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# THE NEW TIMES

Vol. 7. No. 2. MELBOURNE, FRIDAY, JAN. 17, 1941.

Now, when our land  
to ruin's brink is  
verging.

In God's name, let  
us speak while  
there is time!

Now, when the  
padlocks for our  
lips are forging.

Silence is crime.  
—Whittier (1807-1892).

## BIG PENALTIES THREATENED

### Astounding Action By Government

The political situation in Australia has apparently reached a climax as a result of the growing demand for a change in the financial system to allow a real maximum war effort without pawning the nation to the private banks in the process. The following report, which appeared in the Melbourne "Argus" last Tuesday—similar reports appeared in other papers—has caused a public sensation, to say the least of it. Democracy has reached the crossroads in Australia—we hope it hasn't already taken the wrong turning:

"CANBERRA, Monday. — Sweeping powers to deal with subversive and false statements were taken today by the Government in regulations issued under the National Security Act. Heavy penalties are provided for the circulation or publication of such statements or the commission of any act likely to cause disaffection in the Australian forces or prejudice recruiting. Possession without lawful excuse of papers containing any such reports or statements is also an offence . . .

"THE REGULATIONS PROHIBIT ANY STATEMENT LIKELY TO PREJUDICE THE SUCCESS OF THE GOVERNMENT'S FINANCIAL SCHEME. THIS IS LARGELY INTENDED TO PREVENT THE GOVERNMENT'S LOAN-RAISING PLANS BEING THE SUBJECT OF CRITICISM LIKELY TO CAUSE THEIR FAILURE.

"It was officially explained tonight that the regulations were in no way associated with industrial trouble in war industries, but were merely an extension of general national security powers to close loopholes." (Our emphasis.)

We quite agree that action should be taken against subversive interests; our criticism is that insufficient action has been taken against ALL the interests prejudicing the war effort. We refer to the private bankers, who neither fight, die, nor contribute anything of real value; only a few figures in ledgers. We Australians must tell these interests—along with the Federal Unionists and others who seek to disrupt the British Empire—that we are determined to win this war for ourselves; not for them. The first A.I.F. casualty list from Bardia has been published; we offer our deepest sympathy to all the relatives and friends of these splendid men who fell. We won't forget the obligation we owe these men, and we are not going to let the private bankers forget it, either. If these gentry expect the widows of the men who die for their country in this war to pay them interest on the equipment they used, they are making a big mistake. This is a great country—and loyal Australians intend to keep it, not pawn it hopelessly to private financiers.

#### DOES MR. MENZIES REMEMBER?

Monetary reformers do not criticize the Government's financial scheme from any ulterior motive; we say that the present system is undermining the morale of

many people—particularly the primary producers—and allowing a growth of cynicism. Restrictive legislation only adds to that cynicism. If legitimate criticism and liberty are destroyed, this in itself will affect recruiting and enthusiasm in the fight for liberty. Perhaps we might recall Mr. Menzies' statement a few days after the outbreak of war: "I do not seek, however long the conflict may last, a muzzled Opposition. Our institutions, such as Parliament, liberal thought, free speech, and free criticism, must go on. It would be a tragedy if we won the war and lost the thing we were fighting for—individual freedom." We agreed with Mr. Menzies when he uttered this famous statement; we now agree more heartily than ever with the sentiments, although their author has apparently forsaken them. However, judging from the following report in the Melbourne press on January 15, there are still some democrats even in the U.A.P.: "Mr. McCall, U.A.P. member for Martin, strongly criticised the Federal Government for not calling Parliament together. He said the Government, which was condemning stop-work meetings by workers, was itself holding a stop-work meeting of the Federal Parliament by sending it into a three months' recess. Parliament provided the people's only protection against abuse of the Government's sweeping power, but how could control be exercised if Parliament met so seldom that the Ministry during recess could do the most outrageous things without question or hindrance?"

**WE MUST MAKE A STAND.**  
This new regulation, "intended to prevent the Government's

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### FOUNDATIONS OF NEW ORDER SHOULD BE LAID NOW

In a statement on December 29, the Tasmanian Chief Secretary (Mr. Brooker) urged that the foundations of a new order after the war should be laid at once. Inter alia, he said:

"With a view to sustaining combined effort, public speakers in recent months have spoken of a new order, which is to follow victory in this war. Speaking in Hobart a few days ago, I strongly criticised the issue of such promises unless they are based on definite and assured foundations. If it is now the desire of social reformers to promise a new order after the war, why not lay down at once the foundations for such a new order?"

#### PROMISES BROKEN.

"We still remember the promises that were broken after the last war. A vast number of the

fighters upon whom our security depends, the definite assurance that never again will such a state of affairs be permitted, but that unemployment, with its resultant poverty, will be forever banished from our land. Should any political, economic, or financial change be necessary to effect such an assurance, then let us be determined not to wait a day longer, but place down on paper and on our statute books, if necessary, the definite provisions for carrying out such desires.

"So will a new order be assured to our own people first, as their unquestionable right, and the people of the continent of Europe will quickly see the advantages of such a reform and muster their forces to follow suit."



Mr. E. Brooker.

men who are at present fighting our battles are the same men to whom so little heed was given a short time ago, when unemployment and economic distress stalked throughout the land. Whole areas of industrialised Britain were on starvation rations, factories closed for want of orders, progress stopped for want of money.

"Similarly, here in Australia farmers were ruined for lack of markets. Those in power at the time refused to take the only course offering—to supply the necessary finance to overcome the depression.

#### NEVER AGAIN PERMITTED

"Surely if promises are to be made, now is the time to give to the people of our Empire, the

### Views and News

#### SATURDAY, 11th JANUARY.

The general secretary of the Australian Railways Union, Mr. J. F. Chappie: "Inroads by direct and indirect taxation and other charges had brought about a deterioration of the original (wage) standard."

Kyneton foundry, established 1853, in the early days large manufacturer of agricultural implements, has been closed. Products were supplied to all parts of the Commonwealth, and seven forges and 40 men were kept constantly employed.

Believing that increases in wages and payments for overtime are of little avail while taxes and the cost of living are increasing, the secretary of the Australasian Council of Trades Unions, Mr. C. Crofts, said that he thought that it would be sound economics for workers to concentrate on efforts to force down the cost of living.

Men employed on defence works at Essendon decided to ask the Building Trades Federation to call a stop work meeting as a protest against taxation on wages.

The officer in charge of sustenance, Mr. F. W. Frawley, tried to secure a house for a man, wife and their six young children, but failed. "A serious shortage of houses in Melbourne was accentuated," he said, "by the influx of men and women from the country taking munitions and other war work. There were hundreds of empty houses and shops in country districts." The Minister for Education, Sir John Harris, said that the raising of the school leaving age ought to be accompanied by some form of child endowment.

#### SUNDAY, 12th JANUARY.

During Labor Hour broadcast

(Continued on page 8.)

### WHAT DO YOU THINK OF THIS?

The following news item appeared in the Melbourne "Argus" of January 13. It speaks for itself:

NEW YORK, Monday.  
Addressing a patriotic rally last night, Mr. Dies, chairman of the House of Representatives committee on un-American activities, declared that the U.S.A. was sending more money to the Axis Powers than to Britain.

"When our investigation has been completed," he told his surprised audience, "I am sure that it will be found that more money has gone from the U.S.A. to build up the totalitarian Powers than to aid England.

"Gullible people, mostly of German descent, have given hundreds of thousands of dollars to German relief agencies, and the money has gone straight into the Nazi war machine.

"Russia is also being used as a front. In the last two months Russia has transferred 15,000,000 dollars (£A5,000,000) in credits to Germany through an American bank."

(We wonder which "American" bank.)

## W.A. PARLIAMENT'S FURTHER DEMAND FOR MONEY REFORM

(Continued from Last Issue.)

On November 6, as briefly reported in our "West Australian Notes" of November 29, the Legislative Assembly of that State re-affirmed its demand that the Federal Government use the Commonwealth Bank to provide adequate financial credit for national purposes "without inflation or any charge."

We considered the debate which preceded the passing of the resolution, by 28 votes to 6, of sufficient interest to our readers to warrant publishing it in full, but its length is such that we are only printing part of it in each of several issues. The editor would welcome readers' views on this experiment. Here is the third instalment from "Hansard":

**Mr. Hughes:** The motion is delightfully vague.

**The Premier:** I do not like its phraseology. To state that these things must be done without charge or inflation is to make an impossible demand. The war must be financed by public loan, by taxation and by the use of national credit. That is the settled policy of Australia, and I do not think the Labour Party's policy differs from that of the Federal Government in the main essentials. Unless those three methods of financing the war are pursued, conjointly, we will meet with disaster. What I have said does not remove the fundamental difference in the financial policy of the Federal Government and that of the Federal Labour Party. The latter believes that the Commonwealth Bank should be publicly owned and used. It believes that the use of credit should be a function of the nation and the responsibility of the Government of the country and that it should not be used for private interests. That is the fundamental difference between the views of the Labor Party and the policy at present being pursued.

