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MELBOURNE, FRIDAY, JULY 23, 1937

Every Friday, 3d

## Banking Commission's Farcical Report

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## Why Pick On Landlords?

\*

## Doctors—Or Joyriders de Luxe?

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## Jesuit On A Cracked Record

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(Continued on page 3.)

# Jesuit Speaks on A Cracked Record Fr. Keane on Causes of the Depression OVERPRODUCTION TO BLAME, HE SAYS!

At the present time a series of recorded addresses by Fr. William Keane, the well-known Australian Jesuit, is being broadcast from Station 3AW as part of the Catholic Hour on Sunday nights. Last Sunday Fr. Keane's record was badly cracked, or scratched, or otherwise damaged, with the result that listeners were again and again treated to unintentional humorous interludes consisting of sing-song multiple repetitions of the same phrase, the process becoming so bad that at one stage the station had to interpolate a little soft music.

With great respect to Fr. Keane one could not help feeling that modern science was dealing out poetic justice to him, for his discourse was devoted mainly to blaming overproduction as the real cause of the depression, and during his sadly-interfered-with talk he referred to largely increased use of machinery as a sign of uncontrolled greed of gain. Can he blame the poor machine if it turned round and kicked back at him?

The addresses now being given by Fr. Keane correspond almost word for word with a series recently broadcast by him in Rockhampton, Queensland, and since published in booklet form under the title, "A Great Evil and Its Remedy." In offering a friendly criticism of what he has to say we shall therefore be doing him no injustice if we take the booklet for our text.

## The Church and Economics

First, it is due to Fr. Keane that he should be congratulated for the courage and frankness he brings to his task. Thus: "The Church is told to mind her own business, that Christ gave no teaching on Economics. . . . I could reply, and with truth, that the conditions of social life do concern the Church because she knows that in a state of penury the practice of the Christian life is hardly possible, that slums and tenements and streets are breeding grounds of vice, and that even amidst better circumstances the pressure of insecurity and anxiety about the future choke the growth of the Christian spirit."

In that last sentence Fr. Keane sets out why every Christian clergyman should be making an intensive study of economics. For many of us are in the state of penury, which he describes, and most of the rest of us would be correctly classified under his second heading, where, "even amidst better circumstances the pressure of insecurity and anxiety about the future choke the growth of the Christian spirit."

And now, what of the depression and its causes?

## What Causes Depression?

"When we inquire into the causes of depression," said Fr. Keane, "we notice a tendency in certain quarters to cloud the investigation by reference to irresistible economic laws, to periodic cycles of prosperity and depression. Undoubtedly, quite apart from local or accidental crises, there have been, since the age of free competition began, recurrent and regular manifestations of economic disturbance."

We are not quite clear what Fr. Keane means by the phrase, "since the age of free competition began". For ourselves, we have more than a sneaking suspicion that artificial depressions (as apart from droughts, etc.) would not have occurred until that stage of human development when men centralised their barter system in some commodity which they could not produce as desired and required—when, for instance, gold money took the place of cow money or weapon money. We suspect still more strongly that the process was accelerated when the control over most of the forms of money

(of which bank credit has long been the chief) passed out of the hands of the Sovereign and into those of private merchants.

We doubt, however, whether Fr. Keane would agree with this, because he will not have it that depressions have a monetary explanation. After declaring that it is absurd to accept the trade cycle as its own explanation, and citing America to show that the war is not the cause of the last breakdown, he dismisses the money business in these airy words: "Nor need we linger longer on the purely monetary explanations which some financial experts have put forward to account for our distress. It is, of course, obvious that individuals and countries alike will suffer temporary inconvenience through serious disturbance of the money market. If a man in your own city, while still keeping his sources of wealth, loses all his ready money, he will be for a time in awkward circumstances. In the same way the locking up of a great part of the world's gold obstructs distribution and is an impediment to consumption. Indeed, it was partly to prevent such dislocations that the mediaeval legislation against usury was so severe. But I think there is pretty general agreement that financial dealings are not the ultimate cause of depression. Certainly they are not its cure."

Frankly, we find it extraordinary that Fr. Keane should permit himself to gloss over a subject of such terrific importance, and the only explanation we can find is that he does not yet understand the rudiments of the monetary system under which we live. This is indicated by his very choice of words above—"disturbance of the money market," "keeping his sources of wealth, loses all his ready money," "locking up a great part of the world's gold". Does Fr. Keane realise even these first basic facts, openly admitted alike by bankers and economists, that nine-tenths or more of the world's supply of money in his "money market" consists of book entries manufactured by private bankers at no further expense than the cost of pen, ink and paper; that this is the "money" which bankers lend at interest (what about the "mediaeval legislation against usury"?); and that, just as the bankers create the money by one set of book entries, so they can destroy it by another set, thus effectively dominating all his "sources of wealth"? We shall return to this aspect later—let us first see to what Fr. Keane *does* attribute the depression.

## "The Real Evil is Overproduction"

"I think," he says, "there is general consensus of opinion that the immediate cause of depression is a breakdown of the relation of consumption to production. The words 'underconsumption' and 'overproduction' are freely used in this context. But it is important to notice that the word 'underconsumption' is used in two different senses. It is obvious that when distress is actually amongst us there will be a disproportion between production and consumption to such an extent that even normal production will be in excess of community demand. When the trouble is in full swingmen have to be content with less than they normally consume, often with less than they reasonably need. They may even starve. But such underconsumption is not a cause of depression. It is a phenomenon that accompanies it. But even when consumption is normal, or nearly so, it is called underconsumption if it fails to match production. In that sense underconsumption may be loosely called a cause of depression. But the real evil is overproduction. The ordinary round of economic trouble may be clarified by

saying that a depression begins with overproduction on a wide scale, with what we call a 'boom' period. Were overproduction on a small scale, the trouble would be localised or eliminated. But when it takes a wide range we have the position that industry—primary or secondary—is unable to make a profit from the sale of goods. At first an attempt is made to promote consumption artificially by advertisement on a large scale. When this wasteful effort fails there begins a widespread curtailment of operations. This means an immediate cutting down of the circulation of wages, either by reducing wages or by dismissing workers. This in turn implies a further and rapid restriction of consumption, for it is the groups with moderate or low incomes that, by consumption, most support industry. The process continues until, overproductions being sharply checked, the surplus goods are laboriously absorbed. Then the round begins again. Such, with many factors omitted, may serve us as a sketch of the normal trade cycle."

## "With Many Factors Omitted"

"With many factors omitted" is the right phrase. And here are a few of Fr. Keane's omissions:—At no stage of his "boom" preceding this last depression was production in excess of *needs*, which should be the basis of real *demand*. Here in Australia, will Fr. Keane tell us where there was any notable curtailment of production during the worst years of the depression? If he looks up the statistics, we think he will find that *quantities* kept up with, and even exceeded pre-depression years, particularly in those articles produced for "the groups with moderate or low incomes." Certainly *prices* fell to blazes, but that is a matter of money, which Fr. Keane discounts. And in countries abroad, where there was admittedly a heavy restriction in certain lines, this was openly done for the purpose of boosting *prices* through scarcity—again a matter of money.

