

ON OTHER  
PAGES

Those Empty Cradles!  
(Page 2.)

Mr. Spender on N. S.  
Regulations.  
(Page 4.)

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

# THE NEW TIMES

Vol. 7. No. 7. MELBOURNE, FRIDAY, FEB. 21, 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).

## THE PACIFIC CRISIS

### A Warning to Loyal Australians

By ERIC D. BUTLER

I have suggested on more than one occasion that war, or the threat of war, might be brought to Australian shores by certain interests if it appeared that the Australian people were not showing much enthusiasm for the particular "new world order," which appears to be their main object in the present conflict.

On Thursday of last week, Mr. Fadden uttered an almost hysterical warning to the Australian people. The Melbourne "Herald," as usual, rose to the occasion with some typical scare-mongering journalism, which touched new levels of distortion and half-truth. For example, the "Herald's" posters last Friday evening implied that Japan had threatened Australia. No evidence of such a threat could be discovered by reading the paper itself; rumours from "usually reliable sources" concerning the movements of Japanese forces appeared to be the only foundation for the "Herald's" hints and assertions. Similar vague reports appeared in the other daily papers. The immediate result has been a first-class panic throughout Australia. Compared with the past few days, I don't think that I have ever listened to so much nonsense in all my life. Everyone is offering an opinion, from some of the Army authorities down to the "man in the street." "Japan will do this and Japan will do that," we are told, which seems to imply that the Japanese as a people desire to come to grips with us. Men who talk like that, whether they be Army officers giving their opinions to soldiers on parade or members of Parliament and editors of finance-controlled newspapers, are rendering Australia a grave disservice. There are two possible underlying causes of the present crisis: The first is that certain interests in Japan, acting at the behest of Germany, seek to extend their military operations southwards to create a diversion and diffuse the British effort. If this is so, the sole blame for such a crisis can be attributed to the Jewish International Banking Group of Wall Street, New York, who are attempting a strategy in the Near East similar to the one they have applied to Europe. I will briefly deal with this presently. The second possible cause of the crisis is the tremendous effect that our years of educational work on the question of financial reform is having on the Australian people. Fadden and Co. have become almost frenzied in their frantic attempts to uphold the present financial policy. The introduction of the now-famous Regulation 42 A, with its impudent "Bankers' Clause," was one of the most fascistic moves against any part of the British Commonwealth of Nations since the International Bankers crucified Newfoundland.

I am convinced that Regulation 42 A was mooted from outside Australia. However, once again we swung into action, with the result that the whole of Australia

is ablaze with indignation, while the tide of public opinion further threatens the financial enemy within. It is at this interesting and critical stage that Mr. Fadden, aided by the daily press, launches the "Pacific crisis." Further curtailment of liberties can be expected, and a move towards general regimentation, unless a policy of sanity prevails. I appeal to every reader of this journal throughout Australia and New Zealand to refuse to be stampeded. A calm, sane outlook is urgently wanted.

#### READ THIS REPORT.

I have before me at the moment press reports from all the Australian papers over the past few weeks, and I specially re-

(Continued on page 2.)

### FOOD AND FINANCE

By GRACE IGGULDEN.

A feature article in the Melbourne "Sun" (Women's Section) this week is headed: "Planning Nutritious Family Fare on Small War Incomes."

Now, before I go any further let me make it quite clear that I'm saying nothing against the writer of this article. I don't doubt that, judged by existing conditions, she is an excellent housewife. She budgets her income with scrupulous care; she uses powdered milk for cooking; she grows at home what vegetables she can; like every other woman with large family and small income, she **has to**. She has insufficient MONEY to take advantage of living in a land, which is rich enough in vegetables, milk, fruit and meat to produce the healthiest kids in the world.

And so, by having, through force of circumstances, to restrict and budget her marketing, she automatically deals a hearty, knock-out blow to the farmers, dairymen, orchardists and cattle-raisers, and they in turn are forced to restrict their buying, and thus force someone else to restrict theirs, and so the merry-go-round churns on its way. (On second thoughts, maybe the aforementioned farmers, dairymen, etc., are so "board"ed-in that a few more blows won't be noticed.)

It is a fact that has been repeated and proved many times, that during the "Depression" there was NO shortage of food whatsoever, and that fact still holds good now that Australia is in the middle of a war.

Now, confront a schoolboy with a pile of food and goods on one

### FEDERAL UNION AND NAZISM

#### "SISTERS UNDER THE SKIN"

Under the heading, "Federal Nazism," C.G.D. writes as follows in the "Social Creditor" (England) of December 14:

The British Commonwealth is the only major experiment in the free and peaceable association of nations, which has been able to show a large measure of success. This Commonwealth is now fighting for its existence against a central state, the historical product of the loose German Confederacy of the last century, which has already to some extent succeeded in imposing a New United Order upon Europe, and is attempting to impose it upon the world.

In so far as there is any meaning in the statement that this is a war of ideas, as well as of men and armaments, the two "ideas" which are at stake are, on the one hand, that of free, voluntary association, carrying with it the right to secede at any time, and on the other, the idea of Union, backed by force, the merging of

smaller political units with larger ones in such a way as to admit of no possibility of secession except by armed rebellion against a necessarily-remote centralised government.

That the British are in practice, rather than precept, fighting for independence, and not to impose some New Order upon the world is shown clearly by their behaviour; by the fact that, unlike the Germans, they could not be persuaded to take much interest in the war until they were threatened with invasion, by the fact that Eire, a small, militarily weak member of the Commonwealth, has been allowed to secede, and to remain neutral, to the great danger and inconvenience of the rest of Britain, and by the fact that the free forces of all the nations which had been over-run, and who seek to regain their lost independence, have rallied to the side of Britain, and are helping to defend her shores.

