court yesterday made an order for the compulsory winding up of the Anchor Line (Henderson Brothers), Ltd.—"Daily Mirror" (London), May 14.

ANOTHER PROSPERITY BUBBLE BURSTS

Big Motor Trader Exposes Misleading Figures

For some time those whose purpose it is to mislead people into the belief that the depression should be referred to in the past tense, and so to divert their attention from such objectionable topics as monetary reform, have been trying to create the impression that our motor trade is booming. The idea is, naturally, that if people can afford to buy new motor cars in great numbers things must be pretty right again, and all the unemployed require is to be patient and watch the cars go by. As with all our "prosperity" statistics, however, it is noticeable that comparisons are generally made, not with the normal years, but with the worst period of the slump.

This may be all right for Prime Ministers and financiers, but the motor trade is growing weary of being told how prosperous it is. A very timely statement on the subject was made on Monday by Mr. J. H. Rhodes, managing director of Rhodes Motors, who said, as reported in the Melbourne "Herald":

"It is of vital moment that the people, and especially their representatives in high places, should have a true perspective of the automobile position.

"There is a general impression prevailing here that the motor trade of Australia for 12 months or more has been enjoying somewhat of a boom. As such is an erroneous conception of the true position, I suggest that the following facts should be given prominence:

"The rate of sale of new cars in the past 12 months has not nearly equalled the rate of obsolescence of used cars, nor has it done so for the past five and a half years. Nevertheless, it is still thought very generally that sales of new cars are increasing so rapidly that, perhaps, the condition may become an unhealthy one from a broad national standpoint.

"At the present rate of progress, by December 31 there will have been in the past three years approximately 24,000 new cars sold in Victoria (which shows greater relative progress than the other States); that is, in the three years since 1931, when the tide turned. These three years together will account for only the same total as the year 1927 alone, which accounted for 24,236 new registrations, and very little more than any one alone of the pre-depression years.

"More significant, however, is the fact that relative to the same periods of normal or pre-depression years, each four-monthly period since the middle of 1934 has shown a further slight shrinkage in sales of new cars.

"The low water mark was reached at the end of 1931, with 12 per cent of the 1927 base (an 88 per cent drop). From that point there was a slow climb up to 43 per cent for the middle period of last year, since when, however, there has been a recession to 41 per cent for the last third of 1934, and 39 per cent for the first period of 1935.

"The arrival of new models in our late autumn and winter will push the percentage for this middle period of 1935 up again; but, as shown by last year's reaction, the year's average will be well below" 50 per cent of pre-depression levels.

"There is no parallel to this Australian industry which has seen such a shrinkage as 88 per cent, in 1931, is still working on half its pre-depression volume, and not only is not subsidised, but is contributing millions in special, as well as general taxation, while employing" 190,000 Australians directly and indirectly.

"It is hard to imagine anyone gaining in the long run from an application of the brakes to such an Australian industry whose progress is vital to that of so many Australian subsidiaries.

"With more than 70 per cent of the list price of the average car representing Australian industry, and measuring as it does the rate of development in general as well as transportational progress of the community, it seems necessary at this moment to correct such misapprehension as seems to exist."

"FALSE TO SAY WE HAVE TO PUT UP WITH OUR PRESENT ECONOMIC EVILS" New Zealand Archbishop Speaks Out

A most outspoken address was delivered some days ago in Wellington, N.Z., by the Catholic Metropolitan, Archbishop O'Shea, who on more than one occasion has pronounced himself in favour of Social Credit.

"It is false", said the Archbishop in the course of his address, "to say that the ordinary people have to put up with our present economic evils and are not to make an effort to right them, because we are here only for a little time. We must think first of the supernatural, but material things also are necessary.

"You have read something about what papers and certain authorities call balancing the budget. By balancing the budget these people mean that all costs should be cut down to the lowest possible level, and social services also should be reduced, in order, really and truly, that the international bankers may be able to receive their interest, or some of their interest. That is what they mean by balancing the budget, and that is why, the other day, the Bank of France gave out that it had ordered the French Government to do it. It means that the standard of living for the people would have to be lowered. If all social services are cut down it means that, in order that these men who control the world should receive their pound of flesh, the general public must suffer.