As Henry Ford, the Federated Chambers of Commerce in England, and other noted industrialists have recently observed, the world is not, and never has been within cooe of overproduction. There has never yet been a time when total world output would suffice to meet the requirements of a reasonable standard of health and comfort for its citizens. And the reason they ascribe for alleged overproduction alongside unsatisfied needs is purely a monetary one. Yet Fr. Keane says "there is pretty general agreement that financial dealings are not the ultimate cause of depression. Certainly they are not its cure."

We suggest that, in going over some of his omissions, he should look into these factors:—During the "boom" years immediately preceding the depression, there were heavy and constant additions to the supplies of money which industry normally makes available to consumers. These moneys came from a variety of sources—Government loans for public works, which meant putting money into the hands of consumers without adding to the supplies of saleable, goods on the market; a tremendous expansion in city buildings, factories, and suburban homes, very few of which were sold for cash, resulting again in the temporary leaving in the hands of consumers of vast sums, which the facts show were at once spent on ordinary consumable goods; and other sources.

In the same way it is admitted generally that a large part of our passing "prosperity" is due to the disbursing by Government of huge sums on that variety of public works known as rearmament, which again

means that the incomes of consumers are supplemented from outside ordinary industry, and without adding to the industrial goods in the marketplace.

We suggest further to Fr. Keane that whenever we have these great disbursements of what may be called non-industrial money we also have our greatest measures of general prosperity, and that as soon as these sources cease flowing we have depression. In which case it becomes vital to examine why they dry up.

## Who Starts the Drought?

And here we come back to our bankers. Leaving aside the question of usury, all these additions to our money supplies come from bankers' loans of ledger or credit money. But there is a limit to what the banks deem advisable or expedient in this direction (apart altogether from any real or alleged desire to foreclose on behalf of themselves and their friends). This limit is the banks' supplies of real or legal tender money. As bank deposits keep mounting, and banks' supplies of notes and coin assume a lesser and lesser proportion to those deposits, they run the risk of being unable to meet the demands of customers. Hence, after a period of expansion, the bankers have no recourse other than to curtail credit (call in overdrafts), or at least to cease expanding them. And once you stop infusing money over and above what industry normally dispenses, you have, and must have, depression.

Stated in its simplest form, it comes to this: Every person engaged in business must make it his aim to get back for his goods more money than he pays out in producing them, otherwise he cannot carry on. The circulation by Governments of more money than they collect through taxation, the building of industrial plants which are not wholly charged into consumable goods at once, the sale of houses and all sorts of other goods on the instalment plan, and similar devices bridge the gap momentarily. Stop these devices and you plunge us into depression.

Fr. Keane goes on to speak of overproduction as being caused by "the fierce struggle for profits." Without denying or excusing the existence amongst us of profiteers (these, incidentally, being for the most part industrial monopolies closely affiliated in their personnel with banking directorates) it is obvious from what we have just said that the struggle for profits, no matter how reasonable, must always, under our present monetary dispensation, be fierce. If there is not enough water in the well to fill every pitcher, there will always be jostling at the brink. And it is this, rather than any inherent ill-will between master and man, that has led to the class war, that has led to wage slashing on the one hand and the demand for the socialisation of industry on the other.

## Guilds Must Fail Unless They Settle Money Question

And we would point out that Fr. Keane's specific, the reorganisation of industry on the mediaeval guild basis, which we understand will furnish his topic for a further broadcast, must fail unless he first attends to the money end. Thus in his pamphlet he relates how the olden guilds "fixed prices of sale, arranged the purchase of raw materials on equitable principles." This today is done, directly or indirectly, by the bankers who control our money supplies. No matter how close the co-operation between masters and men, what is the good of their producing more real wealth unless some arrangement is made to have money produced to enable





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## The Banking Commission's Report

The Royal Commission on Banking has run exactly the course we anticipated. Promised by the Prime Minister in a moment of panic when he was fearful that he would lose his seat at the last Federal elections, everything was then done to break the spirit while keeping the letter of that promise. The Commission was so carefully hand picked as to ensure that its report would be innocuous. It was a year after the elections before it met. It then began a leisurely jaunt from State to State, during which process it was successful in spending nearly £20,000 of taxpayers' money and in postponing the presentation of its report until just before the next elections. And what of the report itself?

As we go to press we have seen only the summaries, which have thus far appeared in the daily papers. And they, in turn, can be well summarised in the words of the Acting Prime Minister, Earle Page: "The Commission may be said to have concluded that the monetary and banking systems at present in operation in Australia serve the people well."

For this, taxpayers, you have been charged £20,000, and for this you have been fobbed off for another three years!

In detail, the Commission, as we also anticipated, makes a few tiddlywinking observations on matters of banking administration, some for and some apparently against the existing private banking ring, but it is emphatic that the system must not be disturbed by which these individuals within the community are to be the arbiters as to how much money the community

shall have and who shall get it. It is specific that the bulk of our money shall continue to be issued by private citizens as their own property, and that every person to whom they issue it shall continue to pay them their tribute of usury. It aims to make the present ring still more strongly entrenched by a recommendation that no new bank shall start in business, nor shall any outside bank open a branch in Australia, without the consent of the Treasurer of the Commonwealth; but the existing banks shall be given the authority as a matter of right.

Our correspondent, Mr. Bruce Brown, will probably be discussing the findings in more detail, so we shall leave them at that for the present. But, in case you are dispirited at thus being sold into bondage again, you are asked to remember that the Commission has made another recommendation (which will doubtless be ignored). It suggests that Australia should introduce a system of decimal coinage—which would enable you to calculate a little more readily the percentage by which your income is short of your needs.

## Doctors—or Joyriders de Luxe ?

The case in which a Melbourne doctor last week sued for payment at the rate of £10/10/- a visit for 54 calls on a patient at Werribee once more draws attention to the urgent need for action to be taken, either by the B.M.A. or by the Government, to fix a definite and reasonable scale of medical charges.

The doctor in question based his claim on a rate per visit of 10/6 a mile for the total distance in excess of two miles between his rooms and the patient's residence. The distance, he said, was 22 miles, and during the last month in which his patient suffered from chronic Bright's disease he had found it necessary to visit him on 25 consecutive days! At the end of that time the patient, unfortunately, passed away.

The secretary of the B.M.A., called as a witness in the case, said it had been usual for doctors in general practice to charge 10/6 a mile after the first two miles, but the customary charge now was only a guinea for every three miles, though consulting surgeons and other specialists might charge more.

The plaintiff, in a settlement, consented to take a mere £7/13/4 a visit, and to pay his own costs in the case.

In our opinion, and we believe in the opinion of all reasonable people, the only term to apply to such a charge is that it is damnable extortion—quite legal, of course, and approved by the B.M.A., but none the less an abominable overcharge. Such a fee works out at 10/6 a visit, plus a charge for

every mile actually travelled of 3/3. After allowing for operating charges of running his car, this leaves the doctor, on a very conservative estimate, over 2/6 net for every mile travelled, both going and coming. On the type of road that is general nowadays he would probably average nearly 40 miles an hour; but call it nearer 30, and you still have a charge for travelling—that is, for waiting time—of £4 an hour. On a 44 hour week, and allowing a month's holiday a year, this would mean that a doctor who employed all his time in travelling would get a net income of just on £8500 a year. And as recently as last Friday Dr. Julian Smith declared that out of 1800 doctors in Victoria only 256 earn more than £1000 a year from their profession; and amongst these 256 the average is only £1600 a year!