Even if the policy of the Labor Party were carried out in its entirety, that is to say, even if nationalism of banking became an accomplished fact, that would not mean we would go on printing notes. We should have to use the resources of capital in the country and continue to tax and make use of the country's national credit in order to carry on the war. There is a fundamental difference in regard to the method of carrying on the banking system but there is no difference in idea as to the use of the national credit. Every country is using its national credit in the prosecution of the war. No country was ever defeated because it could not secure enough money. Many countries have been defeated because they have not had natural resources and could not obtain supplies from overseas; but lack of money has never led to the defeat of any country. When that idea is firmly

established in one's mind, he can see how far the national credit can be used. National credit as we all understand it cannot be used in a country other than that in which it was issued. The national credit of Australia cannot be used to pay dollar exchange in America. We cannot buy things from Norway or Japan with our money. Credit is only a promise to pay based on the wealth created by the use of that credit.

**Mr. Hughes:** You can only get goods for goods.

**The Premier:** That is so. When the gold standard was in operation, goods could be obtained for gold wherever the gold was presented, and to a considerable extent that applies now. I desire to congratulate the member for Brown Hill-Ivanhoe on his very fine exposition of the subject. He devoted considerable thought and time to the matter and was tremendously informative. He set our minds working along different channels from those in which they have been accustomed to work. I am entirely in accord with the view he expressed concerning the motion and with him I would like the member for Murchison to explain how what he proposes can be done without charge or inflation. Wherever it has been tried, inflation has followed, and that has always resulted in disaster. The manner in which we propose to manage things in Australia, namely by calling up all the idle resources of the Commonwealth, and putting them into operation by the use of national credit, will not create inflation.

**Mr. Raphael:** The Broken Hill Proprietary Co. is still making plenty of profit.

**The Premier:** Because the company is using the resources of the nation and manufacturing goods which the world requires. It is doing a splendid job and can work ten times harder than it is doing at the present time. It has been able to export comparatively tremendous quantities of steel to Great Britain. When we can do these things in a proper way, there is not much use

in subscribing to a motion with the substance of which I agree, but which is hedged with impossible conditions such as those involved in the words "without charge and inflation."

**Mr. Marshall:** Does my motion mention anything that is unlimited? I do not know why you have such an orthodox mind on this subject.

**The Premier:** The hon. member gave us to understand that we should keep on doing this sort of thing over and over again.

**Hon. W. D. Jackson:** Yes, so long as you work it out in turn.

**The Premier:** So long as there are people who are idle and who have yet to be put into productive employment. If all our people were engaged in employment an injection of further money into the system, which had already sufficient money to finance it, would lead to inflation. Let me cite an example. If we had 1,000,000 men working for £5 a week, and another 100,000 men who were not working, and we put the 100,000 men into work, as we could do by using all our national credit, and gave them £5 a week, and the 1,000,000 and the 100,000 were all engaged in reproductive work, money would pour in, but who would use it? What could they buy, and who could create anything with that money? We would then have more money than the system needed. There would be the same quantity of goods produced, for everyone would be working full time. We would have twice as much money circulating amongst these workers, but there would be only the same quantity of commodities to purchase with that money.

**Mr. Marshall:** We are a long way from that position in Australia.

**The Premier:** That is so.

**Mr. Marshall:** Notwithstanding which remark, you do not appear to agree with me.

**The Premier:** I do agree with the principle expounded by the hon. member. It is one that finds general acceptance in Australia by every responsible person. There may be some hide-bound Tory who wants to retain the old idea of getting his 10 per cent, interest and ensuring that no one can obtain any money except through him. That, however, is not reflected in Governments, nor is it reflected in the Prime Minister, nor in the policy of the Commonwealth Bank, the directors of which are rather conservative. I have here a book by John Maynard Keynes on "How to Pay for the War." It was published this year and contains a lot of sound ideas, and also deals with compulsory loans. He maintains that if we have too much money in the country with which to do the work of the country, it must be removed by some means. We cannot have double the purchasing power and at the same time a similar quantity of goods, because at once the price of the goods goes up.

**Mr. Raphael:** We want a lot more here before we have too much.

**The Premier:** We would be satisfied if we could say to every man and woman, that we can place him or her in remunerative employment. If we approached that ideal, it would not matter whether we had any money at all, but if we continued to inject credit after that period, inevitably it would lead to inflation. I have many notes here but do not propose to go much further. The phraseology of the motion does not appeal to me. It does not do the hon. member any credit or any good to exaggerate the position. He says in his motion:—

That in view of the apparent deplorable shortage of money at present in Australia.

I do not know that there is a shortage of money.

**Mr. Marshall:** The Commonwealth Government is cadging money with which to maintain the dependants and children of soldiers.

**Mr. Speaker:** Order! The hon. member has the right of reply.

**The Premier:** Money is already provided for that purpose.

**Mr. Marshall:** Oh, would it not make you sick?

**The Premier:** The hon. member said—

To provide sufficient funds for the proper future defence of Australia, and to bring the standard of living to a point approaching decency.

He also said—

In view of the deplorable state of our primary industries.

I know that some of our primary industries are in a 'deplorable state, but others are not. The statement that there is "ever-increasing poverty and unemployment in our midst," is not correct. There is not ever-increasing poverty. In the last year or two poverty has not been on the increase, but conditions have definitely improved. The Minister for Works, when dealing with another motion concerning the conditions of employment, the remuneration paid and the general standard of living, will be able to demonstrate that in Western Australia conditions of poverty have not been increasing, but that generally speaking the standard of living of the people is better today than it was four or five years ago. Instead of there being an ever-increasing evidence of poverty there has been a gradual improvement in the standard of living of the people. I admit, too, that the Arbitration Court has helped to improve the standard of living of the people by 5/- a week, over and above what was paid to them some four or five years ago. In the matter of relief, there are only about 4,500 men now dependent on the Government, compared with 12 or 18 months ago when the number was much higher. The number of people now on sustenance is down to less than 300, so that today except for 300 persons, all who are dependent on the Government have jobs in accordance with their domestic responsibilities. We would not be justified in exaggerating the position. For many people it has not been a case of ever-increasing poverty, but a slow and gradual improvement in their industrial conditions and conditions of employment. When I say that a year ago a thousand people were dependent on the Government for sustenance only, and that no more than 300 are so dependent today, it can be seen that the position is not a bad one. With regard to the 300, the Minister for Labour told me today that he recently called for people to work in the country districts, but could not get a sufficient number to take the jobs available. Many people in the metropolitan area cannot get jobs there.

**Mr. Marshall:** Would you suggest we are going to be in a state of war for all time?

**The Premier:** No, but it is no use saying things that are not correct. For the most part the hon. member put up a good case, but I do not want a motion to go forth throughout Australia indicating that the responsible men of the Labor Party in this State say that there is ever-increasing poverty here. That has not been the case in the last three or four years. I do not say that the standards are as good as we would like them to be, but I do not think the House would be justified in approving of what I consider is a

(Continued on page 8.)

### Thought for the Week

The basis of democracy is the belief that, on broad moral issues, the instinctive wisdom of the simple in their millions is more likely to be right than any panel of professors that could be assembled; and the supreme testimony to the Christian Faith is that down the ages it has satisfied the simple of heart, and satisfies them still. Democracy and Christendom alike aver "Thou hast hidden these things from the wise and prudent and has revealed them unto babes."—Lord Elton, in "Among Others."

### Taxpayers' Protection Association

A meeting of the Provisional Committee, appointed by the meeting held at the Gregory Hall, East St. Kilda, in connection with the above object, has decided on a name and a set of objectives for the furtherance of its campaign.

These are to be submitted to a further public meeting, to be held in the same hall on Tuesday, January 21.

The provisional secretary, Mr. J. Bradshaw, A.F.I.A., is to give an address in amplification of the association's objectives.

## PLAIN SPEAKING IN CANADIAN PARLIAMENT

### PATRIOT-M.P. EXPOSES ENEMY WITHIN

The following striking speech was delivered by Mr. Norman Jaques, member for Wetaskiwin, in the Canadian House of Commons, Ottawa, on November 22, 1940. We quote from the Official Report:

Mr. Norman Jaques (Wetaskiwin): "This debate has been marked by sincere and honest expressions of opinion. I hope the house will credit me with a like sincerity. It has been said that Canada is fighting to preserve itself, and that its first line of defence is in Great Britain. That may be so, but the Canadian people realise that the people of England today are fighting for their lives and for the preservation of their homes. I cannot forget my native land; although it is forty years since I left, I still have many relatives and many friends there, and I feel that they would wish me to express on their behalf their profound gratitude for the efforts and sacrifices, which the Canadian people are making in their war effort.