It is a thing both pitiable and deserving of anger that at this particular moment in time the young, especially in our schools and universities, and indeed the population generally, should be openly and shamelessly taught to deride the very independence for which we are fighting, and to pin their faith in Federal Union, a plan which explicitly aims at destroying that freedom of association which is at the basis of the British Commonwealth as well as of the present co-operation between Britain and her allies.

The fundamentals of this plan are those of the Hitlerian Plan for Europe, namely, the establishment of a Union of sub-states to be maintained by economic, military and police powers in the hands of one central Government. The German Army is to have its counterpart in the Federal Army, against which no single sub-state will be able to stand; that scourge of Europe, the Luftwaffe, is to have its counterpart in a Federal Air Force, able and willing to bomb into submission any nation which dares to attempt to secede from the Union; the Gestapo is to have its counterpart in the Federal Police, with power to arrest any individual in any country in the Union who takes action against the New Order; and finally, finance and economic power are to be even more centralised in the Federal Government than in Hitler's, although we know his aims are in the same direction.

Naturally, such a scheme has no chance of being received with approbation in this country unless it is presented in a very different light, but it is a fact that all the above proposals are not only included, but heavily stressed as essentials of the Plan

(Continued on page 6.)

side and on the other side the people who need these things, and he'd remedy matters without ever having regarded it as a "problem." Admittedly a schoolboy has a great advantage—his mind is simple and orderly, free from red tape, and comparatively free from pre-conceived notions.

If it is possible to work out plans for huge taxation schemes, National Registers and National Insurance plans, and all the other plans we know of, then for the love of Mike, DON'T tell me it's not possible to work out a plan whereby the people of Australia can live in a manner befitting the productive wealth of Australia. Because I won't believe you.

## THOSE EMPTY CRADLES!

By SIMPLE SIMON

**Can anyone tell me who started this baby bonus business? There we all were, peacefully arguin' about whether the Government should be chucked out or given enough rope to 'ang its bloomin' self: an' tryin' to make up our minds which were the wolves in sheep's clothin', the asses in the lion's skin an' the asses with no disguise at all, when lo! this strange bull suddenly appears in the paddock.**

When you think of all the nerve wrackin' noise of modern science it took to get a bob for the pensioner, the sudden appearance of this passion for family is pretty near as sinister as the appearance of a time bomb.

I'm not sayin' the family man can't do with a bit of encouragement, but this transaction's got a flavour like throwin' tit-bits to the wolves, or at any rate, like throwin' a bun to a lot of exasperated hyaenas. Point is, there was no squeal for it. Of course, politicians 'ave been playin' with the idea for generations, same as they have with the socialisation of this an' that, but I'll bet they're just as surprised as if they'd suddenly found a pea under every thimble at the fair.

A rude pal o' mine is very worried about it. He wants to know who is bein' bribed and why. "You listen to the Prime Minister, after this," he said, "especially when he's goin' to pop a new one over 'is 'fellow-Australians.' You just listen to 'im sayin', 'In spite of our preoccupation with the greatest war of all time, we even found time—an' money—to benefit the future race of Australians.' Loud cheers, 'free's a jolly good feller."

I pointed out to him that we 'adn't got there yet. The situation is rather, "Dear Posterity, I'm givin' you five bob, but not at the moment." There's all the ways an' means to be considered, and when the matter does come up, it'll 'ave to compete against the "Win-the-war-out-of-income" budget. Because, mind yer, this time there's goin' to be no appeal to the sturdy, independent instincts of our island race. The scheme is goin' to be non-contributory. Definitely something for nothing. There's something wrong somewhere. We're not the men our fathers were, evidently. Don't you remember 'ow the tears used to course down their rugged, honest ole dials when the dustbins an' garbage tins let 'em down, an' they were forced to accept something from somebody; and 'ow some of 'em stood out to the last an' died for their independence?

Makes yer feel uneasy when the Government gives things away. I'm not good at quotin', but there's a line somewhere about, "Beware when the Greeks bring gifts." Nobody seems to know who's goin' to foot the bill. The only safe thing to say is that it will be done by a variation of the good old-fashioned way; that is, someone'll 'ave to go without something 'e really needs, the same as when we build aeroplanes or make munitions, someone has to cut down his food bill so's to bring the horrors o' war home to the farmer. The system's a bit hard to follow, but it must be all right, because the bankers are Very keen indeed on it, and are even prepared, by the look of things, to manufacture some money an' let us have it at cost price so long as we don't argue about the system.

One bright suggestion is that the employer pays the tax. That didn't come from ordinary brains like yours or mine. That came from someone who'd thought about the matter so long that he'd forgot the number he'd first thought of. The idea is, you tax

the wicked employer because he's in business for profit. So what? Does 'e stop goin' into business for profit? He does not. He goes on, or goes bust, as the case may be. He has to invest a bit more, an' see that he gets it back, that's all. That being the case, the only thing left to interest us is what form the interference will take. I'll bet the economists are busy, decidin' whether they'll make it a flat rate, or a tax on the total number employed, which will have the advantage of makin' someone unemployed and releasin' him for the war effort; or, on the single men, so's to discourage employment of the unmarried, or a tax on the married men. It doesn't really matter, of course, because none of the ways will work.

If the Government really wants to get the population movin', my advice to it is to enlist only married men for service in the war. At present this deservin' class is bein' cut off from the prospect of a steady income and good grub just because it went an' got itself married. After all, the whole bloomin' army doesn't go overseas. There's plenty of it left where it can do Posterity a bit of good. But the Government insists on celibates, at any rate, to the extent of givin' 'em the preference. And if we can allow personal feelin's to enter into the argument I think we ought to mention that army of married men who'd be only too glad to sneak off to the front for a bit of peace. These are simply not catered for in this war. It's a good job there aren't any married left on the unemployed list in the country. Well, that's what I heard. Don't pick on me.

But, anyway, I suppose it's a relief to realise that at last someone 'as woke up to the fact that there's some connection between money and a family—a good deal more than there used to be when people either didn't know or didn't care. Mrs. Roosevelt has referred to this side of things, and even went so far as to suggest a baby strike.