The figures in connection with the Werribee case settlement are almost identical with the "amended" rates approved by the B.M.A., so it may be taken that that august body considers its members to be worth about eight times as much to the community when travelling about in cars as they are when in their consulting rooms—which is hardly complimentary to doctors or reassuring to patients.

As a matter of fact, it is well known—and the very figures we have quoted prove it—that the vast majority of doctors do not dream of making the charges which their own association permits. As Dr. Julian Smith very rightly said, our doctors render free services of greater value than those for which they make a charge; they are at call for 24 hours a day and seven days a week; they have no superannuation and no paid holidays. As a body, and in consideration of the services they render—both physical in relief of pain and mental in relief of anxiety—they are probably as underpaid as any section of the income-earning community.

But that makes it all the more urgent that they should set their own house in order. Prospective patients know what a doctor is allowed to charge, and though they may hope and trust he will not exact from them the full scale, the very fear that he *may* do so will in many cases deter them from calling in the medical man's services except as a last resort. We are not speaking here of that majority of the community, which could not afford to pay a doctor half a crown a visit, or sixpence a mile, but of those a little higher on the financial ladder.

In the olden days of appalling roads and of the horse and trap and paid driver, a high charge for travelling was reasonable; in these days of bitumen, of twenty miles to the gallon, and of a touring speed of 45 miles an hour, any such charges have no general justification at all. A taxi driver will take you almost anywhere for nine pence a mile. But the B.M.A. has still the horse and trap mentality—which is perhaps one reason why, with a few brilliant and honourable exceptions, its members generally are extraordinarily backward in their other mental processes. Seeing suffering and disease all around them; seeing a profusion of the materials for curative and, still better, preventive medicine, they yet seem content, with hardly a protest, to let a host of sufferers be kept away from them by a purely artificial convention (i.e., money), while they themselves, in their battle for money, are driven to charge eight times as much for their idleness as for their services.

## Landlords Don't Advertise!

The daily papers have been making a fine to-do about the recent increases in rent exacted by some landlords, and especially, it is alleged, by those owning houses in industrial areas. But why should the landlord be singled out?

Except in such times as when banks are calling up overdrafts, the price of anything is what it will fetch, with out-of-pocket costs fixing the bedrock and the sky the limit. Following the increase in the basic wage, some landlords, feeling that they could exact a higher price for the use of their houses, have proceeded to demand it. And in this respect how are they different from others who have done the same with all sorts of other commodities? Indeed, the landlord has a better case than many who have not been denounced by our dailies. During the past few years many a house owner has been "scaled" for his rent; many another has foregone considerable arrears; there are very few who have not had to make drastic reductions in the weekly rental, especially in the areas occupied by the families with the lower incomes. And now, when the papers keep protesting that prosperity is here to stay, when the cost of repairs and replacements is soaring like everything else, who shall blame the landlord more than anybody else if he is out for what can get?

The oil monopolists recently raised the price of petrol, alleging as a reason the increased cost of transport. Did the daily papers ask whether or not the monopoly owns the oil tankers also? Did they suggest that, even if the transport increases were genuine, the added cost of petrol to the public was out of all proportion?

The big motor corporations have announced a stiff rise in car prices. Did the daily papers utter a word of protest about this? Did they attempt to show the outrageous disparity between the prices of cars overseas and the Australian price—even allowing for all the taxes and charges in between?

Of course they did not, although the cost of petrol and transport is passed on to the poor. Nor have they protested against the hundred and one other imposts that the really big monopolists are charging against the public. But then, big monopolists are usually big advertisers also; individual landlords are not—which makes a world of difference.

It is not being suggested here that great hardship is not being suffered by the poor who see their wage increase taken from them in one swoop by the landlord, the while they are left to contemplate other increased charges on every side. But it is suggested that the daily papers are shedding crocodile tears when they pretend to be sympathetic with the victims. For the men conducting these journals know quite well that the only real cure for rack-renting is to build more houses. And they know that, if more houses are to be built, it is necessary to issue new money against this new wealth, otherwise either it or its equivalent somewhere else in the community will be unsaleable. Yet, with all their talk of slum abolition and the provision of workers' homes, which of the dailies has even hinted that such schemes should be financed by the provision of new government money? That, again, would offend their friends,

the banking monopolists. And so they fall back on the story of the wicked slum landlord.

There is this in it, also. Rent, as is well known, comes before food and other necessities. And it would be a terrible thing if the landlord, privateer fashion, got in for his chop before the Boys of the Big Battalions.

## Trade Unions, Strikes—and Elections

Will trade union leaders ever learn? It hardly looks like it, in view of the announcement that the All-Australian Trade Union Congress in Melbourne decided on Tuesday to give its fullest support to the New South Wales coalminers who have undertaken to "stage a fight" for better conditions.

We are not denying the justice of the men's claims—far from it; the case they put up for a better share of the profits of the industry seems unanswerable. Nor are we here questioning their right to cease work or its inherent advisability—though it is significant that it has taken them eight years to recover sufficiently from the 1929 stoppage to be able to consider staging another fight. What we do question—and more, what we regard as suicidal from the Labor point of view—is that a general strike should even be made a subject of discussion just before a general election. Nothing could better suit those who pull the strings behind the Lyons Ministry than a big industrial upheaval at this stage. Nothing would assist more notably to swing in behind the Government that floating vote which wins elections for parties, and which at the present moment is exasperated with the do-nothing Ministry.

And we invite thoughtful Labor men to notice that the motion that "Congress pledges its moral and financial support to the coalminers in" their struggle on the coalfields" was proposed by that stormiest of petrels, Mr. Jock Garden. Mr. Garden seems to have an unhappy facility for "staging a fight" just at the very times when prudence would suggest that one should go quietly.

## BISHOP BURGMANN—A CORRECTION

In our last issue, when reproducing the broadcast, "Leisure and the Modern World," delivered by Bishop Burgmann from Station 2BL, and made available to us by his kind permission and that of the Australian Broadcasting Commission, we inadvertently stated that Dr. Burgmann is Bishop of Ballarat. We meant, of course, to write Goulburn, and we regret the error. There was perhaps a subconscious association of ideas between the two Sees, since both Bishop Burgmann of Goulburn and Bishop Johnson of Ballarat are raising their voices as true leaders of the people in the fight against the abominable and unchristian conditions by which we are surrounded.

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# A RIPE RED HERRING IN THE "WEST AUSTRALIAN"

## Further Attempt to Confuse Abolition of Poverty Issue

In our issue of July 2 we published an account of the attempt by the *West Australian* (the Perth morning daily in which the gentlemen of Collins House have so large an interest) to disparage the Campaign for the Abolition of Poverty. We published also Professor Murdoch's reply, to which might be applied the phrase often used of his debating qualities in the West: "He cuts their throats in such a gentlemanly fashion that they hardly realise they are dead."

The *West Australian*, however, apparently did realise that Professor Murdoch's case was so convincing as to be dangerous, and so it fell back on its store of red herrings. It invited its readers to send in their opinions on the causes of poverty amidst plenty, communications to be confined to twenty words.

You see the cleverness of this? Once you set people arguing about the technical causes of poverty, you immediately start them arguing about the technical methods for removing it. You immediately set against one another the ardent disciples of Marx, George, Douglas, Gesell and dozens of other reformers. You immediately foster division and confusion in ranks that were united in demanding the RESULT they all want—the abolition of poverty. Or at least you make a first class attempt to do so.