"I should like to associate myself with those who have asked that the Government grant free transportation to soldiers on leave. I am sure that would be the wish of the vast majority of the Canadian people.

"I should like also to say a word on behalf of a great many widows of soldiers " who fought in the last war, whose lives were prematurely cut short on account of their war experiences. I am told that many thousands of these widows are destitute. Again I say that if the Government would look after these widows and at least grant them the necessities of life, it would meet the wishes of the vast majority of the Canadian people.

"I should now like to remind the House, in case my remarks may be misunderstood, as ours in this group often are by the press, that the basic philosophy of social credit is individual freedom, and that we detest dictatorship in any shape or form. It is said that democracy is Government according to the will of the people. If that is so, and we have had a democratic Government—or so it is said—why is it that in the last twenty-five years we have had two major wars and, in between a series of depressions, unemployment, poverty and destitution? Surely those conditions have not existed as a result of the will of the people. Since they have been prevalent, I can only conclude that we have had Government according to the will, not of the people but of other interested parties.

"There are two political philosophies: one, centralisation or totalitarianism, and the other, decentralisation, and therefore democracy.

"Twenty-two years ago the world, was, we were told, made safe for democracy. For a time there was a period of great prosperity. But soon after the peace was concluded we ran into a time of great depression, which continued more or less up to the start of this war. In fact it is not too much to say that the cause of this war was the depression, which had lasted more or less for fifteen years. It is easy to blame Hitler, but there was a gap of fifteen years between the end of the last war and the rise of Hitler, and had the people of Europe and of the world not been subject to the conditions to which they were subjected, I am sure that Hitler never would have been heard of,

"I have said it is obvious that we must have had Government according to the will of parties opposed to the interests of the people. I do not think there is any doubt that these interests were

financial. As the biggest banker in the British Empire said:

"Bankers control the policies of Governments and hold in their hands the destinies of the people."

"The world has been money mad. Only the bankers, the money lenders, have been listened to, and anybody who dared to criticise what the bankers said was either laughed at and discredited or treated to a conspiracy of silence. I remember that in September of last year, when the present Minister of Finance (Mr. Ilsley) brought down the first war budget, he said, as he said yesterday, that the real cost of war must come out of current production; and I remember saying at that time in reply that that was true, that the real costs of war were blood and sweat and tears, and that therefore any debt which was left after the war was over was not real. Yet we have been paying the debts of the last war right up to the present one, without reducing the amount in the least; in fact, it is bigger now than it was. When we add the debt of this war to that of the last, I cannot imagine what conditions will be like. I believe the bankers already have an idea of those conditions; they have said that we shall have hard times for generations. Moreover, this time

is not like that of the last war. Then, the people accepted those conditions as being inevitable, but this time there are very many who do not believe that it is necessary to suffer privation as a reward for winning a war. Hence it is that we hear proposals such as federal union and 'union now.' The proposals are that each country shall surrender its sovereignty over finance, armaments, fiscal policy and the judicature. I should like to ask what would be left. The authority of Parliament would be reduced to less than that of a provincial government, and the provincial legislatures would be reduced to the status of parish councils. Further, if we are to have no sovereignty, how can we have a sovereign? If we surrender our sovereignty we surrender our sovereignty. Yet these proposals are publicised in the press; and just before I left Alberta, a Mr. Streit was given the facilities of the Canadian Broadcasting Corporation on a nationwide hook-up to put those proposals before the Canadian people. If that is not treason, I should like to know what it can be called.

"As a proof, just one proof, that Governments have not the control of finance, I would refer to the description, in Viscount Snowden's 'Memoirs' of an incident in 1931 where England had a financial crisis. He relates that he telephoned certain financiers in Wall Street, New York, and asked them whether, if the British Government were to reduce the standard of living of the unemployed and the scale of social services in general, that would be acceptable to these financiers. Think of it—the British Government going hat-in-hand to international financiers

and asking them if they would agree to furnish a little money provided the Government reduced the standards of living of its own people! And what was the consequence? The navy mutinied.

"To my mind the object of those international financiers was to make it impossible for Great Britain and the empire adequately to finance rearmament in order to face the German threat. How else can one account for the fact that, in the face of certain aggression by Germany, the allied countries refused to prepare themselves to meet it? I heard a Minister of National Defence say in this House that the Canadian Flying Corps had ceased to fly. Could he say that there was no room in the air? Could he say that there was no gasoline when Alberta has so much that pipelines are needed to get it out of the country? Could he say that there were no young men willing and anxious for the job? No. There was only one reason: we had no money; and we had no money because neither this Government nor the Government of any other democratic country is sovereign today. One and all are, and have been, controlled by international finance.

"As I said before, we in this corner and our followers throughout the British Empire detest dictatorship in any shape or form. Certainly we were never confused as to the difference between Germany, Italy and Russia. I remember that when, on many platforms, I have lumped those three countries together, people have objected; they said, 'There is all the difference in the world between Russia and Germany.' Then I would say, 'Well, there are three eggs on this table. Here we have a hard-boiled egg—you can call that Germany. Here is a scrambled egg—you can call that Russia. And here is a poached egg—you can call that Italy. They look a little different. Some people like them fried, some like them poached, but they are all eggs, and nothing but eggs.'

Mr. Douglas (Weyburn): "Germany is a bad egg."

Mr. Jaques: "I was coming to that. But there is another kind of egg—a rotten egg; and that is dictatorship by finance. Last summer I asked perhaps the greatest financial authority in Canada why it was that the French left off building the Maginot Line precisely where the Germans broke through in 1914. We were told that France had the finest army in Europe. We were told that its Maginot Line was impregnable, and that it had the finest flying corps in Europe. But the Maginot Line was not even finished. It was like a bridge, which went three parts of the way across the stream.

"I asked that man if he could tell me why it was that the Maginot Line had not been built past that certain point, and he said to me, 'Well, they had a financial crisis, and they had to economise.' Will anyone say that that crisis was accidental? I say it was deliberately brought about, and the result of their economy has been the loss of France—a real economy indeed!

"I remember trying for some hours in the committee on banking and commerce to persuade its members that saving money caused a shortage of purchasing power. Of course I was reminded of the proverbial rainy day. Then, a report of a Royal Commission in Australia was put into the evidence to rebut the ideas I had advanced. That Royal Commission was appointed by the Government of Australia, and its findings were that saving money did not cause a shortage of purchasing power. . . "We were, however, told yesterday by the Minister of Finance, and we now are told repeatedly by the orthodox professors, that the very object of selling war bonds is not to raise money to finance the

(Continued on page 6.)

## "THE TRUTH ABOUT NEW ZEALAND"

HEAR THE FACTS FOR YOURSELF

NEXT SUNDAY, JANUARY 19

at 8.15 p.m.

THIRD FLOOR, CENTENARY HALL

CR. LITTLE COLLINS AND EXHIBITION STREETS

Speaker: Mr. Albert Fawcett

Here is an opportunity to hear a first-hand account of developments in New Zealand. Mr. Fawcett was a prominent speaker of the Youth Section of the U.E.A. in Melbourne nearly two years ago, before leaving for New Zealand. While in the Dominion he made a close study of every aspect of the, political and economic situation. Mr. Fawcett will take you behind the smoke-screen surrounding N.Z. politics and expose the shocking betrayal of the people by the New Zealand Labor Party. He will also tell of the difficulties he had in leaving the country.

Eric Butler will be the supporting speaker. He will speak on "The Lesson to be Learnt from New Zealand."

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DON'T MISS THIS MEETING. AN OPPORTUNITY  
YOU MAY NEVER GET AGAIN. BRING YOUR  
FRIENDS.

## The New Times

A non-party, non-sectarian, non-sectional weekly newspaper, advocating political and economic democracy, and exposing the causes, the institutions and the individuals that keep us poor in the midst of plenty.

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Vol. 7.

FRIDAY, JANUARY 17, 1941.

No. 2.

### "AN IMPUDENT CHALLENGE TO THE GOVERNMENT"

This was the heading of the Melbourne "Herald's" editorial last Monday evening, January 13, in which an attack was made against certain unionists in Sydney because of their drastic stand against the taxation-for-the-banks swindle. We featured this matter last week, as we believe that it is one of the most significant developments in recent Australian political and economic history. It has certainly caused the apologists of the banking monopoly to become very worried, and, no doubt, was one of the motivating factors behind the new regulations introduced early this week. (See front page.)