"The international bankers", added the Archbishop, "have obtained the domination of the world because they control prices by the control of credit. The system is crushing mankind."

Attorney (to witness): "What is, your business now?"
Witness (languidly): "Not raising hogs."
— "Los Angeles Times."

BOOKS ON MONETARY REFORM

Why Poverty in the Midst of Plenty? By the Dean of Canterbury	8d.
ABC of Social Credit. By C. Barclay Smith	7d.
Dividends for All by C. Barclay Smith	7d.
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The Douglas Manual	7/6

ALL POST FREE.

Obtainable from The Douglas Social Credit Movement, Room 8, The Block, Melbourne.

ALL SEXES AND SEVENS

By REGINALD DUFF, in *The Eleventh Hour*

Sex like the waffle, is mainly a twentieth-century product. And it's a product of decadence. In the days of expansion, things expanded into life as well as wealth, but nobody knew that it was sex until comparatively recently. It was life, and as normal as dodging your debts or picking your teeth. Then, like a sudden Bengal light, *Sex* flared in the consciousness. People commenced to pick and fidget at the fact of it: to view it with the giggling embarrassment and slight exhilaration with which one views one's tonsils in a bottle. To that's *me!* What fun! But, how awful!

The real cause, of course sexual preoccupation is that on nothing left to believe in but self. And that was the reason the great sex boom: the War killed belief in the way ahead there was nowhere to look safety save within. So the modern heels-over-hedonism started. And sex was worn on the sleeve, for bores to peck at.

Objectified, sex became intensely saleable. It was popped into boxes, and sold as eye-black; written up, and sold as culture; sobered down, and sold as lectures; made rolling drunk, and sold as jazz; spiritualised into celluloid, and sold as films; rammed into a pair of repulsive shorts, and sold as health. The final antic of the Life Force was to gibber as a Sales Force.

And all the young women and all the young men were sexed beyond measure at this. But only mentally. Sex was a worm round the heart, a ghoul at the elbow, but it mustn't be put into practice. For that might have meant babies. And babies were the last horror.

It was not economics alone that made them so. Poverty at a pinch could be faced. But what could not be faced was the fact of birth. The objectivisation of sex and its consequences had made everything real appear so dreadful that it was better to rot in the dim little death-dance of fusing celibacy than to brave the honest hazards of love. Love, in fact, was no longer quite decent; it had been supplanted by a new and painless quality called Lurhve. Lurhve was the invisible ectoplasm exuding from the featureless forms of crooners and film stars. It was the thing that made the world go round, with such dizzy celerity, backwards. It was the power behind the furniture ads. The heart of gold, which beat in the body of mind-ridden lust. It was the substitute for tenderness, as pottering with sex as a Thing was the substitute for passion, in an age facing darkness.

So the era of full sex-consciousness came to fruit. Every maiden had the dual task of being "up-to-date," which meant that she must look like a Union Jack or a death-mask, according to taste; must talk like a gynecologist turned rancid; must whirl and flap her sex about, while being vehemently careful to become pregnant with nothing more than possibilities; and must, at the same time, keep the notion of Lurhve alive in her heart for ever. But behaving like a harlot and hoping like a nun is merely cancellation. Particularly when both behaviour and hope are fully conscious. Full consciousness is a sun that shrivels.

And now the "modern generation" is all at sexes and sevens. Both the girls and the young men are sick of each other. For the boys want sex, and the girls want Lurhve. And neither quality's there.



Sex, the advertised, the trumpeted, the displayed and photographed tit-bit of the age, is merely a dirty story that doesn't come true. So really there's nothing, and won't be, until there's a way ahead.

Everything, at length, returns to that—the way ahead. One might, of course, spend happy hours organising a band of Neo-Vandalists, to crush the cinemas, burn the books, maltreat the magazines, strangle the sax-and-sex-ophonists, devil the dances, hack the hikers, insulate the "It"-girls, nag the nudists, of the age, but no constructive, purpose — alas! — would be served by such behaviour. (It is one of the most depressing features of the times that no constructive purpose is ever served by madly slapping the people one wishes to slap.) No,

LETTERS TO THE EDITOR

The New Times invites correspondence from readers on any matters of public interest. Disagreement with or criticism of the policy of this paper will not be a bar to the publication of letters containing constructive suggestions, briefly expressed; but the Editor reserves the right to reject publication of any letters deemed unsuitable, or to condense when necessary. Rejected letters will not be returned unless accompanied by stamped and addressed envelope. The name and address of sender (not necessarily for publication) must be forwarded with all communications.