### Waking Up to the Money Swindle

We have read reams of the replies, which the *West Australian* published. As expected, they ranged over the whole earth, the hearts of men and the powers of darkness. But, if we misjudge not, the Perth newspaper got rather a setback, for, as the correspondence showed, and as the *West Australian* was forced to admit in its editorial of July 12 in summing up the views, an overwhelming majority of readers ascribed the major cause of poverty to lack of purchasing power to buy the goods that industry produces, and to the control of credit being invested in private hands. In other words, the people of West Australia are generally waking up to the money swindle. Which was hardly the verdict the *West Australian* would desire.

Its leading article was exceptionally long—too long to reprint, and not worth reprinting. It was, in fact, a masterpiece of saying nothing at great length. After reading it one was reminded of the man who told a friend that he had just listened to a three-hour speech by a well-known politician. "And what was he talking about?" asked the friend. "I don't know," was the reply; "he didn't say."

The *West Australian* quoted the poet Blake; mentioned Hitler, the Three Power Currency Agreement, the Whole Milk Board, Major Douglas, Germany's post-war inflation, Sovietism, Strachey, Keynes, Kamschatka and H. G. Wells, and concluded (as would be anticipated) thus: "The growth of human sympathy and imagination is reaching out for better technique, for it is not only a good thing in itself. It pays us all." And so finished by leaving everything up in the air.

### A Letter That Was Not Published

As would also be expected of the *West Australian*, although its plebiscite was a direct result of the Campaign to Abolish Poverty, it did not print the following letter, written to it by the State Director of the Campaign: — "Permit me to express the deep gratitude of the Electoral Campaign for your unprecedented generosity in allotting valuable space for a whole week in proving so conclusively our contention that an expert job is a job for an expert and not amateurs. We could not have afforded

to buy this space as we, too, share the prevailing poverty.

"The infinite variety of causes given for the condition of poverty was limited only by the number of persons interested; which clearly proves that theories in regard to diagnosis and remedies provide no basis for social unity. It is said that even experts disagree. Exactly the same divergence of opinion exists upon the cause of plenty (it would be interesting to know why this aspect of the paradox was not made the subject of the plebiscite). But the notable feature of your readers' replies is their remarkable unanimity that poverty in an acute form does exist and the desire and belief that it can be abolished. Now these do, in fact, constitute the people's policy and you will observe

**"If there were no fear of poverty, there would be no Socialism, Communism or Fascism in the world to-day. Those who would follow Christ's teaching will help to lift the fear."**

—Canon Rowed, in St. Paul's Cathedral, Melbourne, July 18.

therefore that the technique of the Electoral Campaign is sound and its interpretation of public opinion accurate.

"Parliament being the only constitutional channel of implementing that policy, the Electoral Campaign is surely right in insisting that Parliament shall do so.

"In conclusion, may I say that we of the Electoral Campaign are not the least bit interested in the cause of poverty. We find that its existence as a fact absorbs the greater part of our energies and the balance is being devoted to its elimination as a fact. Once more thanking you for the wonderful aid you have rendered our cause, "I am,

"Yours faithfully,

"T. JAMES,"

"State Director, Electoral Campaign."

## Lion's Share Not For the Farmer

From *Social Justice* (U.S.A.) of June 7: —

"Just how much does the farmer get out of the dollar which the consumer spends for milk? For bread? For meat?"

"The Federal Trade Commission has made the following report to Congress on what part the farmer receives of the consumer's dollar. With the single exception of butter, the farmer receives less than half of the consumer dollar for his products.

"Figures given show the approximate percentage that goes to the farmer or grower, the proportions going to manufacturer and processor, and to wholesaler and retailer.

Product	Farmer or Pro'cssr.	Manufacturer or Pro'cssr. & Retailer	Transportation or Pro'cssr. & Retailer
Beef (edible)	40.0	13.3	42.2
Bread (white)	13.0	*63.0	19.0
Butter	58.6	15.8	25.6
Cigarettes	11.6	20.4	21.2
Flour (white)	35.3	22.0 (mills)	33.3
Milk (fluid)**49.51	..	..	50.49
Pork	40.3	18.4	34.9

\*56.0 to bakers, 7 to flour mills.

\*\*Including transportation to city.

"The Federal Trade Commission report shows that the average rate of return on capital, even in the depression period, 1929-35, ran from 7.8 per cent, for wheat milling companies to 15.8 per cent, for tobacco manufacturers. The consistently low farm income was pushed even lower during the crisis years."

It would be interesting and instructive if figures similar to the above were got out for Australia. It would be even more interesting to ascertain just what portion of the price paid by the consumer represents interest charges during the various stages of production; and what portion represents unnecessary distribution costs, such as the fiercely competitive full-page splurges in the newspapers, the system of door-to-door canvassing and bill-dropping, the wasteful duplication and overlap of milkmen, bakers, and such, whereby those not needed in industrial production are forced, for lack of any other source of income, to wrangle over the already insufficient income of the consumer, and in so doing to dilute it still further.

Statistics of this sort, however, are not easy to come by. They would be too instructive — and too dangerous.

# WHEN JUDGE LYNCH RIDES

A dozen black musicians "swinging" jazz, a coloured trumpeter on his feet, perspiration-streaked head thrown back, almost bursting his lungs with a frenzied impromptu solo . . .

Two thousand ebony couples weaving their bodies in sinuous rhythm, heels clicking . . . hundreds standing following every movement of the trumpeter with enraptured eyes, feet tapping incessantly . . .

Hundreds more outside in the street, struggling, almost fighting, to get inside, where jammed humanity has already made movement almost impossible . . .

Savoy Ballroom, Harlem, Mecca of New York's Negro population, temple of "swing!"

When American Negroes gave the world jazz, swing, "hot" music—call it what you will (writes Howard Culpin in *Reynolds News*)—it was an outgrowing of the old Negro spirituals, wherein the Negro slave at times forgot and escaped his serfdom.

Now the tempo has changed to a faster beat, a madly racing rhythm, for the time for escape is shorter; the things they seek temporarily to forget often immeasurably worse than they were before Lincoln set free the slaves.

A thralldom of terror, murder and exploitation is the lot of the American Negro today, even in many enlightened States.

In the old days, the slave-owner cared for his Negroes in sickness, looked after his children, fed and housed him, even though there was no work for him to do. The slave was a valuable property to his owner, whose interest it was to maintain his slaves in health and physically good condition.

Often, as far as a man can be without liberty, the Negro slaves of America were happy and contented.

Theoretically, they are today the equals of the white population of America. In practice, they are far worse off than in the "bad old days."

Kept deliberately from obtaining proper education, their illiteracy makes them easy prey for exploitation. They work, perform, for far less wages than the white; yet they pay more rent for worse accommodation, higher prices for inferior food.

In New York and a handful of

other States, it is illegal to discriminate between black and white, to segregate them in public vehicles, hotels, cinemas or theatres. Landlords, by law, may not refuse a tenant because of his colour.

But, though this may be the law, the practice is very different. The Negro people of Harlem, largest Negro community in the world, live in what is almost equivalent to a mediaeval ghetto.

They are on the brink of starvation. Disease and pestilence are widespread, hospital accommodation poor and limited, and the death rate among the Negro population of Harlem is over double that among the white elements in the city.