Of course, that suggestion is not one for a really great nation to follow. I don't honestly think the publicity experts could get much response to a slogan, "Have More Babies," or "Have Less Babies," not even on a bonus basis. I don't deny that three sets of quins marchin' home to a house as big as a barracks would make a strikin' poster; the problem would be to stop people from doin' mental arithmetic. Most of us aren't very good at this, because we don't use it much after leaving school, but it comes out pretty clear that the further you go in the family business, the smaller looks the five bob.

I was very thankful I wasn't a family man when I read about this; especially when I worked out that the tax allowances are so adjusted as to take most of the 5/-, if not all, back again.

## THE PACIFIC CRISIS

(Continued from page 1.)

commend the following, which was featured under the double-column heading, "Japan Does Not Want To Enter European War," in the Melbourne "Argus" of January 28 — only three weeks ago. The report is from a Special Correspondent of the Australian Associated Press in Tokio: "Japan does not want to enter the European war, and will do her best to avoid it unless some precipitate action by armed forces in Indo-China or elsewhere in the Far East creates a situation from which it will be impossible for her to retreat . . . This is my considered opinion after having discussed the subject with all classes of people in Japan, and I believe that the situation is slightly better than it was at the end of the year. Japan is now beginning to realise that she has had the thin end of the deal from the European members of the Axis . . . All reasonable Japanese opinion admits that there is no prospect of a termination of the China affair, in which Japan is hopelessly bogged, and is making no real progress. Across the Pacific the U.S. is adopting a firmer attitude than ever before, so that the Japanese become more anxious with the arrival of every new submarine and 'plane at Manila . . . Japan's two allies are worthless to her. This position is well realised in Japan, which, with a string of islands and cities of wooden buildings, is especially vulnerable to air attack from Asia or the Pacific from aircraft carriers . . . There is no hostility to Britain among the people at large, and I believe that there is a real friendship for Australia."

The above report is well worth comparing with what we have been reading over the past few days.

### SOME PAST HISTORY

It is essential to know the events (and their cause), which have made the present crisis possible. If the finance-military clique in Japan swings the Japanese nation into war against the democracies it will only be because the International Banking Group have made this possible.

Wall Street—Kuhn, Loeb & Co. —started their activities in Japan early in this century, when they financed Japan in the Russo-Japanese war. They have used Japan against China in a war of exhaustion, which may leave the whole of the Near East dominated by Finance. Anyone who is doped by the daily press would be well advised to read a few of the facts concerning exports of war materials from America to both Japan and China. Every close student of the position knows that Japan could not have attacked China, and would not have been in the position to possibly attack us, if it had not been for the huge exports of war material from America since 1935.

Readers of this journal are familiar with the part played by the Jewish - German - American bankers in the Russian Revolution, and the key position now held by Russia in relation to the present world conflict.

Russia's real foreign policy was given to the world by General Krivitsky, a former Red Army General who escaped from Russia to America at the time of Stalin's great army purge. Krivitsky told the world that the alleged antagonism between Russia and Germany, and Russia and Japan, was surface diplomacy, and that Stalin would appease both Germany and Japan when he thought the time suitable. Russia's attitude towards Germany late in 1939 paved the way for the German attack and a World War through which Russia hopes to precipitate the long-awaited world revolution. Krivitsky was right. Events have proved him, right concerning Russia and Japan. Incidentally, Krivitsky's rather mysterious death in America last week was very significant. If the military junta in Japan are given the "all clear" sign by Russia, as appears to be the case, Russia can hope to watch the exhaustion of every part of the Pacific while she is free to consolidate her position and possibly move south towards India when

(Continued on next page.)

## 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.

## The Pacific Crisis

(Continued from page 2.)

she thinks the British Empire is nearly exhausted. The consolidation of Russia by the Jewish-American interests is little short of amazing. Recent reports state that America is adopting a policy of appeasement to Russia, and that great quantities of machine tools and other materials are being sent to strengthen her. The naive suggestion is made that she will thus be stronger to fight Germany!

### THE SABOTAGE OF BRITISH-JAPANESE RELATIONS

From whatever angle we view the matter, the one clear fact emerges: the international banking groups, with their headquarters in America, have deliberately pursued a policy of disrupting the British Commonwealth of Nations as a prelude to some world system of financial domination, backed by an international military force. These groups have used economic weapons to force such countries as Japan, Russia, Italy and Germany to accept military dictatorship. Once the dictatorships were established, huge loans were made available, together with war materials, in order that whole populations could be wielded in regimented military machines. While this was going on, the defences of the British Empire were being whittled away because the same bankers, through their connections—such as the Bank of England—were telling us that we were short of money. British workmen were building ships—not to defend Britain, but for countries now at war with us. If ever the British people realise the treachery of such institutions as the Bank of England, which had them working to arm their future enemies, there is going to be a change such as the world

has never seen. Some people will learn that we are still British.

Let us consider the sabotage of British-Japanese relations. During the last war Japan played her part in helping us in a most honourable manner. The close connection between the British and Japanese navies was sabotaged at Washington in 1921-22 by the Wall Street interests. I quote Dr. Rupert Hornabrook on this point. (Dr. Hornabrook is a man who is a recognised authority on the East. He lived there for years, and was in close contact with everyone of importance.) He wrote late in 1939: "What's more, we have licked the boots of the U.S.A., far too much of recent years, to our detriment—and I suppose now we will do it again over her blessed neutrality zone of 300 miles off shore. Why doesn't she make it up to the Arctic Circle, whilst she is about it?—she might just as well! If Japan is driven into a pact of non-aggression with the U.S.S.R., we will have to thank the U.S.A. for it. This is certainly not a probability just at present, but it is a distinct possibility, and I am not talking through my hat when I say that. Should it arise, then it will not be in the best interests of the British Empire.... Do not repeat our blunders of Washington, 1921-22. . . . Metaphorically speaking, the U.S.A. had us by that portion of our anatomy, which is not generally mentioned in polite society, and she twisted it successfully. Through our stupidity and folly in not playing the game, we forced Japan—entirely against her will—into the arms of Germany; and now let the U.S.A. carry on in her present spirit in handling Japan, and we will find as an ultimate result an understanding being reached between Japan and the U.S.S.R. which will not be in the best interests either of peace in East Asia or of Great Britain's interests throughout Asia.