In answer to our telegram of congratulation to the Sydney unionists, which we published last week, we received the following letter:

"Many thanks for your telegram of the 7th instant. We appreciate your action and also the "spirit of progress" which we feel prompted it.

"Well, I can assure you that we are extremely grateful to witness the mass of industrial workers struggling against the money power. For many years we have endeavoured to educate the industrial worker as to the racket of this financial system, but I must admit that our progress was slow.

"However, the Private Banking monopoly have done the job for us. This recent Wages Tax Slug has done more to educate the mass than we could ever have expected. What I would like to know is why they adopted the direct policy of wages tax against the hidden bloodsucker, indirect taxation.

"We are continuing this struggle, and next Saturday we are holding a mass meeting (stop work) of all members in the Sydney Town Hall to protest against the rotten system of debt, interest and taxation.

I enclose herewith a cutting from Sydney's only evening paper, the "Sun," which may be of interest. With best wishes, Yours faithfully, E. C. Erwin, Secretary."

For the first time in history some of the unionists are at last fighting for the right objectives. As to methods, we suggest that more effective results may be achieved if pressure is mobilised against the individual members of Parliament by demand letters.

Reverting to the "Herald's" editorial, it is quite obvious that the financial interests recognise the seriousness and possible repercussions of this new move by the unionists. The "Herald" rightly points out that the workers have no industrial grievance. Finance—or, rather, the lack of it—has been the underlying cause of practically all industrial disputes. The unionists' quarrel is with the Government and its financial policy.

The chairman of the Sydney Town Hall meeting said: "Our challenge is to the Government of this country. If any war or defence effort is impaired the responsibility is upon the Government's shoulders."

The "Herald" sneers at the demands made by the unionists. It dare not openly say that all these thousands of men are disloyal; it only subtly implies it.

We remind the Melbourne "Herald" that the loyalty of the workers of Australia far surpasses that of the bankers, whom the "Herald" represents; in fact, comparison is a gross insult to the workers. They don't draw interest forever on the efforts of their comrades abroad who are doing the fighting and the dying to save the Empire from the designs of the external gangsters. Any action to prevent that swindle is a move towards real loyalty.

### COSTLESS CREDIT

Douglas Jay, City Editor of the "Daily Herald" (London), said, on October 11, 1940:

"Our big banks are now creating credit at a rather rapid rate to lend it to the Government. This is one of the ways in which the gap between, expenditure on the one hand and money raised from the public on the other is being covered.

"Barclays' Bank increased its landings by way of the new Treasury deposit receipts from £5,000,000 to £19,500,000 in September; and Barclays' total deposits rose by £27,000,000 to £498,530,919. Total lending by way of Treasury deposit receipts by Barclays', Lloyds', Midland, National Provincial and District Banks during September was £50,500,000; and the total increase in deposits was £84,657,000.

"Readers ask me whether the new credit being lent to the Government by way of deposit receipts is 'costless credit' and whether the Treasury ought not to decline to pay any rate of interest on these loans. At present the banks get 1½ percent per year on deposit receipts, and rather over 1 per cent, on Treasury Bills. It is not possible to say that any particular sort of loan from the banks to the Treasury represents 'costless credit.' But when the total of deposits in existence is being increased by the banks and lent to the Government, you may be sure that virtually costless credit is being created. In those circumstances, a practically negligible rate of interest ought to be paid; otherwise the banks are bound to increase their profits out of the process by the mere fact of the increase in their interest-bearing assets. That is why a much lower rate of interest than the present 1 per cent, or 1½ per cent, ought to be paid to the banks from now on."

### LOOKING BACKWARD

Being an abbreviated review of the activities of the United Electors of Australia (Non-Party) during the year 1940.

By NORMAN F. ROLLS, Former Hon. Secretary, U.E.A. (Melbourne Division.)

I doubt whether any organisation in Australia, whilst adhering to clearly defined objectives, is capable of prosecuting a more diverse or elastic course of action than is the U.E.A. in the sphere of social dynamics.

Sub-Section "A" of Section 1 in the U.E.A. Articles of Association reads thus: "To use any or all means within the Constitution of the Commonwealth of Australia to rouse public opinion to demand the Abolition of Poverty and the increase of the Liberty of the People."

I know that in this country today there exists a great number of organisations composed of sincere, public-spirited individuals, whose common aim is in line with, or sympathetic to that objective. It is questionable, however, whether—except in a relatively small number of cases—the educational and administrative aspects of these bodies have either permitted or fostered the full-functioning of the individual's democratic rights and privileges to any commonly-desired conclusion. The obstacles—frequently self-imposed—have been many; they have varied from the dictates of party juntas to the dithering of petty committees. If we expect to achieve real democracy within a reasonably short time we will certainly have to do more to demonstrate the courage of our own convictions. Opportunities for setting practical examples occur frequently, but it would seem that because of lack of faith in our ability to carry them through, often the iron gets cold before we take a lead in striking it. Lack of faith and personal initiative in the past has left us prone to false directions from such abstract quantities as above mentioned.

In expressing these opinions I am well aware that I am merely repeating what others have been at pains to point out. Still, the truth bears repetition, and the fundamental truth underlying the multiple teachings of the U.E.A.—that the individual is the genesis of power, and not the institution—cannot be too frequently repeated. Individual units of the U.E.A. have been responsible, not only for general participation in major national issues, but which is often of greater significance, for taking the initiative in minor activities, which may not produce immediate results but will certainly contribute towards ultimate successes. A few examples taken at random may serve to illustrate my point.

Local Government. Early in 1940, two Victorian enthusiasts commenced widespread action by organising a meeting called by a councillor to publicly discuss the council's financial position. They didn't ask "the movement" to do it; they realised what was wanted and they got busy with the right action in the right place.

Sane Defence Campaign. A Melbourne businessman was responsible for the initiation of this educational campaign, which exposed the fallacy of private finance for national purposes and gave considerable publicity to the findings of the Royal Commission on Banking, etc. This man's action gained the immediate co-operation of U.E.A. supporters because his propaganda was based upon the principles for which the U.E.A. stands.

Victorian Councils. The president and councillors of every shire, and the mayor and councillors of every city, town, and borough in Victoria were supplied with individual copies of a number of documents (with which "New Times" readers are familiar). A professional woman and a friend undertook this self-imposed task, and during many months of constant effort, followed it up with further relevant matter, resulting

in similar action being taken by sympathetic bodies in other States. Radio Publicity. Many excellent opportunities throughout the year were grasped by individuals who utilised various radio sessions to focus public attention on fundamental issues. The value of their efforts is inestimable, since one of the sessions frequently made use of is considered to have an audience of at least 100,000 people. Their broadcasts were composed by themselves—not by a "committee" at "headquarters"—though they embraced the principles of the U.E.A. Thus the message transmitted by these individual actionists was accepted on its merits, and not on the "say-so" of any abstract body; they spoke as one of the people to the rest of the people.

Progress Associations. Considerable work has been done by lone workers among Progress Associations. One instance is outstanding: A gentleman who holds a high position in a Melbourne suburb, having had some encouraging responses to his personal approaches, decided to do the job in a big way. On his advice, and at his expense, all Progress Associations and all councillors in his district were written to and supplied with a copy of S. F. Allen's "MONEY" and a copy of the "New Times" reporting the resolutions carried by the Blaxland Shire Council and the three State Parliaments.

Shopkeepers' Campaign. With the object of educating shopkeepers to the cause and effect of the increasing burden of taxation, a U.E.A. campaigner submitted excellent material, which was reproduced in large quantities and distributed as an experiment over a wide area. The results of this approach, together with those obtained by similar experiments, served as a valuable foundation for the launching of other more general educational campaigns. This campaigner has actually less time to spare from his own business than many others who are in the habit of waiting for something to "turn up." Actions—examples—demonstrations—speak louder than words.

One could use hundreds of similar examples, from all over the Commonwealth, to illustrate the way in which personal responsibility has been accepted by individuals in their own localities, without waiting for some abstract "leadership." They have demonstrated to thousands of would-be democrats the value of decentralisation and the first steps to political democracy, as a prerequisite to economic democracy, and whether they have succeeded or not in their particular immediate objectives—some of which may well have been impossible unless carried to national proportions—is beside the point. What is important is that, rather than attempt what might possibly be a suicidal frontal attack upon the citadel of the entrenched monopoly, they have carried out a multiplicity of contributory skirmishes which have not only harassed the protagonists of the enemy at the weaker points, but have given the opportunity of participation to thousands of erstwhile "spectators." Particularly has this been the case in Victoria during the recent past, and I might be forgiven if I mention here that I look forward with confident anticipation to the time when, in the titanic struggle for ultimate objectives, the wisdom of the U.E.A. policy—wide and widening decentralisation, tolerant and yet to the point in its ultimate objectives—will be better appreciated and more generally embraced.

