

ON OTHER  
PAGES

Regulation 42 A.  
(Page 2.)

Elusive War  
Prosperity.  
(Page 4.)

Nat. Credit Debate  
Climax in W.A. Parl.  
(Page 7.)

# THE NEW TIMES

Vol. 7. No. 6. MELBOURNE, FRIDAY, FEB. 14, 1941.

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

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

Now, when the  
padlocks for our  
lips are forging

Silence is crime.

—Whittier (1807-1892).

## SHYLOCK'S APOLOGIA

### National Bank's Specious Pleading **HERE, THERE AND EVERYWHERE**

If any proof of the growing tide of public opinion in favour of financing public undertakings by the use of national credit is asked for, it is only necessary to point to the flood of bank advertisements and hostile propoganda, which appear so frequently in the daily press and other publications.

An article which appeared in the January (1941) "Monthly Summary," issued by the National Bank, is a typical example. Space considerations preclude detailed review, but some snippets from this rather slippery effusion may be informative and interesting. It is entitled, "Why Is Interest Charged?" and opens very shakily as follows:

"The practice of charging interest for the use of borrowed capital or money has the sanctions of ancient usage. There is evidence that it was known and provided for in times so distant that they lie beyond the dawn of history. Obviously, the practice must possess real utility; otherwise it would not have survived the upheavals and conquests of the many centuries since it was first established."

When the shipwrecked bank director was thrown up on a South Sea island, the cannibal chief looked him over with approval and reached for his club. "What right have you to slaughter me?" demanded the banker. "Ancient usage" and "real utility," replied the chief. "We finished off the new missionary three days ago, and I'm feeling a bit peckish."

"Ancient usage," could, of course, be claimed for many practices that the world today refuses to "sanction." Quite a number of ancient tyrants and others implicitly believed that the practice of murder had "real utility," especially when a rival appeared, but the criminal courts today do not accept "ancient usage" as a valid justification for murder, drunkenness or theft. Cannibalism, bear baiting, slavery and many other evils could all claim "ancient usage," but that did not prevent enlightened public opinion in civilised countries from sweeping them out of existence.

(It was the fear of enlightened public opinion that dictated the recent enactment of oppressive regulations to prevent the people from learning the truth about the evils of financing by means of public loans.)

#### OLD, OLD FALSITY

In the article under review, a good deal of space is devoted to setting out claims of justification for the practice of interest charges, but on these it is intended to offer little comment, except where public loans are concerned. In passing, it is desired to refer to a significant piece of attempted camouflage:

By emphasis and reiteration, it is made to appear that bank "lendings" come only from "savings" or deposits—the old, old falsity, that the banks lend out only money that has been deposited with them.

Not a word about banks lending many times the amount of legal tender they hold; not a whisper about bank creation of money to lend by simply making

an entry in a bank ledger! These practices, of course, are phases of the mysteries of finance into which common folk should not presume to enquire; but which, nevertheless, have a vital bearing on the welfare of individual people, and of the nation itself.

#### CART BEFORE HORSE

After spreading some preliminary smoke screens, an advance is made toward the main objective of the article. It proceeds: "The question has been asked in some quarters, 'Why should not the Government, by the exercise of its powers of

(Continued on page 6.)

### "DYING LIKE FLIES"

#### MEDICAL REGISTRAR INDICTS HOSPITALS' COMMISSION

In a startling statement made in Sydney on Wednesday of last week, Dr. D. G. Hamilton, Medical Registrar at the Children's Hospital, Sydney, exposed the causes—both natural and artificial—of the appalling mortality amongst child victims of whooping-cough.

"Children are dying like flies from whooping-cough, because the Hospitals' Commission will not give the Children's Hospital sufficient money to provide serum for treating the disease," Dr. Hamilton declared. Claiming that every child should be immunised against whooping cough, he added "that the Hospitals' Commission had ruled that hospitals were for the treatment of the sick and not for the prevention of diseases."

Dr Hamilton said that whooping-cough immunisation had been proved to be 75 per cent, efficient. He stressed the fact that ONE OUT OF EVERY THREE CHILDREN ADMITTED TO THE HOSPITAL DURING THE LAST SIX MONTHS HAD DIED, ONE OUT OF THREE WAS CURED, AND ONE OUT OF THREE WAS DISCHARGED AS RELIEVED. "But this is not the only tragedy associated with whooping-cough," he said, "It is the cause of more chronic chest complaints than any other disease of childhood. Many of the children we cannot admit but who are treated as out-patients will probably become chronic sufferers from chest complaints."

Apart from this tragic report and the ghastly records it exposes, we find that many of the children cannot be admitted to hospital for proper treatment because we haven't sufficient FUNDS to provide accommodation, equipment, etc. These little children will probably become chronic

"U.S. Programme Lagging. Aeroplane Output Delayed. New Drive Begins." Thus ran the headings on an article on American war production in the Melbourne "Age" of February 8. We have heard so much about this "new drive" in America over the past eighteen months that we are beginning to wonder just when it is about to start. The British Commonwealth of Nation is stated to be depending considerably on American production. We would be better advised to listen less to the promises of what will be done in America in the future—if we have a future—and to immediately alter the debt-and-taxation financial system which is hampering us from fully mobilising our own huge resources.

The American Congress is very agitated concerning "aid" for Bri-

tain. The question of financial assistance is becoming more and more important. I have put the following proposition concerning American-British relations to many people; I commend it to readers who may be discussing this matter with their associates: We are all agreed that Britain is fighting our fight; if any public person suggested that Australia should demand at the conclusion of the conflict that our assistance be assessed in financial terms, that this amount be charged as a debt against the British people, and, further, if they couldn't pay the principal they should be taxed to pay the interest—then that person would be hounded by an aroused public opinion. American apologists—as distinct from the real American people—are loud in their hypocritical cries that the flesh and blood of the common people of Britain alone stands between them and the "Nordic" maniac. They express their thanks to those magnificent people of Britain by offering to sell them assistance.) The assistance given by the Dominions to Britain is at least given. We still have some appreciation of real values.

The following extract from an American report on the Lend-Lease Bill is particularly interesting: "Close connection between the appointment of Mr. J. G. Winant, as the United States Ambassador for Britain, and the aims of the Lend-Lease Bill is seen by some quarters. The Washington correspondent of the 'New York Times' says the opinion prevails that President Roosevelt is convinced that the war is causing fundamental social changes in England, and desired that America's representative should be a man of Liberal mould, intimately acquainted with British Labor leaders, which Mr. Winant established in 1939 as American representative at the International Labor Office." There is no doubt about the social changes in Britain. Whether they are for the better is another matter. Most of the British Labor leaders, with whom Mr. Roosevelt is so keen on co-operating, are endeavouring to "Sovietise" Britain under the pretext of war emergencies. The International Labor Office has been a "key" organisation in distributing propoganda in favour of a new world international order similar to that advocated by the Federal Unionists.

I mentioned Mr. Wendell Willkie's visit to Britain in these notes last week, and pointed out that he was apparently representing interests closely connected with the Jewish Wall Street group. The report that he was there to gather "specific information," and that his first call was on Mr. Montagu Norman,

(Continued on page 5.)

(Continued on page 8.)

## REGULATION 42A

(A Broadcast from 7HO on February 2, by  
JAMES GUTHRIE, B.Sc.)

Many times during the past year I have criticised the Federal Government's financial policy. I have done so because I believe that a nation that fights with antiquated weapons is exposing its troops and its entire population to hardships and sacrifices which are not only unnecessary, but will, before long, lead to dissatisfaction and bitterness which will undermine the nation's war effort.

The financial methods used by the present Government are antiquated, and the present Government knows that they are antiquated. It is apparently powerless to do anything about it, but if the community were to apply pressure on the Government to use up-to-date and scientific methods to prosecute the war, I believe the Government would be forced to yield to pressure, and would be very pleased to yield to pressure. But unless that pressure is applied, the Government will be tied to that tragic monster which has crippled so many powerful nations - Debt Finance.

### VITAL TO ALL

The manner in which the money of this country is controlled is of vital importance to all of us. If the money of this country is controlled in a wise and proper manner, it can be used to keep the prices of foodstuffs and other commodities from rising. That would prevent strikes and discontent, and would profit all those who cannot obtain an increase in their incomes. In other words, it would be the greatest constructive piece of statesmanship possible in a country, which is bracing itself for a war of three or four years.

We know that most of the money to finance the war does not yet exist, either in the pockets of the people or in the "tills" of the banks, but is created out of nothing as the war proceeds. It is mostly created by the private banks by writing cheques on themselves; that's how it was done in the last war; that's how it has been done ever since. This means that most of the war loans must, of necessity, be subscribed to by the financial institutions.