A Negro death rate from typhoid in New York of over five times that of the white population shows how deficient is the sanitation of Harlem. A similar excess of Negro deaths from tuberculosis shows the want of proper care and feeding.

Harlem Hospital is grossly overcrowded. For more than two years there have been more patients in the hospital than the official maximum bedroom. At times there are even beds in the corridors, and patients, recently operated on, sleeping on benches or chairs. It is not surprising that the hospital has the highest death rate of any in the city.

Investigation has shown that the Negroes pay an average of 20 per cent, more rent than the whites, and receive 17 per cent, less as wages.

There are 75,000 Negro children under 15 years in New York, but recreational facilities for them are almost totally absent. They are brought up amid appalling congestion.

The Negroes are bullied by whites, beaten up, and sometimes even murdered by police, who fear no consequences. Those who protest, who are too active in fighting for better conditions, find themselves in gaol on framed-up charges.

The life of the Harlem Negro is one of hunger and terror. Yet there the Negroes are probably better off than anywhere else in the 44 States of the Union!

In the Southern States, the stronghold of slavery in the old days, thousands live in windowless, tumbledown shacks that in this country would be condemned for chicken-houses. Many of them, in fact, live in disused chicken-houses.

Here they dare make no protest at all, for Judge Lynch rides abroad in horror to quell the slightest murmur of discontent at the evils resulting from white domination and race-pride.

Segregation Acts, passed by the Legislatures of the Southern States have been declared unconstitutional by the Supreme Court. But the Nine Old Men cannot quash the verdict of Judge Lynch.

Since 1882 there have been 5106 lynchings in the United States, four out of every five of Negroes, and 99 of them women. Over 200 were afterwards proved to be entirely innocent of any crime.

Most of the victims have died under terrible tortures that were not equalled even by the Spanish Inquisition. In the latest lynching two Negroes were burnt to death slowly with blowlamps. That was by no means the worst.

When Claude Neal, a 24-year-old Negro, was lynched in 1934, he was first a prisoner of the mob for a day. Newspapers in surrounding States, next morning, carried headlines like these: "Countryside Invited To Negro's Lynching," "White Folks Invited To A Hanging Bee," "Hundreds Headed For A Lynching."

When all the "guests" had assembled, the lynching began.

Neal was made to eat his own flesh and say he liked it.

"Then," said one of the lynching party afterwards, "they sliced his sides and stomach with knives, and every now and then somebody would cut off a finger or toe (for a souvenir).

From time to time a rope was tied around his neck, and he was

pulled up over a limb of a tree until he nearly choked. Then he was let down, and allowed to recover a little, so that he could endure further torture.

For many hours the torture continued, on lines so horrible as to be completely unprintable. Then the lynching committee decided, "just to kill him."

He was dragged along the road by a rope tied to a car, to a house where a woman came out and plunged a butcher's knife into his heart.

But the most tragic part of the affair was to come. Little children, many of them mere toddlers, waited in the road with sharpened sticks for the arrival of Neal. When his body rolled over in the dust with the knife in his heart they drove their weapons deep into his flesh.

The nude body was taken to a nearby town, and suspended from a tree, so that photographers could take pictures of it, and sell them by the hundred.

Next morning, a local newspaper carried the headline, "Good Time Is Had By All As Negro Is Put To Death."

What were the police doing? Before the lynching, the deputy-sheriff told a reporter that, "In my opinion the mob will not be bothered, either before or after the lynching."

Lynching is not merely the action of a violent section of the community. In most cases it has the whole-hearted approval of the "decent" elements of the population, and of the law officers.

Following the lynching of two men, the Governor of California gave the assurance that "if anyone is arrested for the good job I will pardon them all."

Here are newspaper comments on a lynching this Spring: "We do not condone lynching, but if two persons ever deserved lynching, the two brutes at Duck Hill richly deserved what they got." The outburst over the Duck Hill lynching "is a lot of tommy-rot."

Official comments on other lynching: —Prosecuting Attorney: "So far as the proof is concerned, we don't know whether it was a hanging or suicide" (the body was riddled with bullets). A justice of the peace who was standing near at the time of a lynching: "I'm an officer, but my friends mean more to me than being an officer." A country attorney: "I do not call the citizens who executed the Negroes a mob. I consider their action an expression of the will of the people."

Because of the failure of the individual States to prevent lynching, and to punish offenders, it has been necessary to introduce a Bill into Congress to make lynching a Federal offence, to be dealt with by unbiased Federal officers and juries, and to be heard before Federal Courts.

The Bill provides for the punishment of State officers who neglect their duties in connection with a lynching; for the Federal prosecution of lynchings after it has been shown that the State officials have failed to act within a period of thirty days after a lynching; for a fine or from £400 to £2000 on the county where the lynching has taken place, to be paid to the family of the victim.

The Bill may become law, but there still lies before the American Negro a long and weary struggle to complete freedom.

"It is the responsibility of the partners of Empire to lessen the barriers to international trade." —Daily paper.

As a start, they might try lessening the barrier to trade at home. This can be done by the simple algebraical formula: P=PCN, or, for the benefit of the uneducated-making the Purchasing Power of the People equal to Productive Capacity of the Nation.

While people at home cannot afford to buy the goods they make, we cannot expect other people to buy them either.

(This is economic wisdom. We have plenty more in stock. Send for catalogue.)

—Reynolds.

## MR. W. K. McCONNELL, Master of Arts

A Letter to the Editor from BRUCE H BROWN

Sir, —

If we may judge from newspaper reports, Melbourne was signally honoured two weeks ago when it had a visit from Mr. W. K. McConnell, M.A., Tutorial Class Lecturer in Economics at the Sydney University, and described as Secretary (presumably General Secretary) of the Sound Finance League of Australia.

His purpose in coming to Melbourne was to give a series of lectures to the members of the Young Nationalist Organisation in preparation for the forthcoming Federal elections, and to help maintain the state of mesmerism in which so many members of the Junior Chamber of Commerce are so firmly held. While this outstanding visitor was given suitable publicity and arrangements made for him to move in the "best" circles, all the dailies were particularly careful to say nothing about his earlier activities.

What is going on now is a repetition of the procedure followed immediately prior to the last Federal elections, and the men being used as tools by the financial institutions to throw more dust in the eyes of the people at large are the same as were used in 1934 and earlier. The purpose of these activities is to hoodwink the community into the continuance of their submission to the greatest confidence trick in the history of the world, and this is possible only by keeping them from a realisation of the facts concerning the money system and how it ceaselessly defrauds them.

### A Labor Renegade

This Mr. McConnell wrote a book in 1934 entitled, "What Labor would do with the Australian Banking System," and went out of his way to dissemble in the interests of those who have kept Labor and practically the whole community in poverty and subjection. In the preface to the book he said: —

"In my interpretation of Labor's objectives I have been aided by my association with that movement while it was still, at least in practice, a reformist body. In my predictions as to the immediate and ultimate consequences of the socialistic attacks on the banking system I have tried to avoid scare talk."

From this we see that he unashamedly acknowledges that he is a Labor renegade, and from the contents of the book we see that if he is now speaking his true beliefs his association with the Labor movement was not for the good of that movement, but entirely for his own ends.

### The Melbourne Fairy Stories

My particular purpose in referring to him at this stage is, firstly, to comment on his statement that "machines in industry actually provide more work," and, secondly, to warn the community that on his own showing he is entirely unreliable.