**We Westerners are fools if we think that the heavy-metal attitude being adopted by the U.S.A. is going to coerce Japan . . .** " Prophetic words.

Further sabotage of relations between Japan and the British Empire—particularly Australia—took place in 1935, when, at the instigation of the International Bankers and their local satellites, "our" Government introduced the famous Trade Diversion policy. In effect, this policy was part of a world blockade of Japanese exports. Apart from provoking feeling among the extreme elements in Japan, it almost ruined the Australian wool industry. Under the present financial system, Japan has to either export or die. The financiers refused to allow her to export, so the excuse was given for the military-finance clique in Japan to attack China in order to get new markets. However, this military action didn't worry the financial gangsters in America; in fact, they then supplied Japan with plenty of materials to carry on the war. The policy of the German-Jewish bankers is similar to that of a man who drives his fellow-creatures mad by various methods and then, when they start to run amok, supplies them with plenty of destructive weapons in order that they can do as much damage as possible. I appreciate the fact that we must defend ourselves against people who run amok. At the same time, it is a silly policy to refuse to try and discover the cause, while further provoking such people. I say that the present policy of hysteria concerning Japan is not in our interests. The British Empire has its hands full now without us looking for further trouble. Let us push on with our work of defence without all this "blab," which seems to be inspired by interests, which are keen on precipitating a crisis.

### THE BURMA ROAD INCIDENT

It might be appropriate in this article to mention another incident, which has caused considerable friction between Japan and Britain. I refer to the Burma Road incident. When the British Government closed the Burma Road the U.S. immediately placed an embargo on the export of oil to Europe, including Britain. The real significance of this move was carefully confused by accusations that petrol was reaching Germany from the U.S. via Spain. The fact that Britain was also included in the embargo was deliberately hushed up by the press.

The closing of the Burma Road prevented American oil from reaching Chiang Kai-shek, who is married to the American-educated daughter of Soong, the Chinese banker with Wall Street connections. It would not be in the interests of the banking fraternity for Japan to beat China too quickly. A war of exhaustion, which will bring both countries under complete financial domination, is the plan. Immediately U.S.A. put the oil embargo on Britain, the Burma Road was opened again. Readers can draw their own conclusions and judge for themselves who is the root cause of the whole Eastern trouble. Furthermore, it was just after the opening of the Burma Road that Japan concluded her pact with the Axis. The fundamental cause of the so-called "yellow peril" originated in U.S., where some of the financial gangsters are yellow right through. The real Americans will soon have to make up their minds where they stand and what they are going to do.

### THE IMMEDIATE POSITION

If Japan is to be used against us, as I said before, we will de-

fend ourselves. However, even accepting this extreme situation, which I don't think has the slightest foundation of fact at the moment, Japanese forces are a long way from Australia as yet. Judging from the hysteria, one would imagine that they had arrived at Darwin. Even accepting the rumour that Japanese forces have moved south, this could easily be part of a Japanese encirclement strategy in their war against China—in which, incidentally, the correspondent quoted earlier in this article tells us the Japanese are hopelessly bogged. Personally, I think that the scare has been deliberately created with a view to delivering an internal blow against Australian democracy. The enemy within must be beaten before we have any hope of making a maximum national effort. We are not making anywhere near a maximum effort as yet, and will never be able to do so with an obsolete financial system. Organisation is lacking, red tape is tripping everyone up and individual freedom and initiative are being ruthlessly attacked. Primary producers are going bankrupt and losing heart. Taxation and debt are increasing. Food is being destroyed and production restricted, while we are urged to make sacrifices. If the day does come when Australia is attacked, and we should find ourselves without an adequate supply of modern equipment, those responsible for the present financial swindle should be publicly called upon to show why they shouldn't be tried for treason. Should any of the authorities take exception to my statements, I am prepared to appear before them, publicly or privately, to substantiate what I say.

And another point. Why the suggestion during this "crisis" to conscript all and sundry? Is that part of The Plan, too? Can it be that the Government fears the Australian people are not sufficiently patriotic to fight without being conscripted? As a loyal Australian, I object to this inference. Let the Government "put its cards on the table," not make vague and wild statements such as Mr. Fadden has done, let it sweep the financial dictators aside and the response from the people will be overwhelming. A well-trained and equipped army of enthusiastic volunteers is what we want. And they should be well paid, unless, of course, politicians, B.H.P. directors, and bank directors are also going to come down to "five bob" a day. Whether it be real or imaginary, this Pacific crisis should be a warning to all Australians to watch for any further encroachments on our liberties by the enemy within. Unless we do, we may be stampeded by the press, politicians and other mouthpieces of the financial oligarchy, into a complete dictatorship within the next few weeks. The real victors will be the Jewish-American bankers, who seek to smash every semblance of British culture and democracy.

In conclusion, let me warn all Australians against all hysterical news presented by the daily press. Already it has become apparent that Mr. Fadden's frenzied warning was received with surprise in London, Batavia, Tokio and Washington. Mr. Fadden has since been trying to justify his action although I notice that Mr. Spender was apparently rather sceptical concerning the alleged seriousness of the situation. It is not often that I agree with Mr. Spender, but I believe that he is right for once.