HELPING THE PEOPLE TO UNDERSTAND.

"Commonsense" ("New Times," August 16) advocates a popular campaign to weld all classes into a body that will understand what it wants. May I recommend to him the Electoral Campaign, carried out on the English model, by this League? We want workers—will "Commonsense" undertake to help? G. B. MALTBY, Campaign Director. The League of Democrats, Room 8, Block Arcade, Melbourne

EXCHANGE RATES AND IMPOSITION.

The amazing ignorance of business men in elementary considerations of the subject of exchange as applied to trading transactions is attributable, largely, to the ambiguities and obscurities of orthodox commercial teachings. For instance, if a man in Melbourne buys a few pounds' worth of goods from a Sydney firm the bank charges a few pence exchange on his cheque, when he pays. But if he buys goods to the same value in London, he pays 25 per cent, additional to the price of the goods.

In the business world it is generally—almost universally—imagined that in the case of the Sydney transaction the exchange represents a charge, for banking service, but in the London purchase some other factor enters into the business. The truth is that the charges for both local and overseas banking service are arbitrarily fixed by the bankers. In theory only, the overseas exchange rate is governed by the trading between the two countries. That is to say that if Australia imports more than she exports the rate of exchange would be against us, because our sales abroad would be insufficient in value to pay for the imported goods. In other words, if Australia sold abroad, over a given period, £50 millions worth of goods and at the same time purchased abroad £100 millions' worth of goods, there would only be half enough money in London (the centre of the world's banking) to meet our obligations. So £1 in Australia would be worth only 10/- in London.

A brief survey of the position during the past five years discloses that Australia has been exporting considerably more than she has been importing and, after meeting all obligations of trading and interest commitments, a substantial credit balance in Australia's favour has been on deposit in London. Therefore the Australian pound should have been worth more than the English pound. There is no justification for this robbing of a large section of the Australian people. Exporters, mostly farmers, have been gulled into believing that the adverse exchange benefits them, whereas it does nothing of the kind.

the way ahead can only be found by the people who have come through the racket unaffected. There are certain people whom one knows are all right; who have, by heaven knows what accident or design, retained a belief; who remain, despite the cracked scream of the age, loyal to God. There's a purity about them, which conquers all, and will conquer. And it's through these people that the way ahead will spring.

As for the jazz-babies, the sexual fun-and-gamesters, the Lurhve-ers and the hotcha-girls, give 'em something to believe in, and they'll live. Sex will retire from public life, and cease shrieking. Gladly. Never was it intended to be a Star: the suns that warm existence never were.

SOCIAL CREDIT AND PRICE CONTROL.

In answer to the qualms of "Retailer" ("New Times," August 16) on the question of a control of prices under Social Credit, may I suggest that Major Douglas was concerned only on one point—to prevent the people from being exploited by profiteers and so losing the benefit of their National Dividend. Admittedly the price discount system he outlines, while giving the same relative advantage to all, would confer greater absolute benefit on a big buyer of finished retail goods (and only on these) than on a smaller buyer. I do not see, however, that "Retailer" need feel any concern if he cannot see eye to eye with the exact machinery suggested by Douglas. On this point Douglas himself said (December 7, 1934): "We are not organising specifically to impose upon the country either my monetary system, so-called, or anybody else's system. We are faced with an implacable enemy, and that enemy is the present monetary system and those who support it." And again, in his address before the King of Norway (February 14, 1935), he said explicitly: "We have put forward a number of tentative proposals, none of which, at any rate so far as I have myself any responsibility, is claimed to be final, rigid, or unchangeable. They are merely suggestions based upon an analysis of the point of view which I have put to you tonight." In other words, Douglas is concerned only to shift the goods across to the people with the minimum of upset and the maximum of individual freedom.

I cannot personally see how even-handed justice can be administered without some sort of price control. If "Retailer" does not like the price discount, I see no objection to a simple fixation of prices on the lines to which in this country we are accustomed in numbers of our primary products (such as milk and sugar), in which case the whole dividend could be distributed directly and equally. "ANOTHER RETAILER."