(Continued on next page.)



**HERE, THERE AND EVERYWHERE****NOTES ON THE NEWS**

By ERIC D BUTLER

**"Our" press has used quite a lot of space in telling us how the leadership racket has been put over the German people; it is certain that the present worldwide publicity campaign in favour of President Roosevelt and the great American "democracy" is equal to anything ever seen inside Germany.**

Roosevelt's "Aid" Bill is staggering. This Bill carries one of the greatest grants of power ever given to a President. Some Senators and Representatives state that the American Congress has virtually abdicated. The Jewish international bankers will be more powerful than ever with a "leader" who appears in the press as a world-saviour. Representative Hamilton Fish said: "It looks as though we are bringing Nazism, Fascism and Dictatorship to America and setting up our own Fuehrer."

Roosevelt's policy -- i.e., Wall Street's policy -- is to help all those countries who are indirectly contributing to the defence of U.S.A. in other words, certain interests in America are prepared to let the people of Britain be bombed from their homes while they generously "lend" them materials with which to fight -- apart from taking over all Britain's best naval bases. When the British people have defended America at a cost which is assuming heart-rending proportions, they will then have to not only rebuild their civilisation; they will also have to return the war materials supplied by U.S.A. Which will leave "America" in a position to police the world.

This policing of the world has been emphasised by the sponsors of "Federal Union," which, as I mentioned in these notes last week, is rapidly becoming the major issue of the war. Churchill again emphasised the necessity of a union between Britain and America when he spoke at a luncheon in honour of Lord Halifax late last week. After some of the usual platitudes concerning America and Britain, Churchill said: "We have a glorious opportunity of making supreme sacrifices and exertions, needed by a cause which may not be irreverently called sublime." It appears to me that it is the British peoples alone who are making the "supreme sacrifices." The day after Churchill's speech, further extensive reports of activity in favour of Federal Union appeared in the Australian press. Churchill was reported as having said, in 1932: "Let us have no fear of the United States of Europe, as long as the United States and England grow closer together." The report goes on to deal with a move in Britain by Mr. Wedgwood, the well-known British Labor M.P., who is sponsoring a movement for Union between Britain and the

**LOOKING BACKWARD**

(Continued from previous page.)

Throughout all the major and minor campaigns in which the U.E. A. has played its big part, with all its seemingly extraordinary and particularly unorthodox administration, its main objectives have remained inviolate. It is my opinion that the right type of people have been attracted to its ranks, and that whilst its constitution remains respected and unaltered, its activities in the field of social, economic, and financial reforms will serve as an inspiration to the thousands who know that "something must be done," yet who do not recognise the "way to do it."

United States. Some Socialists are well to the fore in this poisonous plot to betray the Empire. I notice that some of our own Labor members are developing a tendency towards the same thing.

The following headlines appeared in a recent issue of the Melbourne "Herald": "Britain Prising Open the Mediterranean. U.S. to Renew Trading." Now, who are we fighting this war for?

Apart from taking over Britain's most important naval bases in the Atlantic, it is announced that, under the joint Canadian-United States defence plan, Canada will allow a series of air bases for the use of American war 'planes to be built from the American border to Alaska. I was particularly interested to note that at least one of the bases will be in Alberta. Shades of things to come!

Some months ago, I mentioned that we could expect significant moves in the Pacific. Mr. Casey has been consulting with Washington and Wall Street about naval bases. Singapore, Port Darwin, Sydney and New Zealand bases have been discussed, and, according to the American press, a big deal is expected soon.

We still have a big lump of the Empire left; it is high time that all loyal Britishers made up their minds that they are not pouring out blood and tears to hand their Empire over to any bunch of International Gangsters -- no matter by what name the gangsters call themselves. All real Americans will appreciate this attitude.

Russia and Germany have signed another pact. You will have noticed how the "nootrals" are behaving in this conflict. Russia is prepared to let Germany and the rest of Europe become exhausted as a prelude to the long-awaited event of international socialism. Russia's friends are working hard inside Britain, as witnessed by the report of "The People's Convention" in the Melbourne "Herald" of January 13. This convention introduced a resolution demanding friendship with Soviet Russia.

Apart from having close trading arrangements with Germany, Russo-American interests have been much closer of late. An interesting item appeared in the press of this country just before last Christmas -- to the effect that America was supplying Germany with 40,000 bales of cotton per month through Russia. A lot of other things are sent from America to Russia. But, I forgot; hasn't Roosevelt told us that he is an opponent of aggression?

Here is a very interesting commentary on Wall Street by "Labor," Washington, U.S.A. After stating that the defeated presidential candidate (Mr. Willkie) was a "Wall Street Man," the paper continues:

"During the last quarter of a century, at least half a dozen governmental agencies -- including committees of House and Senate -- have made searching inquiries into the way Wall Street conducts its business.

"In every instance the most shock-

ing disclosures have resulted. Not only has it been proven that a handful of individuals in the financial district of New York City controls the financial and industrial destiny of America, but it has been revealed that many of those individuals steal and cheat and lie; rob each other ruthlessly; fraudulently deprive their government of desperately needed revenue, and loot investors, mostly of the small variety, of billions of dollars.

"To cover up their nefarious practices, it has been demonstrated that they corrupt public officials, dominate the press and seek to paralyse public thinking by flooding our country with misleading propaganda of all kinds.

"For a long time, the masses of our people would not believe these things. But the hard facts have caused them to change their minds.

"When they heard the House of Morgan publicly confess that, during the years when his country was at the bottom of the world's most appalling depression, he had not paid a penny of income tax; when they saw the president of the New York Stock Exchange going to prison as a common thief; when they learned that one utility company had spent 1,000,000 dollars in fake telegrams to discredit needed legislation, they decided that Wall Street should no longer be permitted to lead this nation around by the nose."

In "The War Behind the War" I have dealt with certain aspects of Germany and the Jewish question, which throws entirely different light on the matter to the viewpoint so carefully fostered in the finance-controlled press. For example, I quoted Hitler's use of Jewish spies in the Gestapo. I was therefore very interested in the following news-item, which appeared in the Melbourne "Sun" on January 13. "New York -- Isadore Lazarus, a Roumanian Jew, revealed, during the hearing of a simple fraud case that he had acted for Goering and Goebbels in shipping their money out of Germany . . . He said they sent millions from Germany, some of which was used for espionage and propaganda. . . ."

Some of the allegations concerning refugee spies in this country might be checked up a little more closely. The Polish Consul has very courageously mentioned this, with the result that quite a few letters have been appearing in the Melbourne "Argus" concerning refugees, etc.

The exploits of the British forces under Wavell in the Middle East have quickly changed the fortunes of war. As has been demonstrated time and time again in the past,

free men who fight for something that they believe in will always beat those who are the products of intense regimentation. However, one of the most significant features of Wavell's move was his recently published statement that it was a big gamble at the start, as his forces would have to rely on captured equipment to carry on! This happens while the Empire's war effort on the home front is grinding along in second gear because of the private banking swindle. Even the press is beginning to tell us that the great Churchill is now being subjected to some criticism in Britain. Of course, we can always do what Wavell did; if finance won't permit us to make the maximum amount of equipment, then, take some from the enemy. He seems to have plenty; although we have been told for years that he was nearly "bankrupt."

J. B. Priestley, famous English novelist and the B.B.C.'s most famous regular broadcaster, has resigned; with the result that the British public is worried. In the course of some of his remarks Mr. Priestley said: "This strange obstructionism we suffer from -- the reluctance to release news, to grant facilities for news gathering and so on -- comes from the peace-time attitude of mind towards the public, which is still expected to pay its taxes and then mind its own damned business . . ."

"You begin to suspect that perhaps we are not all in the same war when, doing a job of this kind, you find yourself, day after day, being obstructed instead of being encouraged . . . Half the official persons to whom you appeal are busy, it appears, fighting some other war which you know nothing about . . . Broadcasters may be something more than mild buffoons singing comic songs. In short, the B.B.C. tends to be altogether too diffident, modest, and gentlemanly. It needs a few roaring cads round the place."

Which indicates that Mr. Priestley still knows how to speak his mind.

**STOP PRESS!**

Because of the importance of the drastic regulations introduced by the Government early this week, a special statement on the position will be made at the meeting at the Centenary Hall on Sunday night. The position is urgent and critical. Every supporter who can be present is urged to do so. We have reached a position in Australian affairs, which future historians will regard as a turning point -- if we don't fail now.