## A BOOK YOU MUST READ

### "The Money Power Versus Democracy"

By Eric D. Butler. Price, 10d, posted

This book is being acclaimed by readers from all over Australia as the finest exposition of political and economic democracy to yet appear in this country. A former executive of the Queensland movement, now residing in Melbourne, told a meeting of Melbourne supporters in the Centenary Hall on Sunday, December 15, 1940, that this was the best book he had read during his ten years of activity. He urged supporters to buy copies and pass them around.

This book will save you a lot of talk. In forty-eight pages, the author has crystallised the philosophy, history and application of democratic principles. A handbook, which every supporter should have.

### ALSO BY THE SAME AUTHOR:

#### "The War Behind the War." Price, 4d, posted

Every person who desires to gain a thorough knowledge of the real background to the present conflict should read this booklet. The most critical and impartial analysis of the "Jewish Question" to appear in this country.

#### "Elections Over—What Now?" Price, 6d per dozen, post free.

A summary of political strategy. The campaign director of the N.S.W. Division of the Electoral Campaign has written as follows about this brochure: "We consider this to be a masterly presentation of vital factors, and probably the finest article that has yet appeared in any paper in this country."

The above are obtainable from the "New Times," Box 1226, G.P.O., Melbourne

# 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: MU 2834.

Vol. 7. FRIDAY, FEBRUARY 21, 1941. No. 7.

## MR. SPENDER ON NATIONAL SECURITY REGULATIONS

It is not often that we commend Mr. Spender's utterances. However, even an ex-Treasurer can sometimes talk sense, as witnessed by the following extracts from a recent address by Mr. Spender to the Constitution Association in Sydney. Whether Mr. Spender really meant what he said is an interesting point. Significantly enough, Mr. Spender's remarks were not given much publicity in the Melbourne press. The following extracts are from the Sydney "Morning Herald":

**"More frequent meetings of the Commonwealth Parliament to control the possibility of abuses under the National Security Act—due to the great powers necessarily conferred upon individuals by regulation—were urged by the Minister for the Army, Mr. Spender, yesterday. . . . As matters now stand, Mr. Spender said, a Minister, by merely signing a document, conferred on public servants powers, which directly affected every individual throughout the Commonwealth. With the many duties, which Ministers had now to perform, it was absolutely impossible for any Minister closely to scrutinise every draft regulation placed before him for signature. Hence, it was possible, and very probable, that too great powers were given to individuals, or that the regulations were not administered as was intended. Abuses under the regulations could best be obviated by constructive criticism . . . Wars are won as much by the will of the people as by the strength of the fighting forces, Mr. Spender said. People must be satisfied of the justice of their cause, and public opinion could force governments to take action that might better be taken after considered judgment rather than under political pressure. [Doesn't Mr. Spender like 'political pressure'?] The people who are carrying the financial burden of the war must be satisfied that right is being done."**

We agree with Mr. Spender, but Regulation 42A contains a clause which can be used against the people if they are not satisfied that right is being done. An increasing number of people are not only reaching the conclusion that right is not being done; they are realising that the present debt and taxation tyranny must be abolished if this war is to be won for the people and not for the financiers.

Mr. Spender's remarks carry a hint that even Cabinet Ministers are having less and less say in the governing of the country. They do as they are told while bureaucracy runs mad. There is only one answer to this alarming trend: Members of Parliament must be brought under the direct control of their electors. If this isn't done, we will rapidly find that the whole of government will be carried on by regulation. Financial dictatorship would then be complete.

## LETTER TO THE EDITOR

### Mr. Chresby's Visit to Melbourne

Sir, —I would like to draw your readers' attention to the fact that Mr. Arthur Chresby, Director of the New South Wales Electoral Campaign, is about to visit Melbourne in order to exchange views and, if possible, to address meetings. I urge all readers to take every opportunity to meet Mr. Chresby when he is with us. He has a very thorough knowledge of political strategy—in fact, I regard him as one of the soundest campaigners in Australia.

I worked in co-operation with him while visiting Sydney on several occasions, and have a very high regard for his organising ability. These inter-State visits are good for our Movement. We exchange points of view and dis-

cuss our activities with mutual advantage.—Yours, etc.,  
ERIC D. BUTLER.  
Melbourne.

### More Centralisation?

"To discuss with representatives of the New Zealand Government commercial and financial problems of common concern to the Dominion and the Commonwealth, the Assistant Minister of Commerce (Mr. Anthony), who is also Assistant Treasurer, is leaving on a visit to New Zealand. . . . On the financial side of the talks, various matters associated with currency and exchange are to be discussed in relation to certain ways in which Australian-New Zealand co-operation is proceeding."

—Melbourne "Age," Feb., 13.

## FADDEN'S FUNNY FADS

Opening my copy of the Sydney "Sunday Telegraph" of February 16, my heart almost ached for Mr. Fadden, our Acting-Prime Minister. It appears he intends to give himself a night off—for "a damn good sleep" (to use his own expression). He said that all last week his lunch had been "a shave and a suck of a cigar." (I've cut out lunches myself—can't afford them; as for a cigar, I remember having one for Christmas.)

Yes, Mr. Fadden is "Australia's busiest man"; has to invite departmental officers to breakfast to fit in his engagements. In 21 days he has travelled 3000 miles by car, aeroplane, and train. (Strangely enough, I have also covered this distance, but I've had to drive myself—by road; roads which I will not attempt to describe for fear of the blue pencil.)

I read the awe-inspiring list of engagements the A.-P.M. had filled, as Acting-Prime Minister, Treasurer, and Minister for Defence Co-ordination, and sympathetically decided that he won't get much chance to "fadden" on a programme like that. Regarding his ability in the last-named capacity, I have no knowledge. I feel, however, that he is just another "acting" P.M. As for his

record to date as Treasurer, he should certainly be the white-haired boy of the private-banking fraternity—with the rest of the population turning grey under the taxation load.