(Editor's Note. — We have received many other letters on this subject, and regret that we have not the space to publish them.)

FASCISM

(With acknowledgments to the *New Age*.)

"Perhaps a great Charlatan—political scallywag, buffoon, liar, stump orator, and in other respects popular favourite—may some day arise who is nevertheless a statesman—the combination is not impossible — and who, having attained power by popular acts, may use it for national ends. It is an off-chance, but I do not see any other."

(Milner, letter to Lady Edward Cecil. *The Milner Papers*, Vol. II. 1899-1905.)

"Italian Fascism now requires, under pain of death, or, worse, of suicide, to provide itself with 'a body of doctrines.' . . ."

"The expression is a rather strong one, but I would desire that within the two months between now and the National Congress the philosophy of Fascism be created."

(Mussolini, letter to Bianchi, Aug. 27, 1921, reprinted in *Message et Proclami*, Milan, 1929, p. 39.)

"Doctrine, beautifully defined and carefully elucidated, with headlines and paragraphs, might be lacking; but there was to take its place something more decisive—faith."

(Mussolini, *The Political and Social Doctrine of Fascism* p. 10.)

Professor G. Volpe (Professor of Modern History in the University of Milan), the official spokesman of Fascism, in the *Yearbook of the International Centre of Fascist Studies* for 1928, describes the early programme of Italian Fascism as "a nebulous programme at first . . . somewhat demagogic and revolutionary." Amongst others, it contained the following:—

Abolition of the Monarchy Senate and Nobility.

Republic, and Universal Suffrage to elect a Constituent Assembly as Italian Section of the International Constituent Assembly of the Peoples.

International Disarmament and Abolition of Compulsory Military Service.

Confiscation of Church property. Confiscation of war super-profits, and a capital levy; abolition of the Stock Exchange and dissolution of limited liability Companies and Banks.

Land for the peasants. Transference of control of Industry to Syndicates of Technicians and Workers.

"I shall not allow Fascism to be altered and made unrecognisable by changing from republican tendency, as I founded it, and as it ought to remain, to a monarchical, nay more, a dynastic movement. Our symbol is not the escutcheon of the House of Savoy. . . It is not permissible to preach one thing and practice another."

(Mussolini, in the *Popolo d'Italia*, May 24, 1921.)

The day following:—

"Fascism is superior to monarchy and republic . . . The future is uncertain, and the absolute does not exist . . . Those who would draw the conclusion that Fascism espouses the republican cause, and regard the setting up of the republic as a prime necessity, reveal a lamentable want of understanding."

(Mussolini, in the *Popolo d'Italia*, May 25, 1921.)

"Fascism is the strongest of all heresies that strike at the doors of the churches . . . Away with these temples that are doomed to destruction; for our triumphant heresy is destined to illumine all hearts and brains."

(Mussolini, in an article, April 3, 1921.)

"In the Fascist State religion is considered as one of the deepest manifestations of the spirit of man; thus it is not only respected, but defended and protected."

(Mussolini, in Encyclopedia article on Fascism, 1932.)

"The idea of the sovereignty of the State and of national unity is the primary motive underlying the Fascist theory of government."

(Pitigliani, *The Italian Corporative State*, 1933, written "in close contact with the Ministry of Corporations." A semi-official work.)

"Fascism believes neither in the possibility nor the utility of perpetual peace . . . War alone brings up to its highest tension all human energy and puts the stamp of nobility upon the peoples who have the courage to meet it."

(Mussolini, *The Political and Social Doctrine of Fascism*.)

"In eternal warfare mankind has become great—in eternal peace mankind would be ruined."

(Hitler, *Mein Kampf*, p. 149.)

"Fascist organisation is the method of world peace among nations bound together by the universal Fascism of the twentieth century."