Because of this method of financing national works, our efforts are held up. Not only have we to find money to pay the banks' interest on the loans raised in the last war, and on the Government loans raised since the last war, but the whole of private industry, the munitions industry and the primary producers have got to find huge amounts of money to pay interest on the funds necessary to carry on. The first result of this is that everything we buy is at a ridiculously high price; the primary producers are very dissatisfied and many are walking off their farms.

These things are entirely unnecessary, and no man who has any love for his country wishes them to continue. We can only stop them by public criticism designed to make men bring pressure to bear on their members of Parliament, where the final authority lies. That is how all great reforms have been introduced—by pressure of public opinion on individual Members of Parliament, and there is no other way open to us.

### DEMOCRACY UNDERMINED.

Yet, according to the new emergency Regulation No. 42A, I shall not be permitted to discuss in any way the financial policy of the Government, either in public

or in private. If I write to my Member of Parliament complaining about the destruction of business by the new taxes I shall be liable to be arrested. I shall be forced to stand by and watch the land and property and business of this country gradually slide into the hands of a few men and shall be unable to say a word.

Nobody knows who originated this regulation; all we know is that it was not sanctioned by Parliament and not desired by anybody I know of, not even by some members of the "United Australia" Party. I don't believe even Mr. Menzies and Mr. Fadden really wanted it. I believe it was forced on them from abroad.

This new Regulation would require a huge secret service to police it. This new Regulation is neither just nor reasonable, and it will cause a great deal of trouble; and, like all unnecessary and unnatural laws, will bring the law into disrespect. When a law comes into conflict with men's consciences, that law must go. There is no alternative to that, except coercion by brute force.

**We arrive at a point where we introduce into our own country the very things we are supposed to be fighting.**

The Prime Minister (Mr. Menzies), referring to this very fact, said: "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 very thing we are fighting for—individual freedom."

## STRIKE A BLOW FOR FREEDOM!

### FLOOD MEMBERS OF PARLIAMENT WITH THE FOLLOWING DEMAND:

.....M.H.R.,  
Canberra, A.C.T.

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,

Address .....

**Obtain your supplies of the above letterform from The United Electors of Australia, 5th Floor, McEwan House, Little Collins Street, Melbourne. Price, 1/6 per hundred, post-free.**

No one could improve on that statement. But, unfortunately it is only a statement. The air is full of such statements. But while these high-sounding statements in praise of democratic ideas are being made, we see the whole basis of democracy being shot away from under our feet.

### WRITE TO YOUR M.P.

I consider Regulation 42A one of the biggest blows ever aimed at British democratic ideas; and I would strongly urge all those who have been working to obtain a reasonable financial policy in this country to get in touch with their Federal Member and ask him to take immediate action to have the financial clauses of Regulation 42A repealed.

Many people complain bitterly at the gradual loss of their liberties, but I am afraid a great many people have become so apathetic that the sending of a letter to their Member of Parliament is far too much trouble, and, strangely enough, the same people will complain that their Member never does anything they want him to. Surely it is only reasonable, if you want a person to do something, to tell him what you want done. How else can our Parliamentary system of Government function properly?

There is an idea held by many people that the present burden of ever-growing debt and taxation is a system that works automatically, something that must go on until it bursts with its own weight. Such is far from being the case; the present financial arrangements are not automatic, but, on the contrary, the taxes and debts, which are inflicted upon us, are deliberate acts of men, and not the automatic action of a machine or a system.

The Parliamentarians who impose the debts and taxes upon us may be unconscious dummies, suitably mesmerised by expensive and sustained propaganda, but let one of them deviate from the path made for him by the master crooks and things happen very quickly. That is a matter of history.

### NECESSARY CHANGES.

I suggest that in order to allow this country to exploit its

full resources of men and materials, and to avoid discontent among the population, the following financial proposals are necessary;

1. That all the credits created by the banks should carry a small initial charge of ½ percent, and no further interest be paid. These credits to be made available for all war work and for primary producers,
2. The small sums subscribed by private individuals to war loans be paid interest at 3½ per cent.
3. All extra war taxation to be looked upon as a war loan from the taxpayers, and to carry an interest rate of 3½ per cent, and to be repaid to the taxpayer after the war.
4. That the sales tax be abolished, and prices maintained at the present level, by Government subsidies if need be.
5. That the bases of price-fixing be reorganised and placed in the hands of a competent businessman.
6. That the Government accepts responsibility for small businesses ruined by the new taxes.

The financial methods by which Australia is now trying to prosecute the war were out of date before I was born. They can only lead to suffering, tragedy and disorganisation of the life of the community.

The present financial policies of debt and taxation are clumsy and brutal methods, which should take their place as museum pieces alongside the rack and the thumbscrew. There is too much secrecy and too much dishonest talk concerning all the financial arrangements of the Government. A financial policy that relies on the ignorance of the people for its maintenance must have something seriously wrong with it. Surely this is not the atmosphere in which a great nation should fight for liberty.

## "LET US NOT DECEIVE OURSELVES"

"Let us not think that Germany and Italy are the awful examples of some unaccountable national aberration, from which we Australians, with our healthy minds, are for ever secure. In all countries, all over the world, there are masses of people who are only too ready to be weary of the long up-hill journey of civilisation; who want to give their easily tired intellects a rest, and fall back on their instincts. After all, brute force is a thing we can all understand; there is no subtlety about it, nothing to put a strain on one's mind; it is much easier to sock your opponent on the jaw than to argue with him. It is a long and difficult business to decide for oneself what is right and what is just; how much simpler to let someone else fix our standards for us!...

"I dream of an Australia that will put all such, temptations aside; that will remain loyal to right reason though all the world betrays it; that will work for the diffusion of intelligence and goodwill and the building of the City of God."

—Walter Murdoch, in "Lucid Intervals."

## WAR EFFORT? WHEN DO WE START?

(By SIMPLE SIMON.)

**I'm afraid I've been neglecting you lately. But the fact is, I've been doin' a bit o' quiet meditation on the effect of truth on a delicate constitution—I mean the Australian constitution, of course.**

I was very subdued, I can tell you, like as if I'd been biffed on the bean with a pick-andle. I'm talkin' about Section 42A, as you might guess—if you're a good guesser. Like the man in the shell-'ole, I feel like complainin' as much about the way we get it as about the thing we get, except there's a kind of overdone casualness about it all.

It certainly appears we can no longer tolerate the sabotage of those who've still got their eye on the workers' welfare, and who are worried because the Government seems determined to drum into us that it isn't so much a matter of produc'in' things for the war as of cheatin' the people who produce the things.

To get at these simple souls who believe you can make things more contentedly while you're not bein' swindled than while you are, the Government lets out a roar about these Jehosophat jokers which fair beats the roar of the elephant goin' into the ark, who was crook on the way the flea was shovin'. Then, right at the end, so's *the* mugs won't notice it, there's a snarl at the people who've discovered that the bankers aren't God's regents on earth, after all.

So any breath against the Government's financial arrangements, which are the bankers' financial arrangements, will be regarded as an act of sabotage of our war effort. Well, I s'pose we must allow these precious representatives to know something, and if there's one thing they ought to know, it's the probable effect of truth on our social works.

### WHEN THE PEOPLE WAKE UP.

Once let the people realise that Bill Brown, who hung himself by his braces, and Ma Jones, who stuck her head in the gas oven, and Jack Robinson, who found it easier to slit the throats of his family than to provide for them, did all these things when suffering from a lucid interval instead o' bein' of unsound mind, as the coroner suggested, once let the people realise that there's only two kinds o' money in the argument: The money the King is supposed to make on the strength of the things produced by the people, and the kind we actually get, which is manufactured by bankers on the strength o' the same assets, and claimed by 'em as their property, mind yer; once let the people realise these things, I say, and you'll never 'ave a world safe for counterfeiters.

Not only that, but it would be the end o' World Federation; because how could Federation work without an international currency the people 'ad no say in? How would you prevent the people from armin' themselves and goin' on a hunt for the arch-liars o' creation?

They've simply got to sell us Federation—Federation for the benefit o' you an' me, of course, an' not for the protection of international bankin'. Most thoughtful of 'em. Almost as convincin' as Shylock an' doomed to some-think like the same end I sh'd say.

I don't know how well up in 'istory our politicians are; in fact, I don't know how well up in anything they are, except 'oldln' on to their job. Now I come to think of it, they've got about the only job where no qualifications are asked for. But in times when history gets a wriggle on, politicians are liable to come a buster on their own regulations, like

that chap Robespierre and a good many others in the French Revolution.

One o' these times, when the people wake up to the fact that the only way to beat Hitlerism is to use everything we've got, an' that we can't do that if someone on top is stoppin' us by allowin' the financial 'eads to pinch the nation's credit an' sell it back to the people in little parcels, it's not goin' to be so good for the "yes" men.