According to the Melbourne *Argus* of July 12 Mr. McConnell told the Young Nationalists some fairy stories, which we are likely to hear retailed from many platforms in the early future. Two of these are given below, viz.: —

1. "Well-established statistics do not suggest any marked acceleration of the growth of mechanistic output since the war."

2. "Statistics collected by the International Labor Office and in many countries all tell the same story. British industry was divided into 18 groups, and the relationship of mechanisation and unemployment was closely examined from 1923 until 1933. Seven groups showed a decline in employment, but the other 11 showed enough increase to absorb all the workers discharged by the declining industries and 404,000 more... This seems to be a complete rebuff to the mechanisation - unemployment theory."

The first of these is apparently intended to deceive. A group of

scientists, technologists, physicists and biochemists in the United States known as "technocrats" has told the world that the largest and most important element in the creation of physical wealth is energy, and that with few and economically unimportant exceptions the whole of the energy that makes the world a going concern comes from the sun. A machine must stand useless and silent until energy is supplied to set it going. Except for his horses and oxen and a few waterwheels and windmills man was the chief engine up to the 18th century.

### Machine Energy of the U.S.

The working population of the United States is the equal of 3,600,000 horsepower, and that is the total energy that would be available in the United States if they scrapped their powerhouses, engines, turbines and dynamos. But one single modern turbine has three million times the output of a human being, and four of these working 24 hours have a greater energy capacity than the entire adult working population of the U.S. In the year 1933, the actual installations of machinery had a capacity of no less than a *thousand million* horsepower; and if these were operated continuously at full capacity it would require fifty times the number of adult workers now living on the earth to equal the output.

It is an established fact that since 1918 the number of workers employed in the United States has been declining more or less rapidly, while in the same period production has been mounting upward and upward. In other words, "the faster we make hats, pants, cigarettes, electric light bulbs, or automobiles the fewer men we need to do it and the less mechanical power per hat, pants, cigarette, blub, or automobile we need to do it."

Four million more motorcars were made in 1929 than in 1919 and they were made in 85 million fewer man hours! And as showing how we have now found machines to look after other machines, there is the case of the manufacture of woollen cloth. Hitherto, we are told, wool has required repeated handlings, frequently shipment from one plant to another before cleansing, fluffing, spinning, and weaving were completed. Now it is possible to introduce into one end of a machine the raw wool and have the machine wash it, extract the wax and lanolin, fluff the wool, spin it into yarn, dye it, weave it into cloth, and cut it into lengths, roll it into bolts, and wrap it for shipment.

### Increasing Output per Worker

In Germany, from 1926 to 1929, the output per worker rose by 33 per cent, for coal, 51 per cent, for cast iron, and 50 per cent, for steel.

Great Britain experienced increases in manufacturing industries of eight per cent, per person from 1924 to 1929, in mines 24 per cent, and in industrial production 11 per cent. (Macmillan Report).

In Sweden, the total industrial output per worker rose by 26 per cent, from 1923 to 1929. In the United States, the output per person from 1919 to 1927 increased by 13 per cent, in transport work, 41 per cent, in mines, and 43 per cent, in manufacture.

In Canada, too, the increased whirr of machinery accompanied increased productivity. In 10 chief groups the output per person increased by 17 per cent, from 1923 to 1929.

Regarding the upward surge nearer home, the New Zealand output rose by 15 per cent, from 1925-26 to 1929-30, while in the Commonwealth of Australia, for the period 1922-23 to 1929-30, the rise per person in industry represented 19 per cent. (Quoted from the R. and T. Officers' Gazette, N.S.W.).

Mechanisation has not been halted by the depression either.

The exact opposite is the case. More mechanical improvements have been devised and introduced as a means of eliminating labour and cutting costs. The case is given of a large steel corporation where, early in 1932, a continuous and automatic pickling, galvanising, enamel-spraying, and baking unit was installed for electrically welded conduit pipes. This unit combined no fewer than 17 different operations, required only six seconds to treat each 10-foot length of pipe, and was under the control of a single operator.

### One Man Controls Energy of a Million

Even here in Victoria we have a man at Yallourn who by pressing a button releases for use energy equal to the labour of a million men, and we may see oil vessels at our wharves in which three stokers are doing work which ten years ago required 120 stokers. Hundreds of similar examples could be given, but what is the need?

As to the second fairy story quoted, all it suggests is that if, after allowing for the "higher standards," the greater population, and the reduced hours, only an additional 404,000 could be placed in ten years and in a population of 45 million, then the fact proves the very opposite to what Mr. McConnell, M.A., would have us believe. Let me put it in the proper way. If anyone will turn to page 552 of the Official Year Book for 1935 he will find that in 1921 we had 2,017,619 in employment, with a population of 5,435,734; and that in 1933, with a population of 6,629,839, we had 2,201,217 in employment. That is to say, while our population increased by 21 per cent, our employment increased by only 9 per cent. And that, mark you, includes 171,000 "part-time" employees in 1933 for whom there was no corresponding item in 1921. Clearly, therefore, not only is our volume of production increasing with less human effort, but the application of mechanisation and solar energy is definitely closing the avenues for employment in industry. Machines *perform* more work, but definitely *provide* less work.

In view of the actual facts of the situation, it seems to me that Mr. McConnell is following the example of certain other university economists who in 1931 were more concerned about making a good impression in private financial circles than in giving the best advice for the community.

### A Dishonourable Instance

Most people will agree that the foregoing is of itself sufficient to show the unreliability of the man who is posing as an authority and instructor in the matter of machines and employment, but I wish to quote a case in which, in my judgment, he was dishonourable as well as unreliable.

In the book referred to at the beginning of this letter Mr. McConnell set out ostensibly to tell us what the banking system really is, but he made no attempt to explain *money*—what it is, where it comes from, how it comes into existence, how it goes out of existence, what it is for, who actually produces it, or who controls the quantity produced.

Listen to what he had to say on that vital subject: "Many of the measures taken by the Australian banking structure are of such a highly technical character as only to be fully understood by those who have made monetary science a life-long study. Recently, Irving Fisher, a world-renowned economist, said there were only 18 persons in the world who knew anything about money. That was his forceful way of stating a plain fact—that to most persons monetary science is a closed book." There you have it—and these brilliant University professors are doing their best to keep it closed, too. When we say and prove that money is only a matter of bookkeeping, the magicians and medicine men of finance say: "no; it is a science, and only the elect can understand it."

Although Mr. McConnell was

too modest to include himself as one of the eighteen referred to by Irving Fisher, he, nevertheless, accepted the "big and difficult job of explaining adequately yet simply the nature and activities of the Australian banking system in the light of the demand by the Labor movement for its radical transformation." He did admit that he "sought advice and assistance on many sides and got both," but did not give us the names of his advisers and assistants. Perhaps this to some extent explains the state of confusion into which he got.

### "Credit Instruments" and Deflation

On page 10 of the book, in paragraph 15, he wrote:—"Credit instruments form the bulk of the money used today. They consist of cheques, bills of exchange, and promissory notes." Please note carefully that the bulk of the money in use does not even *include* any notes or coin. Yet on page 49, in paragraph 138, he had the effrontery to write: "The figures of the total Note Issue in Australia refute the charge that deflation has occurred in Australia. They show that the total Note Issue at the depth of the depression exceeded the note issue in the boom period by 4.77 million." Therefore, according to Mr. McConnell, there was no financial stringency in 1931 and all the Premiers' Plan legislation had no justification! The state of the Note Issue and the conditions of the people *are*, of course, the clearest evidence that deflation did take place, and that it took place not in the Note Issue, but in the "credit instruments" which form the bulk of our money and which are controlled entirely by the banking system.