So Mr. Fadden, the new foster-father of false finance in Australia, was just dying to get some "billy-bo-peep" (according to page 5 of the "Sunday Telegraph"). On page 6, however, there appeared a happy picture of him, pipe in hand, with Mr. Falstein, M.H.B.—at Kensington races "yesterday." In the Welter Mile he backed "Scientist." In his financial policy he ignores scientists—even ordinary horse sense—probably preferring to be a bookie rather than a punter in the human race. Anyhow, if he's a fast worker, I'm a positive whirlwind!

—"Scissors."

## NEWS AND VIEWS

### Wednesday, February 12.

The Health Committee of the Melbourne City Council reports that eighty-two homes in North Melbourne are beyond repair and should be demolished under the slum reclamation plan.

A meeting in the Mechanics' Hall, North Melbourne, subjected Mr. Hayes, M.L.A., to a fire of interjections when he said he supported legislation for the removal of slum areas from North Melbourne as well as other parts of the State.

A committee representing owners, owner-occupiers and tenants of houses in that area, which the Housing Commission proposed to reclaim, was appointed to fight the proposal.

A Washington message says it is learned authoritatively that Mr. Benjamin Cohen, a New Deal Attorney, will go to London as legal counsellor to the new ambassador, Mr. Winant.

Although members of the N.S.W. Parliament are discussing the possibility of the Government, in the event of a war crisis in the Pacific, seeking a postponement of the elections, the Chief Secretary (Mr. Tonking) said that normal preparations were being made for the election.

The Assistant Minister of Commerce (Mr. Anthony) said that any attempt to frustrate the work of the Apple and Pear Board would not be tolerated. Retailers who evaded the regulations by purchasing from unauthorised sources would be committing an offence against the law, he added, and the board proposed to launch prosecutions in such cases.

The executive of the Peninsula Orchardists' Central Association believed that compensation at a reasonable rate per case was the only equitable method of dealing with the problem, and requests that the matter might be discussed by Parliamentary members with a view to raising this issue in Parliament were made.

Mr. D. Lovegrove, secretary to the Fibrous Plasterers' Union, a well-known Trades Hall figure, was appointed a member of the State Building Regulations Commission. **Thursday, February 13.**

Decentralisation of industries to check the growing drift of rural labour to the cities was urged yesterday by the U.C.P. Central Council and Mr. Hollway, State Opposition Leader, said all parties believed in decentralisation and would support such a move. The U.C.P. Central Council asked the Government to consider reopening the Castlemaine-Maldon

railway for passenger traffic, and to prevent the closing of other spur lines.

Allegations that apple and pear growers were "in a state of revolt" were made by members of a deputation yesterday, which asked Mr. Anthony, Assistant Commerce Minister, for the abolition of the Apple and Pear Board and the compulsory acquisition scheme. Mrs. Serpell (Doncaster), said their own Australian markets were closed. Growers were in a state of revolt. They did not want any help from the Government—merely freedom to sell their own products. Mr. Everard, M.L.A., who introduced the deputation, said that most of the growers were nearly insolvent. Cheap fruit was hard to obtain, yet thousands of cases were left lying on the ground, because it was not possible to dispose of them privately. Not only the growers, but householders also, favoured the abolition of the board. Mr. Anthony said that he had listened with a great sympathy to the complaints, as he had been a fruit grower himself. The export market to Britain had disappeared, and it would not be possible to export a single case of apples to England this year. He would be glad to have practical suggestions. He promised to see what could be done to expedite payments to growers.

Mr. H. Brown, a Melbourne economist, speaking at the annual meeting of the Victorian Citrus Association, stated that out of 463 families investigated in Melbourne, 16 per cent ate no oranges at all in a week, 20 per cent, ate less than one, 16 per cent, less than two, and one-half consumed more than two. A comparison with other fruits disclosed that 26 out of the 463 families did not buy any apples in a week, 74 did not buy any oranges, 108 did

(Continued on page 8.)

Read in Comfort with Glasses Prescribed by—



**CERTIFIED**  
**ANDREW C. GADDES**  
STATE SAVINGS BANK BUILDINGS  
157-159 ELIZABETH ST., MELBOURNE  
TELEPHONE: MUSEEY

# **£250 WANTED IMMEDIATELY £250**

## ***Will You Help?***

With this issue of the paper we are launching a determined campaign to raise £250 immediately; also to increase our circulation by an extra thousand copies per week before Easter. We believe that the present situation calls for an immediate intensification of our activities in every part of Australia. We have struggled through some very black periods in the past, when it was a tremendous struggle to survive. But, with the magnificent assistance of supporters, we managed to do so. The result has been that our last annual balance sheet showed that, for the first time in the history of the paper, we showed a small profit. However, magnificent as this result was, we still have to face the fact that it was only achieved with the aid of a considerable sum in donations, which bridged the reduced deficit in our trading activities. So we must now obtain £250, not only to bridge the diminishing deficit in the current financial year, but to take greater steps to increase our circulation and to finance booklet publications.

### **WHAT WE HAVE ACCOMPLISHED**

The "New Times," as far as we are aware, is the only paper of its kind in the British Empire, which has not reduced its contents or increased its price since the present military struggle started. Our influence has become more and more widespread. Our analysis of the international situation has played a vital part in revealing to the Australian public the real factors underlying the present conflict. The "New Times" was the first paper in Australasia to give the "inside story," just prior to the outbreak of war, regarding the Wall Street intrigue. No other paper in Australasia has presented the background to national and international events as consistently as the "New Times." Mr. Butler's booklets on the international situation, mainly reprinted from the "New Times," have had a sale in every part of Australia and abroad.