### NO "SOOLING" NEEDED.

We don't want any soolin' on; we only want to be allowed to clean up the mess we've lobbed into, in the best way we've got; and we can't do it while we've got untouched resources an' swarms o' men itchin' to get at 'em, to build factories an' planes an' ships; to exploit our fuel an' to train an' develop every man for a real effort. The man who says we've got to hunt gold nuggets first is a noodle, and as for the bloke who says we've got to buy figures someone 'as invented—well, 'e's a certifiable fifth-columnist in my opinion. I know where I'd start 'untin' if I

## FEDERAL UNION — BY HOOK OR BY CROOK

By MARY H. GRAY.

**It is not good to be over-suspicious, but the gyrations of Mr. Wendell Willkie on the world stage are, at the moment, so much in the news as to make one wonder what game he is playing.**

His whirlwind inspection of Great Britain and her defences completed, Mr. Willkie gives the British people a condescending pat on the back, declaring, to quote the "Sunday Express," that "he has discovered enough of British fortitude, self-reliance and selfless devotion to righteousness, to convince him that the British character will always be above, par. "British character," he says, "not sterling, is the best security for the war material the United States is sending."

This sounds like high-flown nonsense—the British character better than Bank of England bonds! Yet, if Wendell Willkie is the mouthpiece of High Finance, that is precisely its meaning. If Britain is blown to smithereens, British bonds would be so much waste paper; but if her people are determined to sit tight on their little island, Britain is "good" for whatever war material the United States may deliver under the Lend-or-Lease Bill. "Good" in the sense that being a grand debtor to the United States the latter will have a large finger in the post-war reconstruction pie as a quid pro quo. "Good" in that Britain will be amenable to plans for Federal Union, which will then be put over her by American Financial interests. Pawning the national character in this way to High Finance seems a novel idea—although we remember a certain Dr. Faustus who sold his soul to the Devil!

Mr. Willkie makes no secret of the purpose of his mission. He scatters abroad his ideas of what he calls the "New Brotherhood," — Federal Union in its latest and

wanted to find the blokes who were bungin' up the war effort. I'd go after the coves who're obviously bungin' it up on a big scale. And I certainly wouldn't sneak in on tiptoe in the dead o' night to lay a dirty little regulation on the table in the 'opes it wouldn't be spotted until I wanted to use it.

As for the tiddley-winkers, why, if you was to muster all the small fry who love Berlin's looney little liberty-hater, in Flinders Street any evening at five o'clock, they wouldn't even stop the fluffiest little typist from catchin' 'er train home.

The rank an' file aren't tryin' to stop the bloomin' war effort. They're tryin' to start it. If they're tryin' to stop anythin', they're tryin' to stop their ears against the boloney bein' dinned into 'em that they musn't be so naughty as to expect plenty to eat while there's food goin' ter waste. Because somebody's thinkin' of doin' things—by an' by, if we all behave ourselves an' don't make a noise while the Cabinet's doin' its nasty sums.

The only sign o' totalitarianism I've ever spotted is among the leaders who're always preachin' about democracy; the jokers who tell Parliament to take a long vacation while they get busy in a quiet way with a few regulations that ought to do the trick. And I don't like the insinuation that those who want to do every necessary thing to win the war without being humbugged and hindered, are bad Australians and will have to stop talking or someone will want to know why.

I've always found that the man who has to persuade people by argument will, in the long run, get nowhere if he is a fool. He's not worth watching. The man to keep your eye on is the one who is driven to "persuade" people by force. He's not my friend, nor yours either. He's a Hun.

## UNITED DEMOCRATS' REPORT

From Headquarters, 17 Weymouth Street, Adelaide.

An army marches on its stomach, but the movement for Victory without Debt advances by means of the literature it distributes. The more literature, the more enlightenment, the greater advance. We have now full stocks of the Barclay-Smith books, "The Answer to Tax Slavery" and "Victory Without Debt," both at 1/- each; dozen or half-dozen lots at wholesale price. On the subject of International Finance and the war we have Eric Butler's booklets, "The Money Power Versus Democracy," 9d; "The War Behind the War," 3d; and a limited number of "The World Government Plot Exposed," 6d (now out of print). We have also standard books on the money question, such as Stanley Allen's "Money," 1/-; D. J. Amos' "Story of the Commonwealth Bank," 1/-; as well as a number of other books and pamphlets, indispensable to a proper understanding of the money system under which we groan, and which point the way out of its bondage. If you cannot call at headquarters, write to us for whatever you want; postage on books is not costly.

Many of you know people who, while not attached to our movement, are yet more or less alive to the need for some change in the economic system. If these people were contacted in some way they might be induced to take a livelier interest in our ideas. If you would send us the addresses of any such possible contacts, we would be glad to send them pamphlets and other literature which might further increase their curiosity and interest. The literature could be sent anonymously, if desired.

Signatures on Defence-Without-Debt demand forms are still coming in, and are being forwarded to representatives in Parliament. Mr. L. J. Couch, of Stansbury, deserves special mention for having again sent in a large number of signed forms.

**Date of next monthly meeting:** Keep in mind Saturday, March 1 as the date of our next monthly meeting. There will probably be a speaker; his name will be announced next week.

—Mary H. Gray, Hon. Secretary.

## OBITUARY

Mr. Arthur Dix, of Lindisfarne, Hobart, died at his home on February 2. Mr. Dix had been suffering ill health for quite a long time, and during the last few months his distress made it apparent that his illness was serious. Nevertheless, the end came suddenly and as a shock to his friends. The late Mr. Dix is survived by a wife and daughter, to whom go our heartfelt sympathies. Mr. Dix was one of the originators of the Social Credit Movement in Tasmania, and was well known throughout the State as a valiant fighter for the cause of individual liberty. But of recent years, because of ill health, he had to gradually relinquish much of his former activity. But even up to the last he still played a part. Let us salute the passing of a friend who believed his beliefs deeply and sincerely, and who fought and paid for those beliefs. His memory lives as a constant reminder to those who still have to complete the task he started.

# 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.

Published every Friday by New Times Ltd., McEwan House, Elizabeth and Little Collins Street, Melbourne, C.I. Postal Address: Box 1226 G.P.O., Melbourne. Telephone: MU2834.

Vol. 7.

FRIDAY, FEBRUARY 14, 1941.

No. 6.

## ELUSIVE WAR PROSPERITY

When the war began, there were many who expected a measure of prosperity greater than that experienced during 1914-1918.

To a large extent, they have been disappointed. It is true that large and powerful monopolies (such as B.H.P.), are certainly faring very well, that some smaller firms are picking up the few crumbs left by the monopolies, and that some of the workers not previously employed have found jobs or joined the fighting forces.

But very many manufacturing concerns have not experienced the anticipated frantic demand, unemployment is still very considerable, and the man on the land has come to doubt whether prosperity ever was even round the corner—all of which is reflected in the lengthening face of the average retailer. (Even a cross-section of Melbourne retailers, when interviewed by a "New Times" representative the other day, were almost uniformly gloomy. The predicament of many country storekeepers is, of course, vastly worse: often hopeless.)

Furthermore, the workers, like the rest of the community, are faced with an ever-increasing cost of living and crippling taxation, but have been denied an appropriate adjustment of the basic wage.

To the impartial student of the financial policy being pursued by the bankers and their parliamentary puppets, these things occasion no surprise. The basis of this policy seems to be a determination that the general public shall not witness a demonstration of the physical possibility of waging war on the present scale and enjoying considerable prosperity at the same time.

Such a demonstration was given in Great Britain during the last war, and the "powers that be" quite naturally fear that if the performance were repeated, John Citizen would fully and finally realise the amazing productive capacity of modern industry and agriculture. If he did, he might also insistently demand appropriate peacetime standards of economic freedom and security—and utterly decline to be fobbed off on any pretext whatsoever. Of course, such demands could only be satisfied by departing from the sacred precepts of orthodox finance and wresting the power they now wield from the big bankers. Hence the prevailing financial policy.

## SAD, STRANGE WORLD

"CANBERRA, Wednesday. — A big rise in the birthrate has followed the increase in marriages since the war began. The Federal Department of Statistics announced today that births in the three months ended September 30 totalled 32,627, an increase of 1,353 on the corresponding quarter of 1939. The increase in the last quarter of 1940 is believed to have been much greater, but figures are not yet available. Marriages in the last quarter of 1939 totalled 14,026, an increase of more than 800 on the last quarter of 1938. A big proportion of the bridegrooms were soldiers, sailors, and airmen."—Sydney "Daily Telegraph," Feb. 6.