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## THE WORM'S-EYE VIEW

By SIMPLE SIMON,

People ain't very reasonable when you get down to it. And when I say, "get down to it" I mean it in more ways than one. F'r instance, when I sit on the kerb in the no parkin' space of our main street, ev'ryone be'aves as though I do it because I like it; just the same as when they see me munchin' potato peelin's they jump to the conclusion that I do it because I've found out where the vitamins go.

The peelin's may be the most nutritious part of a spud or an apple for all I know; education can be very consolatin' over things like that. But I still think it's funny I should be looked on as an educated food crank instead of as what I really am, so 'ungry an' flat broke that not even an economist could deflate me.

You'd think some of the passers-by would get worried about their own condition, ruinin' themselves with plentiful and expensive food and goin' everywhere on wheels. But they never do. Their motto is "Live an' let live; if the other feller can manage it." I'll bet they'd be surprised if they knew what I was thinkin'. The fact o' the matter is I don't like what's good for me any more than the next feller does; and in case any of you ever get the vitamin 'untin' craze, I want to warn yer that the leavin's o' things, be they ever so 'ealthy, are just as liable to give a man indigestion as the food at the most expensive restaurants. Knowin' that, I often feel I sh'd like a change if it's only a change of indigestion.

This silly idea on their part that I like dinin' in public on the kerb, got on me nerves so much that I thought I'd try some of 'em out, to see just what they did think.

"Tell me," I asks the first one, "ave you any idea what I'm a doin' 'ere?"

'e nearly bit me 'ead off.

"Takin' a rest from gaol, I sh'd think. An' a darn short one, if I'm any judge."

The next one didn't snarl. 'E just looked as sad as a dachshund.

"Try anything once is my motto, mate. But I may as well warn yer. I 'aven't got a bob."

Another one thought I'd been injured, and wanted to get the ambulance, an' the last one—one of these earnest blokes who look as though they can't laugh because of a' spavined jaw-bone, sat down alongside o' me an' told me the elevatin' stories of Robert Bruce, Dick Whittington an' George Washington.

Well, I ain't a bit like any o' them. I 'aven't any more time for spiders than Miss Muffit 'ad. I certainly wouldn't march off to be a king because of a spider, and I don't want to be a king anyway. A friend o' mine's always spoutin' poetry, and I don't mind sayin' that sometimes poets seem to get on to something. It appears there was a bloke named "Pope" who felt just the same about the king business as what I do, for accordin' to my friend, 'e said: "O monstrous many 'eaded thing, O who would want to be thy king?" Very sound. I wouldn't mind bettin' the poet 'ad sat on a kerb, some place, and observed 'is fellow man.

The yarn about Dick Whittington is just about as goofy. I could never get over the idea of 'is cat followin' 'im all over the joint. All I know is, I 'ave the work of the world to get a cat from one place to another, even in a sack. An' besides, fancy settin' out to do the 'at trick at the Lord Mayor business. I want somethink a bit more settled than that.

But the yarn that feeds me up worse'n any of 'em is the one about George Washington. The Yanks mus' be funny people. 'Ere's a bit of a cherry tree, a noo axe an' a small boy; all the necessary ingredients for the sort o' trouble every family man is perfectly used to, an' out steps this 'ere youthful paragon an' ses, "I couldn't tell a lie, father. I did it." Bet yer life 'e couldn't tell a lie in the face of all that there

evidence. There's the sort o' chips a kid makes, mos' likely blisters on 'is 'ands, an' probably a nick in one of 's toes. But you wouldn't expect 'istory to go into details like that. No fear. George told the truth ever after. So 'e didn't escape 'is punishment after all.

Well, you can see I didn't get much 'elp out o' these people. Some of it's my fault, no doubt. Life can be very difficult if you've got nothink and don't know what it is you want. Of course, people always think they know what they want, but then, they always be'ave as though they don't. What most of 'em seem to aim at is comfort, an' they want it so bad that they're prepared to put up with darn nearly anything for 'alf a century if necessary, to get it. Those who do get it usually find it aint the same as they thought, it was when they 'adn't got it, and a few o' the mos' successful get a divorce an' dyspepsia an' bung orf round the world, preferably to some place where they can't understand the lingo. I feel sorry for these few sometimes. I mean it mus' be a bit of a nark to find that, after tellin' lies like Little Willie, insistin' on eighty per cent, profit, an' bullyin' yer family for thirty or forty years, the thing you went after won't fill the bill. I don't know whether to be more sorry for them or for the people who are so busy plannin' the best place for their indoor sanitation that they can't be bothered about who gets the credit for the sunrise.

Mind yer, it's very 'ard to say just where the blame ought to start for things bein' the way they are. Most of us are cheated before ever we start by the idea that seventy years is the dickens of a time—plenty o' time to grow up in. So we put off growin' up until our feet are firmly planted in the bog we thought was good earth.

P'raps we shouldn't be pessimistic. After all we 'ave only to compare our lot with that of countries which 'aven't the consolation of empire. Think of a poor Swiss fr instance, yodelling 'is way back to 'is chalet, to fatten 'is pampered linin's on 'ot chocolate an' gruyere cheese, regardless o' vitamins, no empire to console 'im, no navy to admire, no army to speak of, even the very scenery arranged so as you couldn't fly over it without gettin' into a tail spin. 'Easn't even 'ad an enemy for donkey's years. Jus' negligible; that's what 'e is.

It fair gives me the doodahs to think 'ow people who come from places like Switzerland persist through the centuries. You'd expect 'em to die o' shame to sit there in peace while enlightened people 'ave been tightenin' their belts, plantin' flags, starvin' an' dyin' for some cause or other. It don't seem right ter me. And it's a wonder it 'asn't caused a bit o' trouble, because not everyone realises about the consolation of empire. The ones who think are apt to think in terms of grub. The others—well, as I started by sayin'—they'll see me sittin' on the kerb, and—well, they aint reasonable, that's all.

## Plain Speaking in Canadian Parliament

(Continued from page 3)

war, but rather to cause a shortage of purchasing power. And so the orthodox have had to eat their own words. As I have said before, the canons of sound finance are silenced in wartime by the cannons of the enemy.

"If I may I should like to read a short quotation from the September issue of 'The Banker,' a magazine published in London, England. In part it is as follows:

"Are we to suppose that if these Spitfire funds had not been raised, the production of Spitfires would have been any the less? Clearly not. The factories would have been producing to the limit of their capacity in any case. Money to buy Spitfires has no more connection with the production of Spitfires than have the spring flowers."

"And it goes on to say:

"When the savings appeals argue 'every pound that flows in from the sale of defence bonds increases the flow of molten steel from the crucibles and blast furnaces' this is a plain misstatement of fact."

"That is not the statement of a member of the social credit party, it is the statement of a banker, as it appears in the 'Banker' of London. If it does not correspond exactly with the statement of the president of the Canadian Bankers' Association in Canada, then I would say the difference may be explained by the fact that—in England no one is sure whether he will be on this earth from one day to the next. In face of that fact, perhaps the man who wrote that article thought that confession would be good for his soul. "Then, in connection with any suggestion hon. members in this corner of the House make, we hear remarks about 'funny money'. Mr. Jaffray, president of the Canadian Bankers' Association, was quite eloquent on that subject last week, and left the suggestion that money created by any Government and not by bankers must be 'funny money.' So far as it is possible to deny anything, it has been denied that there is such a thing as the creation of money. Yet it is obvious that it would be impossible to finance our war effort without money creation. Otherwise, what would have been the point of saying, as has always been said in this Chamber, and in any other Parliament, that it would be impossible to do this or that because it was not known where the money would come from.

"Of course, money to finance a war is created. Let there be no mistake about that. I am not criticising this Government in particular. I am, however, criticising the principle it upholds, one, which has been upheld by every democratic Government in the world. That is the reason why democracy is in the danger in which it finds itself today. Everywhere and in all countries Parliaments have surrendered their sovereign rights over the issue and creation of money, and have delegated that power to private corporations responsible to nobody other than themselves. Those corporations are not even national. It is an international arrangement. And so they have played one country off against another.

"After the last war a policy of deflation was forced on Great Britain. Mr. Jaffray may talk about 'funny money,' if he wishes; but speaking in the House of Commons in England in 1922, the Right Hon. Bonar Law, some time Prime Minister of England, said this, as reported in 'Hansard' for the month of May in that year:

"We borrowed 8000 million pounds. As a result of deflation

we shall be required to repay 16,000 million'.