Our tremendous influence in Australia has started to manifest itself in many significant ways. The Budget crisis late last year made Australian history. The question of finance came "into the spotlight" as never before. Since then, Mr. Fadden and other apologists of the present financial system have become almost frenzied in their attempts to stem the rising tide of public opinion. The introduction of the famous Regulation 42A, with its "Bankers' Clause," was the most significant move ever launched against any British country. The "New Times" lost no time in launching a nationwide campaign against this Regulation: the nation-wide protest is holding up this attack on democracy. This paper has led many fights over the past few years: National Insurance and the Commonwealth Bank Act Amendment Bill were swept aside by an aroused public opinion. Now, in this greatest of crises, the "New Times" must go from strength to strength. Now, as never before, we need a strong, virile press to keep the Australian public enlightened and in touch with the rapid whirl of national and international affairs. We are fighting for our existence; things may become worse, but the future is in our hands. Every reader of this journal has a responsibility, which he must accept—or repudiate. Money is the sinew of the war. Will YOU supply some part—small or large—of that £250.

### **INCREASE THE CIRCULATION**

Apart from financial assistance, EVERY reader is asked to make a determined effort to get at least one more reader. Unless doing so already, he can buy an extra copy every week and pass it on. We also desire to inform readers that we have a large quantity of back numbers, which readers should obtain and distribute as widely as possible. Readers who are prepared to do this are urged to write to us immediately. (Any number of copies will be posted to any part of Australia, post free.) Every reader can at least do that much for the cause.

### **DO IT NOW!**

If you are going to assist, do it NOW. In conjunction with this appeal, Mr. Butler has sent out a personal letter to many hundreds of supporters. You may have received it. Mr. Butler writes: "Over the past twelve months I have donated most of the profits on my books to subsidising the paper. . . . I believe that, in conjunction with the paper, books are the best and most financially remunerative way of reaching the public. (With this end in view I have written 'The Money Power Versus Democracy,' a book, which was urgently wanted in our work. This book has been highly commended by supporters, from many parts of Australia and New Zealand." As Mr. Butler points out, the publishing of a large edition of this book involved incurring a debt, which we must meet IMMEDIATELY. "When this has been paid the profits from the book, which should be considerable, will be used as a further subsidy for the paper. This is my personal contribution, apart from writing regularly in a strictly voluntary capacity. What are YOU willing and able to contribute? Our aim is £250."

SEND YOUR DONATION, HOWEVER LARGE OR SMALL, TO THIS ADDRESS:

## **THE NEW TIMES**

BOX 1226, G.P.O., MELBOURNE.

---

DON'T LEAVE IT TO THE OTHER FELLOW. MAKE THIS CAMPAIGN A GREAT SUCCESS.

---

A copy of "The Money Power Versus Democracy" will be sent to every person forwarding a donation.



## FEDERAL UNION AND NAZISM

(Continued from page 1.)

by all Federal Union speakers and writers. All the devices of propaganda, however, are used to throw an emotional and sympathetic light on these proposals, and to disguise their fundamental similarity with those of the enemy. "Federal" services, for instance, are being held, and even the ordinary gatherings carry the atmosphere of a revivalist meeting. The speakers are for the most part effective, well-meaning, and obviously earnest and sincere. Furthermore they have been centrally trained and instructed which questions to answer, how to answer them, and which to avoid answering altogether. The same arguments, the same similes, the same conclusions are being reiterated again and again all over the country, and are inevitably producing a definite effect upon the opinions of the people.

To find a comparison in my own experience I have to go back to the pre-Hitler days in Germany, when Nazi speakers (mostly operating under another name, e.g., the "Verein für Deutschum in Ausland"), launched a similar campaign throughout Germany, in which the same basic theme—the need for effective centralised power in Europe to enforce Peace—was effectively "put over" on the German people by persistent repetition. The same picture of a happy, prosperous, peaceful Europe (and, later, World) united under the leadership of persons of the speakers' way of thinking, was made attractive to the Germans by a very different terminology and set of emotional trimmings from those used by Federal Unionists in the English setting. Nevertheless, the essential similarity between two campaigns remains.

It is, of course, no part of my purpose to suggest that Federal Unionists are wholly in sympathy with the Nazis, or that their proposals are not very different from Hitler's practice in that they are alleged to be "democratic." Indeed, Federal Unionists are quite sincere in detesting Nazis and other "totalitarians" with all the loathing which one sect of a single religion can feel for another, but it is necessary only to examine their practical proposals to see that they are seeking to impose upon the World the very kind of "democracy" which existed in Germany before 1933, and in which financially backed demagogues of the Hitler type quite naturally rise to the top.

I am not sure that I do not prefer the brutal, but relatively honest, Nazi attempt at overlordship to this deceitful smothering of an equally deadly threat of centralisation of power with the sickly syrup of pseudo-democracy. Obviously, the Nazi threat has now matured out of the pure talking stage and is now at its maximum in the field of practical malignant action (the conversion of a part of the city in which I write into a flaming ruin adds a certain point to this remark!) The Goebbels stage has given place to the Goering stage. Federal Union, however, is still in the Goebbels stage, by which, with the assistance of the present war, without which it would have had no chance of success, it hopes to attain its aims. That the Goebbels stage can achieve much has already been proved by the prototype, but in addition, one Federal Union speaker has actually admitted, when challenged, that in his view Hitler, assuming his eventual defeat, will have done useful work in breaking down the obstinate independence of the smaller nations of Europe. I do not know whether the more discreet leaders of the Movement would support this view—Mr. Streit's citation

of the American Civil War "in favour of the Union System" would suggest so—but in any case this attitude of mind is widespread, and is being openly fostered among Federal Unionists.

The statements quoted below from "the well-known Washington correspondent of the 'Chicago Daily News,' Edgar Ansel Mowrer" (taken from the "Daily Telegraph," November 25, 1940) show that in the home of the Union idea sympathy with Nazi aims is even less disguised:

"German propagandists and many prominent Americans, who, perhaps, do not realise how they are being used, are now engaged," says Mowrer, "in spreading such arguments as the following:—

"Europe has long been awaiting unity, and the Nazis are rapidly achieving its unification."

"That way lies stability and stability means prosperity."