The declaration of war on the military fronts brought with it another form of tragedy on the economic fronts. New vistas for the creation and investment of money by the money-controllers opened up, and millions upon millions of this elusive quantity—which "couldn't be found" in peacetime—came into being almost overnight. This new money was created by PRIVATE INDIVIDUALS through the PRIVATE BANKING SYSTEM, ON THEIR OWN TERMS, which means that we, the people, have to pay, not only physically for the new production (civil or military) which it represents, but also for the money itself—plus the overwhelming and perpetual interest thereon, TO THOSE PRIVATE INDIVIDUALS!

War conditions produce some strange phenomena; chief of which—at least to those who have never stopped to study money—is the fact that money CAN be found. The power of money can start or stop wars; it can give life and it can take life; it can make or break, build or destroy.

War has aptly been described as the "safety-valve of the present system."

The circulation of new money for capital production subsidises the purchase of consumable production. Millions of men find an assured, if only temporary, modicum of economic security, of which in times of peace there was little or no guarantee. The unemployment scandal loses some of its stigma. What once was regarded as "waste" and "surplus" (in both men and materials) becomes a valuable asset. Men who were forced to eke out a miserable existence on 7/6 per week are allotted that amount per day—plus other allowances to now ensure their health and strength. Perhaps it is not so strange that those who control the money supply recognise these "forgotten men" NOW. There is a profitable field for investment in war—"the great consumer." And now we have great increases in marriages and births.

Even Nature is given a helping hand by the power that rests in money. Whilst at the same time, men, women, and children are feverishly engaged in producing materials for human destruction. With money-power, AND THOSE WHO CONTROL IT, lies the responsibility

## SHAPE OF THINGS TO COME

Most of us are in agreement these days that there must be a great change in the present order of things, although just what form that change will take is something that is still very hazy in some minds. Our so-called national leaders, however, in their determination to see that we are properly "led," have shown us the way by putting forward various schemes for us to follow, all of which have a distressing similarity. In fact, it would be extremely difficult to recall a previous occasion when the leaders of the various Governments of the world have been in such complete accord on such a ticklish problem.

The latest contribution to the wealth of suggested "World Orders" that is being poured out for us to choose from comes from Mr. Josephus Daniels, America's Ambassador to Mexico City. Besides telling us that we must have a new World Order, he insists, among other things that (point 8): "There will be no standing armies, great navies or militarised aircraft, but merely an International Police Force sufficient to preserve peace."

Our leaders, it would seem, cannot get away from the idea of any sort of World Order that is not maintained and "policed" by an armed force. This idea of an International Police Force, strangely enough, is the objective of such diverse bodies as the Communists, the big Labour leaders, and even the international bankers. Such perfect harmony of ideals must surely be most gratifying to these "bitterest of enemies." But don't let this thing fool you; this "police force" they are so keen on giving you isn't going to be like the cop-on-the-beat sort of police force you have now. None of your benevolent silver-buttoned P.C.'s here, pointing out the way to the best spot for a "quick-un," or chiding errant motorists. In his book, "Ends and Means," Mr. Aldous Huxley goes into this question:

"First, we must point out that the phrase 'International Police Force' is completely misleading. Police action against an individual criminal is radically different from action by a nation or a group of nations against a national criminal. The police act with the maximum of precision; they go out and arrest the guilty person. Nations and groups of nations act through their armed forces, which can only act with the maximum of imprecision, killing, maiming, starving, and ruining millions of human beings, the overwhelming majority of whom have committed no crime of any sort. The process which all self-righteous militarists, from plain jingo to sanctionist and international policemen, describe as 'punishing a guilty nation,' consists of mangling and murdering innumerable innocent individuals. To draw analogies between an army and a police force, between war (however 'righteous' its aim) and the prevention of crime is utterly misleading. An 'International Police Force' is

ity for the state of the world today. Only in one respect are the common people to blame; they have not yet reclaimed their right to issue and control their own money supplies through their own representatives. Only when they do this, and not before, will they be in a position to dictate their own policy; to choose between peace and war, security and insecurity, love and hate, life and death.

Money, in one form or another, is possibly the most common "utility" in the world, yet the least understood. Today, in the hands of a private monopoly, it plays its part in raining death and destruction upon the world's great nations. Tomorrow—the tomorrow for which all decent, thinking people are striving—it will be the key to peace and human welfare, not only in the British Empire, but throughout the re-born world.

—"Scissors."

not a police force and those who call it by that name are trying, consciously or unconsciously to deceive the public. What they assimilate to the, on the whole, beneficent policeman, is in fact an army and air force equipped to slaughter and destroy. We shall never learn to think correctly unless we call things by their proper names. The International Police Force, if it were ever constituted, would not be a police force; it would be a force for perpetrating indiscriminate massacres. If you approve of indiscriminate massacres, then you must say so. You have no right to deceive the unwary by calling your massacre force by the same name as the force which controls traffic and arrests burglars."

\* \* \*

Which precisely explains what an International Police Force is, when looked at from the absolutely unbiassed point of view. Any military action by fully armed and equipped soldiery against unarmed civilians, or even partially armed individuals, would be termed, and rightly so, a massacre; and there is no reason whatsoever to suppose that any group opposing the dictates of a "Federal Union" Government, would not be in exactly the same position. If the police force is to be an army, then police action by that force can only be carried out in the prescribed traditional manner, which consists of complete obliteration of the opposing force in as short time and effective a manner as possible. An International Police Force would not merely "police", it would also subjugate and control, and would be the power behind the "throne." It would simply be the new "legion" that would appoint the new Caesars, giving its support to that particular leader who commanded its greatest devotion. Until we get away from this idea of ruling, or conducting our international relationships by means of an armed force, by whatever name we care to call it, then any new World Order we may plan now will be worse than the already existing order.

—ALBERT FAWCETT.

## Bendigo Notes

Readers in Bendigo and district are asked to watch these columns for the announcement of the date of Eric Butler's visit. Eric is to give an address in the Memorial Hall in the near future.

Persons desirous of assisting local activities may leave donations at Mr. Gordon Hampton's news agency, Mitchell-street.

Copies of letterforms dealing with the National Security Regulation are obtainable from the secretary, J. J. Jordan, 35 Stewart-street.



## NEWS AND VIEWS

## Here, There and Everywhere

(Continued from page 1.)

**Monday, February 3.**

For varieties of apples and pears excluded from marketing under the acquisition scheme this season, growers will be paid compensation of 1/- a tree for apples and 1/6 for pears.

(How funny! They never think of paying compensation to the retailers of fruit in return for reductions in prices.)

Mr. Beasley, M.H.R., and Mr. Lang, M.L.A., at a conference of the N.S.W. Non-Communist Labor Party, made strong appeals for unity, as there may be a general election. It was declared that the growth of monopoly and money power and fear of competition after the war between another line of Commonwealth ships and private ship-owners were two things against 100 per cent, war effort.

Lines along which post-war reconstruction in Europe will be undertaken are of vital interest to the Dominions, states the "Manchester Guardian," in its annual trade review. The journal says that it will not be easy to re-establish ideas of the Ottawa conference. The British Empire is not big enough to provide adequate markets for Canadian wheat, for Australian wool, or for new factory production brought into existence by the war.

The United States, the "Guardian" says, will have much to say about the form of the post-war settlement, and will certainly throw its whole weight into the scales against further developments of preferential trading. This will not necessarily mean the abandonment of Imperial preference, but there must be some modification of international trade if the Dominions are going fully to develop their potentialities. The main reason for the failure of the League of Nations and other bodies to induce nations to break down barriers before the war was probably the underlying assumption that world demand was inelastic, and it was necessary to

preserve every avenue of employment for its own nationals. Economic problems must be approached from an entirely different standpoint after the war. Progressive improvement in standards of living should be regarded as the principal purpose of economic policy.

Strong support from small investors and from non-taxable bodies, such as friendly societies, provident funds, charitable and religious organisations, is expected for the Grain Elevators' Board 3½ per cent loan. The loan is underwritten by J. B. "Were & Son. Tuesday, February 4.

A deputation of Labor politicians made complaints to Mr. Spender, Army Minister. Mr. Beasley, M.H.R., said it was feared that an instinctive bias operated in the Army Department against recommendations for appointments, promotions, etc., made by Labor members. Appointment of Major De Groot, formerly a leading member of the New Guard, to an important position in the Army transport section had increased these misgivings. Men other than Major De Groot, who had been prominent in the New Guard, were now occupying high Army posts. Friday, 7th.

Australia's national debt had reached £1,393,776,091, according to latest Treasury returns. Owed in Australia, £791,697,806. Owed in Britain, £558,333,705. Owed in New York, £43,744,580. Annual interest liability at 31/12/1940 was £46,968,000—just over £6 a head a year, on just under £200 a head of the population.

Loan expenditure in the first 16 months of the war, £93,239,397. Internal, £75,329,397; overseas, £17,900,000.