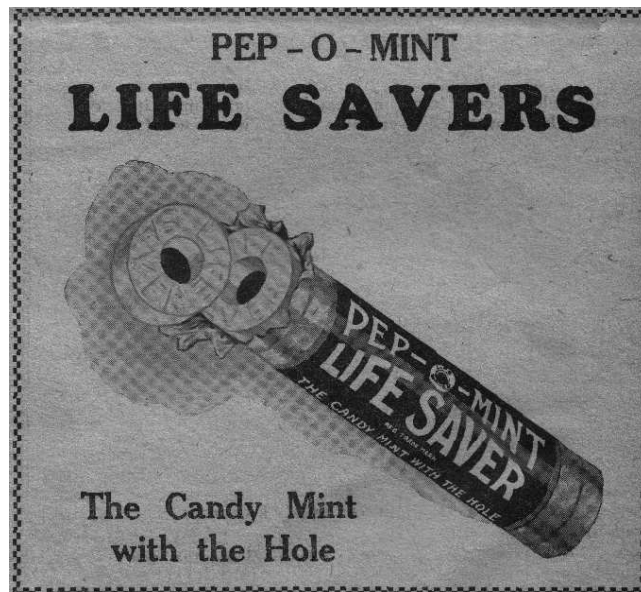
(Moseley, *Fascism in Britain*, p. 7.)

"We have no belief in programmes nor plans, in saints or apostles. Above all, we have no belief in happiness, in salvation, or in the promised land."

(Mussolini, *Popolo d'Italia*, Jan. 1, 1922.)

"Fascism denies the materialist conception of happiness as a possibility."

(Mussolini, *The Political and Social Doctrine of Fascism*.)



PAYING OFF THE PARISH DEBT

How Finance Fools Religion

By ADAM SWINDELL.

Sunday after Sunday, if you are a church-going member of the community, you will have your religious exercises interrupted and distracted by references to parish finances. For the parish, like the nation and the individual, is always in debt.

Have you ever thought seriously about these religious debts, and how, in their impish way, they delight to tweak Religion by the nose? Well, here is an example, which happened under the Southern Cross:

Time: Year Six of the Depression. Sunday afternoon.

Place: The grounds of a body of religious women. A garden party, pleasant Sunday afternoon, or whatever you like to call it, is in progress.

Patrons: Various charitable (genuinely charitable, too) men associated closely with the liquor interests and the turf.

Enter a lady clad in shorts and singlet, who valiantly fights a round or two with a professional boxer.

Applause from sportsmen. Result: A generous collection towards the reduction of the debt. Be it said that the religious ladies were not spectators of the scene. They knew no more than that an effort was being made to raise funds on their behalf. They were not told the nature of the programme. They would probably have expelled any girl under their charge who dared even to appear in shorts, and they strenuously aimed at giving their young charges the pledge for life. Still

From this ridiculous, but true incident turn to the more general aspects.

When a young man decides to enter the sacred ministry he fondly imagines that he is devoting his life more directly to God than he would by remaining a layman. He fondly imagines it, and shortly finds that he is devoting the major portion of his activities to exhorting, browbeating and cadding for money. He hates doing it, but the parish debt soon wraps its tentacles around him. There is no escape.

Not only is the work distasteful. If he is sincere, he is constantly in for twinges of conscience. For part of his job (thanks to the parish debt) is to go round with one eye shut. On Sunday from the pulpit he denounces intemperance. From the same pulpit he announces a parish dance—for the parish debt—at which he knows, beyond the shadow of a doubt, that the lads will come along with something on the hip or in the car pocket, and that they will subsequently park with their young partners, to

no great advantage of the cause of temperance (or of other virtues).

He runs bazaars or fairs where the gambling laws, if not flagrantly broken, fare deliberately evaded at every turn. He condemns superstition and permits fortune-tellers and crystal gazers at all his fetes. He preaches love and harmony—and he organises queen competitions that set half the women of the parish by the ears. And so on. All in the sacred cause of the parish debt.

But the worst is yet to come. And this is the part, which the average member of the clergy has not yet grasped. What happens when he pays off part of the parish debt?

Let us digress for a moment. What is the parish debt? It is money owing in respect of property purchased or buildings erected. The debt was probably incurred long years ago. It has come down as an inheritance from pastor to pastor—a bank pass-book, ruled off on June 30 and December 31 of each year, and beginning each new cycle under the column marked "Dr."

And what happened to the money which the bank long ago created by magic book-entry to enable the property to be purchased or the buildings to be erected? Is the money still in the parish alongside the parish debt? Assuredly not. It was spent by the fathers, or perhaps the grandfathers of the present parishioners. It went to make up other money shortages, which were existing in those far-off days.