### Mr. McConnan's Admission

Even if he were not condemned out of his own mouth we have only to refer to the evidence tendered to the Banking and Monetary Commission by Mr. L. J. McConnan, chief manager of the National Bank, in which he admitted that the bank had followed a "cautious" policy in 1928, which caused the demand for overdrafts to fall away. So, you see, the banks themselves are able to arrange even the extent of the demand that shall be made for their "services"! The banks deliberately caused the demand for overdrafts to fall away, and when this demand fell away the "credit instruments in use as money" fell away, and when the credit instruments fell away the quantity of money circulating in the community fell away even though the quan-

tity of legal money (notes) actually increased.

After having caused this to happen, Mr. McConnan unblushingly told the Commission that, "in conjunction with the remainder of the Australian trading banks, his bank joined in the 'discussions' that led up to the formulation of the Premiers' Plan in June, 1931." But, according to Mr. McConnell, Master of Arts, etc., this didn't happen at all. We must have dreamt it. There was no credit restriction and no shortage of money in Australia. When we borrow it is not because we are short of money, but simply because we love to increase the debt. Because the Note Issue went up a little there could not possibly have been any lowering of the other kind of issue. If the note issue was increased, then of course the people must have had plenty of money, and if they starved it must have been because they preferred to starve.

Such talk is so close to straight-out lying that one wonders how any self-respecting fellow could speak in such a manner and then show his face in the community. But unfortunately there are such people and we shall continue to hear of them until the electors as a body assert their rights and demand what they want. Is it any wonder that our universities are becoming bankrupt when they have such men on their staffs as lecturers?

This particular apostle of "sound finance" has declared that the Prime Minister lied to Parliament in 1931 when he exposed the nature of the difficulties then being encountered. Read carefully the words of the Prime Minister on that occasion: "Recently there came a very sudden drop in the price of exportable commodities, together with a complete cessation of borrowing overseas, and these two factors have greatly aggravated the financial and economic depression. The Government has endeavoured, during the last year or two, to arrest the deflation, which has been going on. We have endeavoured to prevail upon the banks to extend credit in order that unemployment might be arrested. Failing to obtain bank credit, part of the plan was to pass a fiduciary notes bill . . . but that measure was rejected in another place." And it was the banks who arranged for the rejection of the measure in that other place!

It is to be hoped that readers will make themselves familiar with the facts and then take steps to challenge every person who utters from the public platform rubbishy falsehoods of the nature spoken and written by Mr. W. K. McConnell, Master of Arts, University Lecturer, Secretary of the "Sound Finance" League, and all the rest. — Yours faithfully,

BRUCE H. BROWN.

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## ELECTORAL CAMPAIGN NOTES

## VICTORIA

*The Electors' Campaign to Abolish Poverty is being conducted throughout the British Commonwealth of Nations (and in some other nations) to enable electors to give an explicit instruction to their respective Parliaments through their parliamentary representative, that it put all other law-making aside until poverty is banished from the land.*

In last week's issue of the *New Times* appeared a copy of a letter written by S. S. Addison, Secretary of the Sane Finance League of Australia, in which he appeals to institutions and businessmen for funds to carry on the work of the League. The League purports to guard the business world against monetary change and against undue interference with the existing "system," or business regime.

The irony, or ghastly humour of this appeal is that businessmen and business concerns will contribute to perpetuate the system that is destroying them. There will be no lack of funds at the disposal of this League—money will be supplied direct from the manufactory. The diabolical part is that businessmen and business concerns are induced to bear the expense of propagandising themselves with matter to be-smudge their minds and to blind their eyes to the truths of their own business operations and to finance—verily, the victim digging its own grave. Be that as it may, many men and firms will contribute substantial sums. But there are many men and firms that have painfully arrived at a true understanding of the existing system. What are they doing to protect themselves?

Apparently they are in helpless bewilderment. They can see ahead of them certain bankruptcy, or at best, absorption, at great loss, into some monopoly, with their independence gone forever. Granted the Campaign to Abolish Poverty is not yet universally known; but some businessmen know of it, and know it will be their saviour. Then why do they not bestir themselves amongst their confreres, and secure the finance to carry the job through expeditiously? It is said that business is hard and selfish. "Markets" is the businessman's fetish. Then let him abolish poverty and he has released the great-untried market, waiting to be served, in his own land. Let him give full vent to selfishness, and, unconsciously, he will be giving grand service to his fellow men.

Businessman, the project is this: To provide every elector with the opportunity of giving an explicit in-

struction to his member of parliament. The instruction is that the M.P. convey to Parliament the elector's Demand that Parliament set all other law-making aside until poverty is banished from the land. This is a common demand—it is not sectional—it will be made by every decent citizen in Australia. And when the Demand comes from the Nation, the Nation's legislative institution has to put it into effect. Then, Mr. Business Man, your market is at hand, and you are saved from the maw of monopoly.

Now it is up to you to save your business, yourself and your kiddies. Don't prefer to lie down and die by saying you don't know who is behind this movement. Walk in and be the movement yourself. There is nothing to stop you; you will be welcome.

**Glenhantly.** —A citizens' meeting will be held in the Glenhantly Public Hall (near railway station) on Friday next, July 23, at 8.45 p.m. Friday evening, for a meeting, has previously been avoided on account of it being shopping night; but the convener of the Glenhantly meeting considers that this may be an advantage. Folk have left their fireside, he contends, and are more likely to attend after completing their shopping than if the meeting were held on other weeknights during the winter. The Glenhantly meeting is the outcome of the initiative of a few local persons. This is how the Campaign should be expanding in every direction. Wake up, earnest ones, and follow this example.

**Heidelberg and Oakleigh.** —Preliminary meetings were held at these centres on Thursday last, July 15. The speakers who addressed these preliminary meetings report that they received an interested hearing, and that those present realised the seriousness with which the Campaign should be considered, and accepted the responsibility of arranging that their fellow citizens shall receive the message. As a result of the meetings committees were appointed to consider ways and means of summoning their fellow citizens to gather in their respective Town Halls to hear the objective of the Campaign explained to them.

**Dandenong.** —The Dandenong meeting, held last Monday evening, was especially valuable in that its influence extended over a wide area. Narre Warren was represented at the meeting, with the result that work starts immediately in that district. A meeting is to be held within a fortnight. Enthusiasts from other places learnt that there are no difficulties to be contended with in furthering the Campaign, no confusing formalities—just doing the job in one's own locality. Activity over

a wide area has resulted from the Dandenong meeting, with two Groups definitely established.

**Brighter Times Club** — The Brighter Times Club has been in existence for some time, but has not received the support it deserves. It is an active Club holding regular social functions - dances, theatre parties, picnics, etc. There were 30 young folk at the last dance; there should be 300 at the next, which will be held in Fink's Building (5th Floor), c/r. Elizabeth and Flinders Streets, Melbourne, on Wednesday, July 28.