Loan expenditure on 1914-18 wars was £327,000,000.

Saturday, 8th. No increase in basic wage. The President of the A.C.T.U., Mr. A. (Continued on page 6.)

Governor of the Bank of England, was a very good indication of the real purpose of his visit. The following appeared in the Sydney "Telegraph" of February 3, and is further evidence of the treasonable plot to destroy the British Empire: "Willkie advocates Anglo-U.S. union. London, Sunday.—An economic and social union between Britain and America will be advocated by Mr. Wendell Willkie when he returns to the United States from London. He will urge the abolition of all immigration barriers between the two nations. . . . He announced his intention to advocate these revolutionary changes in an interview today, adding: 'I deem it my duty to advise America to go hand in hand with the rest of the English-speaking world, so that we may establish a new and abiding world order.'"

The truth about America's war effort continues to trickle through the censorship, and the ballyhoo, as witnessed by the following report from the Sydney "Sun": "The Secretary for War (Mr. H. L. Stimson) told the Senate Foreign Affairs Committee that the army possesses only 650 combat planes of all types, none of which measured up to European standards, states the Washington correspondent of the 'New York Herald-Tribune.'"

I have always regarded Mr. F. E. Baume, the Jewish European Correspondent for "Truth," with grave misgivings. However, apparently even he is forced to admit that American "assistance" should be more closely examined. The following extract is taken from his front-page article in "Truth" of February 2: "In the lull before the battle of destiny

England has become too American-conscious. All sections of the press fill columns with details of American-promised war help, while in the streets, clubs, bars and everywhere people are talking about how we will win this war—when America does this, or that. That is an unhealthy sign and is unnecessary. Adequate propaganda from highest British Government quarters could at least prevent the conception that only American assistance can win the war. Here again the almost hysterical newspaper attitude omits the cold fact of great Empire co-operation, and builds a new Maginot line of thought on whatever discussions go on in the Senate Relations Committee. . . . A completely wrong impression is given often about the numbers of American 'planes arriving in Britain, people forgetting, in the great surge of 'Gimme,' that the peak figures in prospect do not mean that promises have been fulfilled in cold fact. . . . I believe that the most important aspect of this new 'America will save us' cry is that the public are shelving legitimate fears and criticism"

The British people must save themselves. The men of Dunkirk demonstrated the fact that neither Federal Union, promised American help or centralised control could save them; they asserted their own initiative. Readers will might re-read the splendid article, "Grounds For Good Hope," which appeared in these columns late last year.

Mr. Spender recently informed Australian soldiers in the Middle East that they would be given a "fair go" at the conclusion of the war. Mr. Spender's words had a

(Continued on page 8.)

**A BOOK YOU MUST READ****"THE MONEY POWER VERSUS DEMOCRACY"**

By ERIC D. BUTLER. Price, 10d, posted

This is the first really comprehensive book of its kind in Australia. In forty-eight pages, the author has crystallised the philosophy, history and application of democratic principles. A handbook with a chapter on every aspect of the case for political and economic democracy. Some of the chapters are :

**THE PRESENT CRISIS**

An analysis of the clash between opposing forces. The individual versus the institution.

**THE MONEY POWER**

A list of outstanding quotations on the Money Power from the early Greek civilisation. Valuable for reference purposes.

**THE PARTY SYSTEM EXPOSED**

A damning indictment and exposure of Party politics. Reveals the undemocratic machinations of the Party machines and how they are used by the Money Power.

**THE ELECTORAL CAMPAIGN**

A comprehensive statement of every aspect of the Electoral Campaign and its application.

**THE INDIVIDUAL VERSUS THE STATE**

A clear, well-reasoned exposition of one of the most important questions confronting civilisation to-day. Includes a splendid article from a German opposition paper, written before the outbreak of war.

**HISTORY VINDICATES DEMOCRACY**

Covers the historical growth of the democratic principle—particularly in Great Britain.

Apart from the above, Mr. Butler has dealt with the growth and history of the Electoral Campaign. The story of the famous Pink-Slip Strike in America is most interesting. In the chapter, "Britain Experiments With Democracy," he outlines what has been accomplished by the Electoral Campaign in Britain—such as the very successful Lower Rates Campaign. A chapter on Canada outlines the struggle in Alberta and the attitude and action of the Federal Government, acting on behalf of the Money Power.

The last part of the book deals in detail with the growth of the Electoral Campaign in Australia. The history of the now-famous Anti-National-Insurance Campaign is given in some detail; also the Campaign against the Commonwealth Bank Act Amendment Bill. The Conclusion is an appeal for individual action to save Democracy, and suggests a demand letter to be sent to Members of Parliament.

This book should have a tremendous sale; it fills a very real gap in Australian political and economic literature.

**Order your copies now from "The New Times," Box 1226, G.P.O., Melb.**

## SHYLOCK'S APOLOGIA

(Continued from page 1.)

control over currency and credit, raise loans or obtain money free of any interest charge? This question is answered, by implication, in the previous paragraphs; the Government does not require money, but goods and services. It needs to acquire various assets and resources from the people who possess them." Evidently, the writer thinks he can negotiate an awkward corner by the expedient of putting the cart before the horse. If the Government does not require MONEY, why call for loans of money to finance projects—war, for instance? If the Government requires, say, machine-guns or 50,000 pairs of military boots, is not provision of money the prime necessity in order to call these things into existence? The Government, at any rate, thinks so, and the manufacturers seem to think likewise.

### "SAFE MARGIN"

The article continues: "... Central Bank credit can be, and actually is, being utilised to a limited extent, but if the safe margin is overstepped the results are disastrous. The difficulty is to define the limits of safety; consequently it is essential to keep well within the margin. Interest places a necessary check on borrowing—both public and private. No amount of Governmental borrowing would be considered too large or as involving risk of default unless it resulted in increased charges for interest. Interest is necessary to restrain what would become insatiable demands for goods."

The implication conveyed by the reference to Central Bank credit seems to be that while private banks can determine the "safe margin," the Central Bank hasn't the ability to do so. This must be dismissed as too puerile to merit consideration.

### INTERESTING ADMISSION

The admission that the effect of interest charges is restraint of "what would become insatiable demands for goods" should attract the serious attention of electors generally. Wouldn't it be just too bad if as a result of "insatiable demands for goods" new industries were started, factories running full time, prosperity widespread, and unemployment and poverty almost non-existent? Surely an insatiable demand for goods would be the answer to the prayers of employers, workmen, bankrupt farmers, statesmen and others, but so long as the incubus of the present financial system remains, their prayers will be hopeless.

### CONTRAST

A striking contrast to the "Shylock" tone of this bankers' screed was given in the London "Economist" (a recognised "orthodox finance" publication) on January 27th, 1940, when, with reference to financing the war, it stated: "... the community, represented by the Exchequer, would be entitled to require that the rate of interest should be no more than the cost of handling the funds—say, 1 per cent, per annum." (In these discussions, the levying of such a small bank charge for "handling" cost is regarded by most monetary reformers as both just and reasonable.)

### FAR-FETCHED

Later on, a somewhat far-fetched suggestion in support of interest charges is put forward in the "Monthly Summary." It states: "One factor is common to all ordinary business transactions—namely, that value must be given for value. If the Commonwealth Bank provided interest-free credit to Governments it would receive non-interest bear-

ing stock, or bonds of equal amount, payable at some future time, in return. . . . So those bonds could be sold only at a discount. . . . In this way, if in no other, interest would make its appearance."

Whether the Commonwealth Bank would deem it necessary to sell this non-speculative stock or simply hold it, or whether interest would thus be involved, are matters that space prevents discussion of here.

### VALUE FOR VALUE?

Reference to the "value for value" factor here is rather surprising, and prompts a pertinent enquiry, which is—"What value has been returned to the nation by the financial institutions for the privileges they hold? The banks have usurped the Government's prerogative of the creation of credit-money. When a manufacturer makes use of the patent processes of another manufacturer, he has to pay appropriate royalty. The enormous value of the privilege the banks have taken (without even a thank-you) are reflected in immense wealth, influence, palatial buildings, and solid reserve funds. What value has the nation received in return? The return has been a crushing and crippling load of interest charges, financial bondage, and business, industrial and national insecurity. When an awakened nation gives serious consideration to financial problems, suggestions of "value for value" will be as unwelcome to financial institutions as an address on pig raising in a synagogue.

—"Stirrem."