Let us come back to our question: What happens when something is paid off the parish debt? First, the money has to be got. It comes from the people of the parish. It is money which most of them can ill afford. It is a genuine sacrifice on their part. It is money, which they would otherwise spend with the local butcher or baker or grocer.

But it is not so spent. It is handed over in the great cause of the parish debt. And what then? The moment it is paid into the bank it goes out of existence just as though it had never been.

A parish owes its banker £1000. It raises £100 from a fete. The £100 goes into the bank. The parish owes its banker £900. That is all.

But—
There are no buts. You were going to say: What if it is paid in as notes or coin? The bank surely does not destroy these? Of course it does not. The notes and coin go into the banks till money. Till money remains more or less constant—out today, in tomorrow. For years now the

banks in Australia have been holding between £20 and £30 millions of it, and the public slightly more—about £55 millions in all. But while this tangible money (what we generally call legal tender) has not altered for years, the deposits and overdrafts of the community have gone up and down by many millions.

If a bank gives you an overdraft of £1000 and you draw this by cheque, as soon as your cheque has been paid into someone else's account, the bank deposits (money) in the community have been increased by £1000. It doesn't matter if you make your withdrawal wholly or partly in notes and coin. The same thing happens. The money supply increases, though notes and coin do not. And if the reverse takes place, and you repay your bank overdraft, the community's money supply has decreased by £1000—as every banker who is not a rogue or a fool will tell you, though he may prefer to call it an expansion or contraction of credit. It sounds better.

Anyhow, the fact remains that when your parish has a fete or a carnival in honour of the debt, and when the proceeds have gone into the bank, the parish is automatically poorer by that amount. It has that much less money with which to transact its business, to distribute its goods, to pay its way. And as even the bankers' economists are beginning to admit that our present supplies of money are insufficient, the moral would seem to be that we should resolutely decline to pay a penny off the parish debt. Which is absurd.

Yet it is not nearly so absurd as the money system we have been accepting until recently without so much as a question.

The real moral is: Look into the money system. Demand that the amount of money in existence should always correspond with the supply of goods for sale.

There are some men of religion who cannot yet see that it is their duty to explore thoroughly this question of money. More's the pity. For, until they do, instead of being the servants of God they will continue to be the servants of the parish debt.

Finance and the News-Monopoly

In a lecture given to the Post Office Telephone and Telegraph Society at the Institute of Electrical Engineers, by Mr. C. Fleetwood-May, a chief official of Renter's, it was stated that London became the news centre of the world in Victoria's reign, a position that it still holds, in spite of fierce competition. Mr. Fleetwood-May said—

"The fact of being the world's news centre means a great deal. London could hardly have become the financial hub of the world if it was not also the news centre."

"News collecting on an internationally organised scale," he added, "was originally nothing to do with newspapers, but started as an essential part of international finance. It began with the Fuggers, financiers, who had correspondents all over Europe."

This piece of candour, straight from the mouth of an authoritative expert in the news-game, is worth careful preservation by Social Credit exponents. It is all the more important because it occurred in the course of a semi-confidential address to Civil Servants. We have frequently made reference to Kipling's dictum (attributed to a character in one of his stories) that *power resides in the control of communications*, and on one occasion included the telephone-telegraph system in an enumeration of the different forms of "communication." So the idea in Mr. Fleetwood-May's disclosure will not be new to most of our readers; but what he says will afford them an excellent text on which to elaborate the idea and expound its implication to the public. —*The New Age*.

MR. THEODORE AND THE GOLD STANDARD

By T. O. D'OR.

The last Federal Labor Government, lead by Mr. Scullin, was wrecked on the rocks of the fiduciary note issue proposals of Mr. Theodore, the financial wizard of Labor. The denunciation in the daily press of "this fantastic scheme" and of Mr. Theodore is a green memory with us all. Likewise the silence of Mr. Theodore during the visit of Sir Otto Niemeyer hangs in our memory. In passing, we recall that the only real attack on Niemeyer came from W. M. Hughes, who made no mistake about his hostility. But Billy was not in the Ministry in those days.

The Premiers' Plan, with its devastating attack on Australia's standard of living and its wrecking of so many of our important industries, was the outcome of Sir Otto's visit. Labor must take its share of the blame for the horrible and wretched consequences of the Niemeyer plan.