**Best Carmen Potatoes.** -- A good soul anxious to assist the funds of the Movement, and having no liquid money, donates four bags of potatoes. The price (market price) is 5/6 a bag, f.o.r. They are of the finest quality, the crop usually being bought for export. Send your order direct to H. A. Hotchkin, Thorpdale South; or Head Office will make arrangements for you if you prefer. "Where there is a will there is a way," and this way opens great possibilities. Donations of fruit, wheat, butter and all kinds of commodities could be transferred to sympathisers in the movement who require them, and the funds of the movement be greatly augmented. Head Office sends thanks to the donor. He has started something worthwhile.

## SOUTH AUSTRALIA

**Grey Division.** —Headquarters are only just realising the extent of Grey, the largest electorate in the Commonwealth, almost as large as the whole of Great Britain. Apart from Port Lincoln there are numerous small Groups being formed to deal with this vast, scattered area. The headquarters of the West Coast are Port Lincoln, and the movement around Port Lincoln is strongly entrenched. The Todd Main Scheme and Hume Steel Camps are largely recruited from Port Lincoln, and, as water is carried forward, so the Electoral Campaign goes with the band of enthusiasts from that town.

The growth of the movement is like a snowball, gathering impetus as it goes along. But there is still need for propaganda and some means of constantly keeping these isolated groups in touch with the trend of progress, both in their own area and in the State.

The preceding report by Mr. J. Owens, of Port Lincoln, who is now in Adelaide, comes first hand and will give our members a better idea of the work in the Grey Division than it is possible for headquarters, especially the Secretary, who has not been to the West Coast, to give. Another telephone conversation with the leader of the West Coast group makes it very evident that work is forging ahead in that tremendous area. Besides the small groups, four large centres have been and are being organised. These are Port Lincoln, Coult, Ceduna and Mount Hope, the latter being the latest field of endeavour. Cummins, another large centre, will surely fall for the Electoral Campaign very shortly, for the camps of the Todd River Water Work Scheme are practically 100 per cent, for the Campaign, and for Cummins to fall it will only be necessary for organised effort from other ranks. The policy of the Port Lincoln group in organising these other centres is to use profits from one established venture for the fostering of a still further one—i.e., profits from the work of the group at Coult are going to the establishment of a group at Mount Hope.

There is only one thing to say, that if all the divisions in South Australia push with the vigour that is evident in Grey, this Electoral Campaign will be a first-class success.

**Barker Division.** —

**Glenelg Group.** —(1) Recently Mr. E. C. Finn, Supervisor for Glenelg, and the State Secretary visited the editor of the *Glenelg Guardian* and placed before him an outline of the Electoral Campaign.

Two hours were spent with him and as a result the seafront, comprising Glenelg, Brighton and Seacliff, over which the *Guardian* circulates, will get a considerable amount of publicity. The editor will welcome anything at all in the shape of news, and anything that is in the shape of news will be splendid publicity without any cost of advertising.

(2) One of the greatest workers in the Glenelg group, Miss F. Haese, is, unfortunately, through ill health, compelled to relinquish her duties for the time being. It is indeed a pity that enthusiastic workers expend themselves in this cause and eventually find that they can go no further until they have had a rest. We trust that Miss Haese will soon recover her health, and also that others will realise that there is a job of work to be done, and step in and assist with the work that for the time she cannot do.

**Concert.** —We are pleased to report that the concert arranged by Madame and Miss Greta Callow at the Lady Colton Hall was a splendid success. Possibly a greater attendance would have encouraged the artists a little more and at the same time would have brought more of our members together in the necessary social side of our work. We would like to stress here that these social activities have been largely responsible for the now satisfactory condition of the finances of the movement.

**Surprise Party.** — Please note that the announcement in last week's issue regarding Mrs. Brock's surprise party will be cancelled. This party will be postponed for several weeks owing to crowded activities.

**Dance.** —At the Hanson Street hall, near Wakefield Street, a dance will be held on Saturday, August 7. Admission, 1/2. It is up to you to make this dance a happy occasion for yourself and for the movement.

## WEST AUSTRALIA

**Group Organisation** is a very vital part of the Electoral Campaign and serious consideration should be given to that portion of the circular issued by the Secretariat referring to group functioning.

Immediately sufficient people interested form a group, they are charged with:—

- Maintenance of policy.
- Education of the elector in the objectives of the Electoral Campaign.
- Canvassing the elector and obtaining signatures to the demand.
- Disposition and safe custody of signed demands under instructions from the electorate Secretariat.
- Organisation, direction, control, and efficient performance of the work of the Electoral Campaign within the boundaries of its territory.
- Financing its own activities.
- Harmony of the work and relations between its members and adjacent groups.
- Insure that no territory remains uncovered nor any elector uncanvassed.
- Loyal co-operation with Divisional Secretariat, all other Electoral Campaign organisations in the electorate, and the State Secretariat. Members of the group are charged with:—
  - Maintenance of policy,
  - Loyal co-operation with

every member and organisation in the Electoral Campaign.

(c) Efficient and energetic performance of their allotted duties.

(d) To serve up to the limits of their ability and capacity in the work of the Electoral Campaign.

It is hoped that the foregoing will be a helpful and reliable guide to any who are desirous of forming groups; groups of from nine to twenty persons are the most efficient; large numbers do not signify that the work is going to be efficiently done. Rush tactics end up in hot air, large groups, as a general rule, mean less efficiency and a tendency to rush and complete the job before proper groundwork has been done. The intelligent minority by doing their spade work thoroughly will arouse the sovereignty of the people and make articulate the latent power that is so peculiarly part and parcel of true democratic government.

**Group Jottings.** —

**Cottesloe and Mosmans** group report activity on all fronts, including the holding of a public meeting in the Cottesloe Town Hall in the near future.

**West Subiaco** makes a very welcome contribution to the "Broadcasting Fund"; other groups can emulate their example and are invited to do so.

The **West Leederville** and **Mount Hawthorn** groups are active. They have arranged a Grand Variety Orchestra Concert in the West Leederville Town Hall; an excellent programme has been arranged, which is to be presented on Monday, July 26, at 8 p.m. Tickets, 1/-; children, half-price. Mrs. A. J. Foote's Orchestra will provide the musical feast.

A strong group has been formed in **Victoria Park**. The conveners, Mr. A. E. Ambrose and Mr. J. Libbis, are to be congratulated on their successful effort. Mr. A. J. Hudd is the President, and he is proving a very energetic personality. Their first big meeting will be held in the Town Hall on Monday, July 19, at 8 p.m.

A meeting has been arranged by Mr. J. L. Davey at Mundijong. Mr. Richard Rushton and Mr. F. Metcalfe are the speakers.

A big Town Hall meeting for Fremantle to further the Electoral Campaign is foreshadowed in the near future.

The Subiaco branch continues to do good work; they hope to run a further public meeting shortly. This group is making a valuable contribution to the Electoral Campaign.

**Bassendean.** —A group will be formed here on Tuesday, July 20. Each new group means a strengthening of the voice of the people, the mobiliser, as it were. Other group news will be held over until next issue.

Next Bridge Evening, Monday, July 26, at headquarters.

The Director of Social Services has arranged a Social Evening for Campaigners, their friends and all interested in the Campaign in the Arundale Hall, James Street, on Monday, August 9, at 8 p.m. All who can bring refreshments and relieve expenses are requested to do so. Tickets are obtainable at Headquarters, 31 Bon Marche Buildings, Barrack Street. Tickets, 8d.; supper, 4d. Please make this jollity evening a roaring success.

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