## "GOAT-SHEDS AND DOG KENNELS"

This is what we learn from a report, entitled "Lithgow Housing Danger," which appeared in the Sydney "Daily telegraph," of February 6:—

"Lithgow residents are living in patched-up houses formerly inhabited by tramps, goats, and fowls. Boarding houses are packed full. In one, at least, men of the night shift are sleeping in beds vacated by day shift men. One boarding house with only three bedrooms is accommodating 23 boarders. The housing position is becoming so bad that local health officers fear a serious epidemic. Mrs. Black, wife of the Housing Committee president, said: 'it's the joke of the town that Bill, as president, can't find a house for us. We've been in this one three years, but now the owner wants to come in. This is a better cottage than most, but the washtubs and the bath are in the kitchen. You can sit in the bath and toast bread at the stove at the same time. There's a house at Oakey Park where goats and fowls used to live. Now it's got doors and windows, and human inhabitants. At the Vale of Clwydd some people are living in sheds without baths or proper sanitation. There are nearly 100 people camping on the new municipal reserve. One woman has been living in a tent with six children—one of them a very young baby. The tent was blown down in a storm a couple of nights ago, and they spent the rest of the night without shelter.' Mrs. Black also said that there was a man living with his wife and two children in the engine room on top of a disused mine shaft.

"A doctor said: 'If we have an epidemic, it will sweep through this town like a bushfire. All the Commonwealth Government has done to improve housing is

## News and Views

(Continued from page 5.)

E. Monk, said that a severe reduction in living standards had been brought about by increased Federal taxation, together with a reduction in purchasing power through the sales tax, excise duties and other forms of indirect taxation on commodities.

The secretary of the Fibrous Plasterers' Union, Mr. D. Lovegrove, said building tools had increased in prices. Hammers and rules had increased by 23 per cent. When existing stocks of imported tools were exhausted further drastic increases in prices were inevitable.

Judge O'Mara said: "Generally, public companies in secondary industries did continue to earn profits and put aside reserves, but as far as can be determined from published financial statements and summaries, the percentages of profits and dividends to shareholders' funds have increased but little, if at all."

The E.S. & A. Bank Ltd. announces that its new building at the corner of Collins and Elizabeth streets will be open for business on February 17. Building operations extended over a period of more than eighteen months.

From April 3, old age pensioners will be permitted to draw 21/6 per week, which is an increase of sixpence per week to provide for their enjoyment of increased living costs.

Seventeen trucks of onions were supplied to yesterday's market. The absence of buyers from Dudley Mansions and other places was responsible for deteriorated prices. Hardly any sales were made.

The Commonwealth Prices Commissioner, Professor Copeland, an-

nounced an increase of £2/10/- per ton in the price of Australian copper, to offset the loss on imported copper sold at the same price. The increased price will not affect the return received by mining companies for Australian produced copper. The increase was necessary to cover the higher cost of necessary importations. It is proposed to encourage local production by payment of a premium on extra production, but the proposal is quite distinct from current increases in prices.

Glenhantly branch of the A.N.A. recommends annual conference to request the Commonwealth to assist the States by subsidising technical and academic education.

At a largely attended meeting of the Portland Tomato Growers' Association, consisting of 300 members from a wide area, it was decided to oppose any form of Government control, and to protest against applying the Act to Portland.

CANBERRA, Friday.—An order for the compulsory acquisition by the Commonwealth of 50 per cent, of the butter and cheese output of certain producers, during March, was made by the Minister of Commerce, Sir Earle Page, today. The Minister said that this action had been taken by the Government in the interests of the dairying industry as a whole, because of the non-co-operation of a small section of the industry in the wartime marketing arrangements. The orders apply to seven Tasmanian and one Queensland producer.

Sir Earle Page said that the exportable surplus of Australian butter and cheese had been sold to the United Kingdom Government. The arrangements had been supported by the greater portion of the industry, but certain persons had been standing out of the scheme. This position had caused the Government and the leaders of the dairying industry considerable concern.

"When we come to striking a rate, we might seriously have to consider reducing it," said Cr. Fiskin at the meeting of Buninyong shire council on Thursday, referring to the likelihood of the people having to give more to the war effort. Cr. Fiskin, who is chairman of the Australian Meat Board, pointed out that the period of prosperity for meat exporters had ended. The British Government was unable to provide ships for all production from Australia and New Zealand, and the position would become more acute. This applied not only to meat, but to most other products.

The Minister for Labor and National Service, Mr. Holt, said that the Arbitration Court's basic wage finding imposed an obligation upon the Government to push ahead the child endowment plan referring to fears that taxation would tend to cancel the benefits. Mr. Holt said that the Government was determined that the endowment would provide real benefits.

The emergency committee of the Australian Council of Trades Unions decided to recommend demonstrations and mass meetings in their respective capitals on Sunday, February 23, to protest against the basic wage judgment.

wealth Bank Board, if it were not composed of private bank nominees, could tell us. The lie was given to the yarn about "shortage of funds" as soon as military accommodation became imperative; it will be given to the KIND of funds being used as soon as the masses wake up to the bankers' swindle. In the meantime a new kind of two-legged goats are inhabiting hovels, not only in Lithgow, but in practically every town in Australia.

## CLIMAX OF NATIONAL CREDIT DEBATE

### FINAL SPEECH BY MOVER OF MOTION IN W.A. PARLIAMENT

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."

In recent issues we have published extensive extracts from the "Hansard" report of the interesting debate, which preceded the passing of the resolution. In this issue and the next we present the final speech of the mover of the motion, Mr. W. M. Marshall, and the details of the voting:

**Mr. Marshall** (Murchison — in reply): I am delighted at the reception accorded to the motion, and more delighted to learn that things are not really so bad in Australia after all. Several speakers, including the Leader of the Opposition, are now fully prepared to admit that there is no real shortage of money in Australia, and that there is no real destitution or poverty in Australia; that the industrialists, the pastoralists, and the primary producers generally, as well as the commercial section of the Commonwealth, are, considering all things, reasonably well off. Strange to relate, I read in the paper this morning that an advertisement for three workers had produced such a rush of applicants that one of them lost his pants while endeavouring to lodge his application. There is not much poverty in competition for jobs. I believe I have read a motion to be moved by the Leader of the Opposition to the effect that the Government has not done enough for the primary producers. What particular kind of somersault is that?

**Hon. C. G. Latham:** You know very well that I never said anything about what the Government had done for them. That is a different matter altogether.

**Mr. Marshall:** The Premier's statements and comparisons, followed up by other speakers, were based on the difference between the present time and the period between 1930 and 1933, when we had approximately 18,000 unemployed; that is to say, unemployed on the State. But does the Premier argue that the Government catered for all the unemployed?

**The Premier:** Pretty well.

**Mr. Marshall:** Not within thousands of the total. I know of fathers 60 years of age and over who are keeping their boys, aged over 21.

**Mr. Sampson:** They are grandfathers.

**Mr. Marshall:** Instead of the reverse position obtaining, we have that glaring state of inconsistency existing throughout the Commonwealth. I suggest that there are more bankruptcies today than there were two or three years ago.

**Mr. Cross:** That is wrong.

**Mr. Marshall:** And I suggest that bankruptcies were more rampant between the years 1930 and 1933. Let me deal first with the remarks of the member for Pingelly (Mr. Seward), who spoke at some length and who, I understand, is an ex-banker. I tell him, quite frankly and inoffensively I hope, that the men who know the least about banking racketeering are men who have been employed in banks all their lives, working as machines, automatically following out a system based on a theory which they do not comprehend and whose operation they have grasped only because they have been engaged on it for long years. The hon. member said that the Banking Commission did not recommend—and that is quite true—expansion of credit, but that the Commission made statements of facts. The Commission stated distinctly that the Commonwealth Bank, within its realm, could make

advances to Governments and individuals free of charge if it wished to do so. The Commission pointed to an escape from the poverty in our midst if we wished to use that avenue of escape. Would the hon. member expect an orthodox Commission, such as the one alluded to, as a Commission to set out as propaganda experts for monetary reform? Would he suggest that the Government which appointed the Commission would place on it men whom it would even suspect of conceivably bringing in recommendations to alter the monetary system? Never could such a thing be possible! Those Commissioners would never have been appointed had there been any possibility of a reforming element emanating from their conclusions. The Commissioners did make definite statements of fact, however; and one such statement was that where the Commonwealth Bank finds itself in conflict with Federal policy after careful deliberation between the two organisations, then if the Commonwealth Government gives the Commonwealth Bank an assurance that the Government will be responsible for the altered policy the

bank should give effect to that policy. That is one statement of fact made by the Commission.

**Mr. Seward:** But that was not unanimous.

**Mr. Marshall:** I do not want to bother reading it now. I have read it here repeatedly. It is time members read it for themselves. The second statement of fact was to the effect that the Commonwealth Bank could, if it wished to do so, or if the controlling Government approved its policy to that extent, make advances free of any charge. Now, the Premier spoke of the national credit, and said it was being used. Who in the name of God ever said it was not being used? And who would be stupid enough to believe, or even to attempt to imagine, that a private bank could not expand credit, even though credit is being expanded against the country's national resources? That is the very essence of the process by which all credits are expanded. National credit is used by private banks.