"As a result of deflation'—no wonder the bankers always warn us about the dangers of inflation. But they never mention deflation. That debt was doubled—and if Mr. Jaffray says that our ideas about money are funny, I will say to him that that money was hot, and very hot. It was stolen—deliberately and absolutely stolen. "I well remember that away out on the prairies of Alberta I had kept cattle through what was the longest winter in the history of western Canada, a winter which had lasted seven months. I thought I would be rewarded for my efforts, but when I came to sell those cattle I got only one cent a pound, as a result of that deflation. My debts were doubled and trebled; yet that is called sound money. It is the biggest racket the world has ever known. It is the cause of the terrible conditions that we have at the present time. There will never be peace, there will never be prosperity, there will never be true democracy until Parliaments assume their responsibilities and control the creation and issue of money.

Mr. Johnston (Bow River): "That is what they were going to do, but they forgot about it."

Mr. Jaques: "Many people advocate federal union or the surrender of our sovereign powers as the only way to peace. They say that we must disarm and hand over our sovereignty to an international police force. The only way to ensure peace is to remove the causes of war. To disarm would be just the same as tying behind his back the hands of a victim of the seven years' itch. It would not remove the cause. To say that you are going to cure national problems by making them international is the same as saying that you are going to cure the inmates of a hospital by tearing down the partitions.

"The Minister of Finance had this to say:

"That in real terms, that is to say in terms of the loss to the nation of the production required for war purposes, the war is paid for substantially while it is in progress."

"That is true. In other words, the real costs come out of current production. Therefore, when the war is over, the real costs will have been paid. Why, then, should there be a debt at the end of the war? If the real costs have been paid, then the debt cannot be real. I cannot see any flaw in that argument. As a matter of fact, there is no need for debt at the end of war. The Minister continued:

"That the task of finance is not only to provide the funds which are used to pay for the war services but more fundamentally is, by taxing and borrowing, to restrict the civilian demand for economic resources in order that they will be available to the defence or supply departments when required."

"That is reasonable; but if the war is financed, as it certainly is, by the costless creation of money, why should anyone expect to be rewarded for lending his money? Why should a man who has more money than he needs hold the country in his debt forever simply because he lends it to the nation? If it is not necessary, why borrow it? All the necessary money can be obtained by costless creation of credit. A London banker says that this is undoubtedly what is happening. Why should those people who do something, which is quite unnecessary, be rewarded by having the rest of the

(Continued on page 7.)

## PRODUCE MORE CHILDREN TO RAISE THE FALLING BIRTH RATE

### BUT DON'T EXPECT TO FIND A HOME TO HOUSE THEM IN

By GRACE IGGULDEN.

Every now and then there reaches the public, via the press, the story of a family of eight or ten or twelve who have been evicted from their home because they were a family of eight, ten or twelve, and, finding it impossible to discover another, have, perforce, to make shift in someone's garage. As soon as the case is made public, good-hearted people go to their aid with well-meant charity.

But why should they have to accept charity? Why should these kiddies have to be clothed in someone's castoff clothes? Why is it that the father of a family is unable to keep them in the comfort, which is the right of all children born into a land of plenty? Why is it that the young married couples of today have to sit down with paper and pencil before they know whether or not it is at all possible for them to "afford" a family—which in most cases they eagerly look forward to? Why?

Because this land of "milk and honey," of abundant wheat and wool for bread and clothing, this young land is already choking in the coils of the financial system, which is swallowing large sections whole. A financial system of national war debts, which can never be paid because, like Jack's beanstalk, they grow and grow and grow, while the giant (i.e., the bankers) cuddles his gold-egg-laying goose and camouflages himself behind such high-sounding words as "democracy" and "liberty," which effectively cover the chant of the old nursery rhyme: "Fee fi fo fum, I smell the blood of an Englishman. Be he alive or be he dead, I'll grind his bones to make my bread." And grind his bones to make their bread, they do! Be he alive or be he dead—but Wall Street would much prefer it that their Englishman was dead, because it's

a vastly easier thing to crush the bones of a dead than a live Englishman. And, unfortunately, here the resemblance to the nursery rhyme ceases, because it will take more than one Jack to cut the giant's beanstalk from under him. So long as the conditions exist which allow families to be cast out into the street, conditions which allow the growth of children to be stunted by improper food and unhealthy surroundings, so long as there are people living in slums, under-paid, under-fed, helpless—so long as there are generations whose lives are crippled by the weight of national debt—so long as there remains injustice and oppression—just so long must we continue to fight unceasingly against any further steps to curtail freedom of speech, the right of the individual to criticise, the right, in fact, to even darned well BE an individual.

## LETTER TO THE EDITOR

### LORD BYRON AND THE JEWISH QUESTION

Sir, —I have been recently reading Lord Byron's poem, "The Age of Bronze," and was particularly interested in the Fifteenth Canto, in which the great English poet shows a deep insight into the Jewish Question. The poem was written in Venice—"Shylock's Shore"—one hundred and eighteen years ago. In this poem Byron is almost prophetic in vision. His lines should be of interest to many of your readers:

"Or turn to sail between those shifting rocks,  
The new Symplegades—the crushing Stocks;  
Where Midas might again his wish behold  
In real paper or imagined gold.

"That magic palace of Alcina shows  
More wealth than ever Britain had to lose;  
Were all her atoms of unleavened ore,  
And all her pebbles from Pactolus' shore.

"There Fortune plays, while Rumour holds the stake,  
And the world trembles to bid brokers break.  
How rich is Britain! not, indeed, in mines,  
Or peace or plenty, corn, or oil or wines;

"No Land of Canaan full of milk and honey,  
Nor (save in paper shekels) ready money;

But let us not to own the truth refuse,  
Was ever-Christian land so rich in Jews?

"Those parted with their teeth to good King John,  
And now, ye kings! they kindly draw your own;  
All states, all things, all sovereigns they control,  
And waft a loan 'from Indus to the pok.'

"The banker-broker-baron-brethren speed,  
To aid these bankrupt tyrants in their need.  
Not these alone! Columbia feels no less  
Fresh speculations follow each success;

"And philanthropic Israel deigns to drain  
Her mild percentage from exhausted Spain.  
Not without Abraham's seed can Russia march,  
'Tis gold, not steel, that rears the conqueror's arch.

"Two Jews, a Chosen people, can command  
In every realm their Scripture-promised land;  
Two Jews, keep down the Romans, and uphold  
The accursed Hun, more brutal than of old.

"Two Jews—but not Samaritans—direct  
The world, with all the Spirit of their Sect.  
What of the happiness of Earth to them?

A Congress forms their 'Jew Jerusalem,'

## PLAIN SPEAKING IN CANADIAN PARLIAMENT

(Continued from page 6.)

people in their debt for all time?

"I can remember when the Minister of Finance was putting over the first war loan. He said he wanted the bonds distributed as widely and as evenly as possible. If we had taken him at his word and had done just that, what would have been the value of the bonds? Every one would have had the same number of bonds and we might just as well tear them up because every one would be paying his neighbour's interest. But as the Minister went on to say, some of the people—I would say the vast majority—are too poor to buy bonds. The soldiers are too poor to buy bonds, and it is these people who are too poor to buy bonds who will be taxed to pay the interest on the bonds belonging to those who happened to have enough money to buy them. These bonds were offered as a safe and profitable investment, but it is our soldiers who make them safe and profitable. If we are beaten, these bonds will not be worth the paper they are printed upon. When our soldiers come back from war they will be taxed to pay the interest on the bonds belonging to people who have taken no risks. That is not equality of sacrifice.

"May I say a word about the farmer? Just before I left home to come to Ottawa I was asked to address a meeting of the executive of the united farmers of Alberta. I told them that I had not attended the meeting to make a speech that I had come to listen and to learn their wishes, which I would lay before Parliament. I told them that we had done our best at the last session, but I did not hold out much hope. I told them that if the Alberta farmers and other farmers in Western Canada were in a depressed condition, that must be agreeable to this Government, because it was part of their fundamental policy; if a class of people have no money to spare, that is all to the good because the Government will be spared the trouble of extracting it from them. A Liberal who was present rose and said he was sorry that I had introduced politics into the discussion. I said that I had not introduced anything of the kind, that I was not criticising the Government; that I was merely stating facts.

"How many of these war bonds will be held by the farmers of western Canada? Next to none. Yet when the war is over, they will be taxed to pay the interest on bonds which they never had an opportunity of acquiring. I know of what I speak. I have farmed all my life, and I know

"Where baronies and orders both invite—  
Oh, holy Abraham! dost thou see the sight?  
Thy followers mingling with these royal swine,  
Who spit not 'on their Jewish gaberdine.'

"But honour them as portions of the show—  
(Where now, oh Pope! is thy forsaken toe?  
Could it not favour Judas with some kicks?  
Or has it ceased to 'kick against the pricks'?)

"On Shylock's shore behold them stand afresh,  
To cut from Nations' hearts their 'pound of flesh.'"

(My emphasis)—Yours, etc.,  
—ERIC D. BUTLER.