Then John Lang determined to oust Theodore from public life, and the success of his effort brought no tears from the dailies. Mr. Theodore was not yet respectable enough. But once out of public life, Mr. Theodore seems to have won his way into "public" confidence. The very press, which denounced him for his wicked State ventures that brought so much disaster to Queensland, now gives him quite nice publicity in his new role of gold mine floater, or entrepreneur, or whatever he may be.

It may be concluded that the financial resources of the rich State of Queensland could not assure success to a venture—of a proved variety—that had Mr. Theodore at the helm, but once clear of the socialistic flavour of State control a venture of an unproven variety might well be expected to succeed with Mr. Theodore as one of its sponsors and guiding forces. The people of Australia, and of Melbourne in particular, will watch the huge gold mining show in Fiji with more than usual interest.

Over two years ago Mr. Theodore, in an address to the Labor party in Sydney, said that the obvious weakness of the gold standard system was the principle that the volume of money in each country depended, not upon the needs of its industries, but upon the fortuitous arrival and departure of gold. He advocated a fiduciary scheme as propounded by the English economist, J. M. Keynes—an international currency in the form of gold certificates. These certificates, he said, would be issued in an amount sufficient to restore and maintain prices at a predetermined level and would also act as international legal tender. This new money system, he explained, would be vested in an international bank, publicly owned.

Evidently, when this bank of Mr. Theodore comes into being, it will be a big customer of the Fiji mine—or perhaps the mine may

WHAT ITALY REALLY NEEDS.

(Continued from page 4.)

available for the purchase of ordinary household goods.

But in spite of all this, we find the Italians' purchasing power shrinking, while their output of real wealth increases.

This, and not any necessity for room for her people, is the fundamental reason urging Italy to war in 1935. It is the same reason as brought about the war of 1914. And, until money is issued directly by governments to enable people to buy the product of their machines, there may be 'tons of good will, but there will never be peace among men.

supply gold certificates to the bank instead?

Some consolation must come to financial reformers in the knowledge that this plot to form an international bank has been exposed in every continent. The cat is out of the bag, and although the first portion of the conspiracy, viz., to have a central reserve bank in every country, is almost completed, there is a chance that the crowning of these central banks by the Bank for International Settlements at Geneva may not happen. Everyone must resist that.

It is also satisfactory to know that Labor's financial policy today is not in accordance with the Theodore plan. In fact, a rising star in Labor's ranks—Ogilvie, of Tasmania—has announced himself as being in the Douglas camp, and some of the old stalwarts might catch a germ from him.

"Ole Man Monty"

(From *The Eleventh Hour*, London; with apologies to Hammerstein and Kern. Tune: "Old Man Ribber," from *Show Boat*.)

Ole Man Monty, dot ole Man Monty,
He mus' know sumpin', but doan say nuthin',
He jus' keeps rulin', he jus' keeps rulin' along.
He doan buy taters, he doan buy cotton.
An' dem dat buys 'em is soon forgotten,
But Ole Man Monty, he jus' keeps rulin' along . . .

You an' me, we sweat an strain,
Body all achin' an' racked wid pain;
Tote dat barge an lift dat pail!
Take a lil rest- an' you'll land in goal . . .

I gits weary an' sick of buyin',
I'm tired of livin' an' skeered of dyin',
But Ole Man Monty, he jus' keeps rulin' along . . .

Britons all work for the Bank of England,
Britons all work for the banks that loan,
Payin' those costs from the dawn till sunset,
Usury fines without nary groan . . .
Don't look up and don't look down,
You don't dast fail for the Bank an' Crown,
Bend yo' knees and bow yo' head,
An' live on loans until yore dead
Let me go away from the Bank of England,
Let me go away from the Bank's sole Boss,
Give me my share of the Nation's credit,
Then I can live without fear of loss.
(Repeat refrain.)

STEEL RECOVERY IN U.S.A.

Steel industry pick-ups are partly due to export increases in scrap iron and steel to heavily-arming countries. Iron and steel products sold abroad in the first three months of 1935 reached 814,312 tons as against only 223,836 tons in the same 1934 period. Japan was the largest customer, buying 160,475 tons of scrap. Italy was second, United Kingdom third. — "World Events," (U.S.A.) June 1.

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