**Mr. Hughes:** Evidently you have never applied for an overdraft!

**Mr. Marshall:** Of course I have never applied for an overdraft. The only "draft" I am ever likely to have applied to me is the bitter-cold draught of a winter night, under, over, and all around me. But who, I would ask the Premier, was it that said the national credit was not being used?

**The Premier:** What do you want the motion for if it is being used?

**Mr. Marshall:** My motion deals specifically with the Commonwealth Bank.

**The Premier:** With national credit.

**Mr. Marshall:** The difference between the Premier and myself is that he does not realise that 80 per cent, of the debt under which we now suffer is owned by private institutions, which have been using the national credit—not owned by the Commonwealth Bank. All right. If the Commonwealth Bank owned

as much as 80 per cent, of our national debt, instead of that percentage being owned by private institutions, we could deal with the position. But as it is being used by private individuals, it is a debt against the nation. There is where the Premier and I differ.

**Mr. Hughes:** I wish you would say how the private individuals could do it.

**Mr. Speaker:** Order!

**Mr. Marshall:** Does the member for East Perth suggest or imply that what a private bank can do cannot be done by the Commonwealth Bank?

**Mr. Hughes:** No. No private bank is issuing money according to your scheme. That is your complaint.

**Mr. Speaker:** Order!

**Mr. Marshall:** I did not get the interjection at all.

**Mr. Speaker:** The hon. member will address the Chair.

**Mr. Marshall:** I do not quite understand what the hon. member is driving at. What I am aiming at is set out exactly in my motion, namely, that the Commonwealth Bank can do anything that a private banking institution can undertake.

**Mr. Rodoreda:** But the private banks charge for the work.

**Mr. Marshall:** Exactly. The only difference is that the private banks do the work for profit, just as butchers operate for profit.

**Mr. Hughes:** And so does the Commonwealth Bank operate for profit.

**Mr. Marshall:** I am not arguing about what the Commonwealth Bank is doing. Let the hon. member look at my motion.

**Mr. Hughes:** I have been looking at it and trying to understand it.

**Mr. Marshall:** That would be utterly impossible for the hon. member.

**Mr. Hughes:** I admit it.

**Mr. Marshall:** This is all a matter of policy, and the control of the financial policy is in the hands of the Federal Parliament. What the private banks can do, the Commonwealth Bank can do.

**Mr. Rodoreda:** But the private banks impose charges and we want the Commonwealth Bank not to do that.

**Mr. Marshall:** And that is embodied in my motion.

**Mr. Rodoreda:** How can you do it?

**Mr. Marshall:** Does not the hon. member understand that the Commonwealth Bank is a public institution? I put it to the hon. member this way: The Commonwealth Bank belongs to the people and is their own personal property.

**Mr. Hughes:** I will sell you my interest in it for a bob!

**Mr. Marshall:** It belongs to the people and can issue money, as the Banking Commission recommended, by expanding the credit of the nation, free of charge to the people. The Commonwealth Bank should not make any charge and should not look for profits.

**Mr. Cross:** More paper money!

**Mr. Marshall:** If the Commonwealth Bank and not the private banks were to expand the national credit, the huge sums we have to pay would be saved to the people, and that saving would more than cover the cost of administration of the bank a thousand times over. Our interest bill today exceeds £1,000,000 a week. That means that every week £1,000,000 worth of wealth must be produced by the country, which means a sum of over £50,000,000 each year going out in interest. That is a charge against goods, and then we wonder why the price of goods increases. That is a form of inflation. First we have taxation, then increased costs and higher wages. Then we have more taxation, still higher increases in costs and further wage increases. So we have the proverbial dog

(Continued on page 8.)

## UNITED ELECTORS' REPORT

**It looks as though the "Bankers' Clause" in Section 42A of the National Security Regulations will go the way of National Insurance and the Commonwealth Bank Act Amendment Bill. This latest piece of "Hitlerism" certainly seems to have raised a cry of protest from all quarters, and the public appears to have been aroused from their apathy, temporarily, at least. Now is the time for U.E.A. supporters to swing into action.**

So long as this piece of legislation remains on the Statute Book, it is a source of real danger to democratic government, and a big stick held over the heads of those who advocate monetary reform and criticise the banking system. Then don't wait to see what the other chap is going to do about it; start in right now and do your bit to fight this latest attack on the people's rights. Write in for your quota of letter forms, start canvassing for signatures in your area and at work, get other people interested in this campaign; leave no avenue unexplored in the fight to have this clause repealed. If you have any suggestions that might be of assistance to us, then send them along to the secretary and we will see if we can use them in our campaign. Strike a blow for Freedom today.

### Weekly Lectures:

The first of the weekly lectures this year will be held on Tuesday night, February 18, at 8 p.m., in the Housewives' Association Rooms, 234 Collins Street, Melbourne (in Howie Court). The speaker will be Mr. R. F. Gillespie, who will deal with the subject of taxation. These lectures are open to members of the general public, who are cordially invited to attend. No charge is

made for admission. A big attendance is wanted for the first meeting this year; so roll up, bring your friends, and make this year's meetings a success.

### Country Supporters

are urged to send in the names and addresses of any non-supporters who turn up at their meetings, or persons who are interested in doing something about Section 42A of the N.S.R.

### U.E.A. Badges.

(Brooches for ladies) are obtainable from headquarters for 1/- posted. Wear the blue-and-gold symbol of unity and co-operation.

### Literature.

Large stocks of C. Barclay-Smith's book, "Victory without Debt," are now on hand, and supporters are urged to get their copies early whilst the supply lasts. This is one of the most comprehensive current books on the subject of finance and its bearing on the present war, and has had great success in winning new supporters to the cause. Every reader should have a copy in his coat pocket or his bag.

All enquiries to the Honorary Secretary, United Electors of Australia, Room 9, 5th Floor, McEwan House, Little Collins Street, Melbourne.

## CLIMAX OF NATIONAL CREDIT DEBATE

(Continued from page 7.)

trying to catch its tail all the time. The burden becomes almost intolerable. I suggest that so much greater are the powers of the Commonwealth Bank as compared with those of private institutions, that if the private institutions were to fail tomorrow, the Commonwealth Bank would rush to the rescue of the depositors. That is because of the power the Commonwealth Bank has behind it which, as the late Sir Denison Miller said, represents the whole of the resources of the Commonwealth.

Now I come to the question of inflation. If the Commonwealth Bank could expand the credit of the nation to equate the capacity of Australia to produce goods and fresh resources, just as is being done today by the private banks, that would serve to show what is the debt against the nation. I have never advocated a policy of printing notes, as suggested by the member for East Perth (Mr. Hughes).

**Mr. Hughes:** How would you distribute your credit?

**Mr. Marshall:** The credit expansion of Australia has taken place during the past century without any pronounced increase in the note issue. I do not think there has been any increase in that issue since 1924 or 1925, so that during the last 15 years there has been no augmentation of the note issue. As the population increases to any marked degree, the necessity may arise to print more notes. My only grievance against the present system is that the expansion of credit constitutes a debt against the nation. I argue that the Commonwealth Bank to an almost unlimited degree has the power to issue notes. It has the whole of the resources of the nation behind it, with the advantage of the intelligent industrious forms of labour that we possess in Australia, plus the application of science to the production of goods. We do not know the extent of the wealth that can be produced, if freedom of action were permitted. Under the present monetary system, production is controlled by the amount of cre-

dit forthcoming, but that position is controlled by private enterprise. If, therefore, the people were allowed to produce all the wealth that the Commonwealth is capable of producing, and if money or credit were made available to foster the production of all goods and services possible in Australia, there would be no trouble regarding the standard of living that all sections of the community would enjoy.

**Mr. Hughes:** But how would the money be made available?

**Mr. Speaker:** Order!

**Mr. Marshall:** How has money been made available over the past years?

**Mr. Hughes:** By inflating the note issue to the extent of £40,000,000 or more.

**Mr. Marshall:** The hon. member is now referring to the war period when the Commonwealth Bank set out to defeat the private institutions and issued something like £50,000,000 or £60,000,000 in currency over that period. The member for East Perth is obsessed with the idea of issuing notes. Since we have ceased issuing notes, the amount of credit expanded by the Commonwealth Bank in a small measure and by the private institutions, involves hundreds of millions of pounds. Where did that money come from? Who expanded the issue? I tell the member for East Perth that the Commonwealth Bank can expand credit and make money available by virtue of the powers it already possesses. That does not involve difficulties, providing the population remains stationary. Only a sudden influx of population, which would involve the division of the available currency among more people, might suggest an apparent shortage of money. But the currency available in Australia today is seemingly satisfactory for the needs of the people. My grievance regarding the expansion of credit is that the present form takes money out of the people's pockets after putting it there. Particularly is that so since we ceased increasing the note issue.