Melbourne.

these people. If they are able to exist, that is as much as they can do. They cannot buy bonds; yet after the war they will have to pay. If the war lasts for years and years, as we have been told it may, what will be the state of debt in this country? As I said before, those people who have not been able to buy bonds will have to pay interest to those who have been able to buy them.

"The Prime Minister (Mr. Mackenzie King) said at the end of his speech:

"Never again must we allow any man or any group of men to subjugate by fear and to crush by the power of might the spirit and the lives of honest and humble men."

"There is only one way to make that possible. The Government must assert its sovereign right over the creation and issue of money. So long as Governments—I am not blaming this one more than any other—allow money-lenders, because that is all that bankers are, good servants but impossible masters, the worst kind that you could get, to dictate the policy of Governments, how is democracy possible? We believe that a strong, free and prosperous British Empire is the best guarantee for the peace and sanity of the world; and instead of surrendering the sovereignty of the Empire or of any part of it to any international force, which, of course, would be international finance, those sovereign powers should be strengthened by restoring to the crown in trust for the people absolute control of the issue of currency and credit."

### United Democrats' Report

From Headquarters, 17 Weymouth Street, Adelaide.

Most of us United Democrats returned to "business as usual" after the Christmas holidays, with empty pockets, but with hearts and heads bulging with newly made resolutions for 1941. One of these resolutions is that we're going to redouble our efforts for "Victory Without Debt" and keep "batterin' awa'" until the possible becomes the actual. We have now, thanks chiefly to our own excellent writers in Australia, a choice of ammunition from an array of books and pamphlets on the money question and on the struggle between the Money Power and Democracy, so that we may go forth to battle armed and well prepared—not in our own strength, but in the strength of the truth and argument set out so skilfully in the said books and pamphlets tucked under our arms. They make everything so easy, so simple. We don't have to argue or rack our brains for the right answer. It's all in the books (under our arms). We merely have to offer to lend—or, preferably sell—the book; that's where we do our bit. Nor do we have to be rich to afford the ammunition, for the prices range from 3d to 1/-. There are pamphlets even cheaper than 3d—good stuff, too—and leaflets for general distribution at 1/6 per 100. At headquarters there are stocks of all these.

**Monthly Meeting:** The first of these meetings for the year will be held on Saturday, 1st February, at 8 p.m. Important matters of tactics in the forthcoming campaign will be discussed, and members who are keen for action are specially invited.

—Mary H. Gray,  
Hon. Secretary.

## W.A. Parliament's Further Demand for Money Reform

(Continued from page 2.)

reflection on the administration of the Government.

**Mr. Marshall:** You are putting up a good case from that point of view.

**The Premier:** No, I am not. Compared with the position four or five years ago, this Government has nothing to be ashamed of and nothing to excuse itself for, except to say that so far as the general conditions of the people are concerned, if it were not for the abnormal adverse climatic conditions through which our agriculturists are passing, the majority of our citizens would be better off than they were four or five years ago.

**Mr. Marshall:** My motion is Commonwealth-wide.

**The Premier:** I am talking principally about Western Australia.

**Mr. Doney:** According to the member for Guildford-Midland, the position is worse in the city than it is in the country.

**The Premier:** There is not ever-increasing unemployment in our midst, and I would not like that statement to go forth from the Parliament of this State. I presume the hon. member desires that wide publicity should be given to this question, but I do not want the House to carry a motion indicating that there is ever-increasing unemployment in Western Australia. For the last seven or eight years we have had ever - decreasing unemployment. The Minister for Works will be able to give the figures to the House. I do not feel inclined to take up any more of the time of members on this subject. I had intended to say more, but in the circumstances do not feel justified in doing so. I do, however, wish to repudiate the accusation that has been made against me that at the Loan Council I and others did not support, as we should have done, a motion dealing with national credit. That is not at all the position. As I have already indicated, every Premier who has attended Loan Council meetings has agreed upon the policy. We have the authority of Professor Giblin that £50,000,000 of the national credit has been used during the last 18 months. That could not have been done without the authority of the Loan Council, and without the

sympathy of everyone attending Loan Council meetings. To some extent the Loan Council has formulated the financial policy of the Commonwealth. We have these circumstances to prove that the national credit has been used, and when someone says that I deliberately would not support such a policy, and that it has not been carried out, it is very foolish on his part to do so. Perhaps I would not have spoken on this motion except to repudiate the accusation against me. I understand that according to the Standing Orders, now we have got so far with the motion, I cannot move to strike out certain words to which I take exception. I have, however, indicated what I think about those words. I have also taken the opportunity of saying that so far as this Government and the Labor policy are concerned, we believe in monetary reform, in the nationalisation of banking, and in making use of all the credit resources of the nation. If the hon. member by obtaining wider publicity for what he has said, and for what I have said, can gain more adherents for the financial policy based on the Labor Party's policy, he will be doing a good job not only for the State but the Commonwealth. I have no objection to the principle contained in the motion, but my objection lies against the phraseology.

**Mr. Speaker:** There is nothing to prevent the Premier from moving an amendment to the motion.

**The Premier:** I understood that, as the motion had got so far, we could not now take out of it any of the words contained in it, or discuss other things relating to the middle of the motion. In any case the matter is not of sufficient importance. I have said what I thought about that aspect of it. If anyone wishes to read what has been said, he will find it in "Hansard." I do not wish to upset the Standing Orders by moving an amendment to the motion, which is somewhat similar to that which was moved last year.

**Mr. Speaker:** The Premier is at liberty to move an amendment.

**The Premier:** I do not think I will do so now, as I have indicated my disapproval of the phraseology.

(To be continued.)

## BIG PENALTIES THREATENED

(Continued from page 1.)

loan-raising plans being the subject of criticism likely to cause their failure," is meaningless if taken literally. The public cannot, and does not, subscribe more than a very small proportion of loans. The bulk of them is subscribed by the private trading banks, who CREATE the money they lend. Are we to understand that, because the public storm of criticism on financial methods is now almost blowing a gale, the banks won't create any more money? No, there is more than that behind it. It is a direct attack upon the taxpayers of Australia who, under the new regulation, will not be permitted to criticise the recent increases in taxation, with a promise of more to come.

Members of Parliament are still the representatives of the people. The greatest crisis in Australian history is upon us. The electors must show the same fighting spirit on the home front as our fighting men are displaying in the front lines. Readers are urged to send the following, or a similar, demand to their Members of Parliament, also to get their friends to do likewise:

Dear Sir,

My forefathers fought and died to give us British democracy. The recent increase in unjust and unnecessary taxation has added to the growing body of responsible public opinion which believes the present financial policy is not only hampering the war effort, but will undermine the victory, as was the case after the last war.

The recent regulation gazetted preventing criticism of the Government's financial policy, outrageously violates the right of the taxpayer, who will not be allowed to protest. This regulation is a negation of British democracy, and, in my opinion, is designed to protect the financial interests who are drawing such a heavy toll of interest through taxation from the people. Furthermore, it is the introduction of "Hitlerism," which the youth of Australia is fighting and dying to destroy.

Along with many fellow-electors, I desire you to exercise your responsibility to have this regulation repealed without delay. This matter is of such vital national importance that I demand that you take steps to have Parliament assembled immediately to

have this undemocratic and unpatriotic regulation repealed.

Yours faithfully,

If we intend to make a stand, we must make it NOW. Tomorrow may be too late. In Shakespeare's immortal words: "Once more unto the breach, dear friends, once more."

\* \* \*

[Quantities of the above letterform are available from The United Electors of Australia, 5th Floor, McEwan House, Little Collins St., Melbourne. Price, 1/6 per 100, post free.]

## Views and News

(Continued from page 1.)

(3KZ), a letter was read by the speaker:

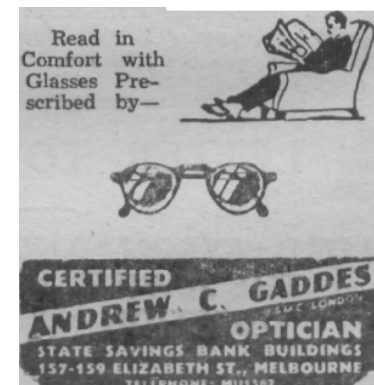
"Will you please send me a copy of the book, 'Victory Without Debt,' which was read over the Labor hour on Sunday last. With best wishes in the good work you are carrying on."

Reply: "We are posting you tonight a copy of the book, 'Our Struggle.'"

[Perhaps you don't get what you want under Socialism — you get what other people think is good for you. —Ed.]

MONDAY, 13th JANUARY.

Forty delegates, at a meeting of Australian Workers' Union, demanded expulsion of Mr. Curtin and members of Parliamentary ALP who supported the budget compromise.



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