**Mr. Hughes:** Can the Commonwealth Bank make indefinite advances with its present note issue?

**Mr. Speaker:** Order! The member for Murchison will address the Chair.

(To be continued.)

## HERE, THERE, AND EVERYWHERE

(Continued from page 1.)

hollow ring about them—particularly to those who remembered similar promises made during the last war, and the non-fulfilment of those promises because of financial considerations. However, there is no need to wait for the end of this conflict to test the trustworthiness of promises made by our "leaders." Here is a letter to the Melbourne "Age" which speaks for itself: "There is already talk of preference of jobs to returned soldiers for those who are returning now, and when this war is won—and rightly so. They should receive every consideration. But there is a group, of which I am one, which appears to be left on the scrap heap. After serving in the A.I.F. for seven months I have been discharged as medically unfit. My brother and many of my friends who were able to get into the 7th Division are now overseas, without having been in the A.I.F. as long as myself. I, like many others, find that my previous position is not available. I am married, and the father of two children, and am finding employment difficult to obtain, this is not a personal appeal, but I would like to draw your readers' attention to a growing number of men who volunteered for service in the A.I.F., for whom there appears to be no helping hand. — Ex 2nd A.I.F. (Melbourne)."

Discussing our war effort and the fact that we still have thousands of unemployed with some people of late, I find that some of them say: "Oh, we did have many unemployed, but they have been nearly all employed in our war effort now." The official figures tell a very different story. The latest figures published two weeks ago show 6.2 per cent, of Australian trade unionists were unemployed at the end of last December.

Russia is becoming more and more dominant in the international drama. She paved the way for the present conflict by her attitude towards Germany. By remaining neutral she hopes to see the exhaustion of the whole of Western Europe as a prelude to the establishment of International "Socialism." Russia is not only interested in Europe; the long-awaited revolution—whether it be a bloodless revolution from above or a bloody revolution from be-

neath—must be world-wide. Bearing these facts in mind, the following item from the Melbourne "Sun" should be particularly interesting to all Australians: "Just as the Russo-German rapprochement was a signal for the outbreak of hostilities in the West, so may a Russo-Japanese agreement be a prelude to aggression in the South Pacific, says the Foreign Editor of the 'Daily Express.' . . . The pact offers the Soviet almost all she desires, whereas it asks little more than Soviet acquiescence to Japan's plans for conquest."

\* \* \*

Here is some more evidence of our "maximum" war effort. It appeared in the Melbourne "Age" of January 23: "I am an old Imperial soldier who served in the last war. I have two sons in the navy. They have been away 14 months I have worked all over England and Scotland as a heavy turner, but cannot get a job here when I tell them my age. . . . I am strong, capable, willing to do anything. My boys are fighting, and I want to do my bit. —A. Rees (Albert Park)."

## "DYING LIKE FLIES"

(Continued from page 1.)

ING SYSTEM. It was the duty of the HOSPITALS' COMMISSION to see that sufficient money was made available for all necessary purposes, which come under the scope of their authority. In this they have failed—with tragic results. The reports appearing in last week's press should stir into positive action every man and woman with a conscience—if nothing else will. The "authorities"—the "representatives" of the people—have failed. IT IS NOW THE MORAL DUTY OF THE PEOPLE TO DEMAND THAT ALL NECESSARY FINANCE BE MADE AVAILABLE IMMEDIATELY. If we fail in this objective we are merely participants in the perpetuation of a system which is rapidly leading us to self-extinction, and it is only a question of time when some other nation, comprised of individuals possessing ordinary common-sense, will lay claim to this fair land, the rightful heritage of the children who became chronic sufferers or died as a result of our own blindness and stupidity.

—"SCISSORS."

## POSITION VACANT.

Age 40-50, clerical experience. With well-known Melbourne firm.

## "NEW TIMES" SHOPPING GUIDE AND BUSINESS DIRECTORY

PATRONISE THESE ADVERTISERS. Their Advertisement Helps Your Paper. Say You Saw It in the "New Times."

## ASCOT VALE.

**A. J. AMESS,** 390 Mt. Alexander Rd. (next Tram Sheds). Motor Garage. Just Price Discount — Repairs and Supplies.

## BLACKBURN.

"A" GRADE MOTOR ENGINEERS, Station Garage, Whitehorse Road, WX1430.

## BOX HILL.

**BOX HILL FURNISHING CO.** 247-9 Station St. Cash or Terms.  
**CHAS. L. COX, TAILOR,** Men's and Boys' Wear. 285 Station Street.  
**CHEMIST,** F. Cheshire, For Your Prescriptions. 270 Station Street.  
**COOL DRINKS,** Sweets, Smokes. R. Dannock, 1124 Whitehorse Road.  
**FURNITURE REMOVERS,** Gill Bros., 254 Station St. WX2073  
**GROCER,** W. M. Anderson, 14 Main St. WX1233.  
**HAIRDRESSER** and Tobacconist L. Larsen, Station St., op. Gilpin's.  
**IRONMONGER & SPORTS STORE** F. P. Park, 10 Main St. WX1290.  
**WATCHMAKER** and Jeweller. Barnes, 82 Main Street. Repairs.

## CITY.

**BLINDS** of every sort. Car curtains repaired. T. Pettit, 235a Queen St.  
**CAKES, PASTRY,** etc. Home-made "Clovelly," The Block, Elizabeth Street. Cent. 255.

**DAVIS,** 563 Bourke St. Royal Medal Milkery, Separators, Engines.  
**DOUGLAS SOCIAL CREDIT BOOKSHOP,** 166 Lit. Collins St.  
**ELECTRO-PLATING.**—Nickel, Silver and Chromium Plating. Highest Grade Work only.  
**W. R. SPEAKMAN,** 69 Latrobe st, Melbourne.

**MAISON MERLIN,** Natl. Bk. Bldg., 271 Col. St. Ladies' Hairdressers.  
**OPTICIAN** and Hearing Aids. 4th Floor, 57 Swanston St. F5566.

## FAIRFIELD.

**BUTCHER,** 93 Station Street Arthur B. Heath Solicits Your Patronage.

## FOOTSCRAY.

**BOOT REPAIRS.** A. A. Taylor, Station Ramp, While U Wait Service.  
**NU-BAKE.** Bakers and Pastry-cooks, opp. Woolworths. Best bread, 8d large. Down with the profiteer.

## GLENFERRIE

**OPTICIAN,** W. W. Nicholls. 100 Glenferrie Road. Haw. 5845.  
**SUITS** to order from 70/- H.5813.  
A. Sutherland, 184 Glenferrie road.

## IVANHOE.

**BOOT REPAIRS,** J. Fraser solicits your custom. 130 Upper Hberg Rd.  
**UPHOLSTERER,** Blinds and Bedding. Duke's, 11 H'berg Road. Ivan. 626.

## KEW.

**ANDERSON'S,** 141 High St. Authorised Newsagent. Haw. 1145.  
**C. KENNEDY,** Grocer, Haw. 229. Opp. Cemetery Clock, Parkhill Rd.  
**DRY CLEANING,** Depot & Library A. I. Fraser, 182 High St. H.3733.  
**E. WHITE,** 109 High Street. Confectionery and Smokes.  
**GIFTS,** & All Jewellery Repairs. Old Gold Bought. Greaves, opp. Rialto.  
**IMPERIAL DAIRY,** R. H. Kent, 9 Brougham Street Haw. 3243.  
**MOTOR GARAGE,** Kew Junction Service Station, Cr. High and Denmark Streets. Raw. 6455.

## MORELAND.

**BOOT REPAIRS,** J. T. Nolan, Holmes St., 4 doors Moreland Rd.

## NORTH FITZROY.

**KEITH PARLON,** The Fitzroy Tailor, 45 Best Street. JW1555.

## SANDRINGHAM.

**A. RYAN,** opp. Stn., Shoe Repairs. Tennis Racquets Restring from 7/8  
**GROCERY, McKAY & WHITE,** Bay Rd., opp. Theatre. XW1924.

## ST. KILDA.

**HARVEY'S COFFEE GARDEN,** Sweets, Smokes. 227 Barkly Street.

## SPRINGVALE.

**DAIRY, M. Bowler,** Buckingham Ave. R.  
**MACKAY & SONS,** General Storekeepers. UM9269.

## WILLIAMSTOWN.

**DUNSTAN, DAIRYMAN,** 28 Station Rd. "Phone: Wtown 124.

Printed by H. E. Kuntzen. 143-151 a Beckett Street, Melbourne, for New Times Limited, McEwan House, Melbourne.