"Why, therefore, not recognise German superiority, avoid a revolution, get in on the ground floor, and secure a larger share of the 'new order' trade?"

Why not indeed, since "unification" is the aim?

Just what play the astute Nazi propagandists will be able to make with the Union idea in this country remains to be seen, but it is quite certain that they have not failed to recognise in it a valuable ally of which they will make full use if they are not already doing so.

It should be clear that the existence in this country of an organised body of propagandists actively pursuing the enemy's chief aim, namely, the destruction of our national sovereignty and that of our allies, is an appalling menace to our morale and war effort, notwithstanding the fact that they are at present rivals of the Nazis in that they seek to centralise power in different hands and by slightly different, and possibly less objectionable means. Although, therefore, many Federal Unionists are now to be seen opposing the Nazis with every sign of enthusiasm, that state of affairs cannot be relied upon to continue under all circumstances. The sudden rapprochement when it suited their purpose of those old rivals in World Unification, the Nazis and Communists, should have taught us that lesson. And as to the means being different as they are professed to be, I am not so sure, for at a recent Federal Union meeting it was stated, without protest from anyone but me, that under the Federal Order a useful outlet would be found for Prussian pugnacity and military ability in the Federal Army, and furthermore it was suggested that it would be advisable to post units of the Federal Army to countries other than their own, to avoid the dangers of local patriotism corrupting the troops! So it is not even certain that we should escape the Prussian jack boot upon our necks under Federal Union.

The chief danger from this Movement, however, is more immediate, and lies in their attempt to get their policy adopted by the Government as its official War Aim. In this they have already almost succeeded, for a majority of the Cabinet support their views, and only expediency delays the pronouncement. This has already been shown by the disastrous attempt at Union with France, which was actually made by the present Prime Minister very soon after his accession to power. For that we are now paying a dreadful price in the enmity of the Vichy French who,

faced with a choice between Union with this country and a continuance of limited national sovereignty under German domination deliberately chose the latter. The French are known to be a realistic, clear-sighted, and intensely independent race, and it is quite certain that the suggestion of merging the identity of "La France" in an Anglo-French Union would infuriate many of them. The decision to cease co-operation with Britain was made by a small majority, and it seems impossible to suppose that the Union offer did not tip the balance against us. Furthermore the Vichy Government has since shown its sincerity in opposing union by resisting the violent pressure by which their conquerors are trying to force them to join Hitler's New Order in Europe.

The appalling danger is that we also should be presented by the same Government with the same dreadful choice between the Scylla and Charybdis of Nazi or Federal Union. The result would certainly be the same as in France; despair, disillusionment, and such internal disruption as would lose us the War in a week. Fortunately the Prime Minister's

political sense has told him this, and we can rely on him to suppress the demand for an official announcement on War Aims until we are either on the verge of defeat, or in the first flush of victory. Then it will come, and it will be some more or less well-wrapped-up step towards Federal Union, according to the circumstances at the time. At least, that is what I think. What do you?

As I survey the still smouldering ruins in an old and very English city, I ask myself, as many others are doing, "Is it worth enduring all this, and, if so, to what end?" And the answer is still "Yes!" but the reason is not easy to formulate, and the majority of the inarticulate English can never put it into words, because it is not a verbal thing at all, but a practice, the practice of voluntary co-operation which we call freedom, which is native to this island, and has expressed itself on a world-wide scale in the British Commonwealth of Nations.

Take that away, and the answer is "No! Let the Nazis come!; there is nothing left to fight for!"

## WAGGA WAGGA

### CHAMBER OF COMMERCE

#### Monetary Policy Defined

The monthly meeting of the council of the Wagga Chamber of Commerce was held on Friday, February 7, 1941.

Section 3 of the Policy, under the heading, "Monetary Policy," adopted by the Chamber, reads as follows:

"This Chamber, whilst recognising the imperative need for sacrifice on the part of all sections of the community, in the sustenance and expansion of our war effort, and the need for high taxation at this stage of our struggle for freedom, emphatically declares that the utmost limit of taxation has already been imposed, and in order that the yet greater needs of our fighting services may be adequately financed, we support a programme of (a) credit expansion on a much greater scale by way of free loans to the Treasury from the Commonwealth Bank; (b) careful control of prices by the Price Fixing Commission; (c) rapid

expansion, if necessary, under Government control, of all essential secondary end primary industries, and particularly our mineral resources, with special regard to our low grade gold, tin and copper deposits."

Section 5 is also interesting: "Realising that the success of our struggle for existence as a free people depends largely on the expansion and prosperity of our internal industries, this Chamber believes that today there should not be one pair of idle hands or one inactive brain amongst our employable citizenry, and we express our belief that the 'dangers' associated with a policy of credit expansion, in order to utilise the wasted services of our unemployed, are as nothing compared to the prolonged continuation of the present position."

## "JAIL FOR MAN WHO WENT HUNGRY TO FEED HIS DOG"

Under the above heading, in the Sydney "Daily Telegraph" of February 14, the story was told of a fifty-years-old man who was sentenced to three months' gaol for begging alms.

The police said the man was hungry. In his swag they found a small quantity of meat, which the man had saved for his dog. "Paddy" was his pal. On being sentenced the man cried, "Who will look after my dog?" he asked. A "welfare" organisation offered TO DESTROY the dog! It didn't offer to take care of him—or his master for that matter.

The man was so upset about his "pal" that Mr. Ireland, JP. (who was on the bench) offered to find the dog a home until the man had served his sentence. But that night Mr. Ireland said that more than 200 people had telephoned him offering to take care of the dog.

I remember that before the war, when thousands of young

men were condemned by society and it's precious laws TO STARVE on 7/6 per week, the dogs' homes were charging far more than that to keep a dog for a week. In the above case, however, society generally will have to support the convicted man, through taxation; and it will cost us several times the amount of the allowance for an unemployed single dole recipient, since even the gaolers have found that IT IS IMPOSSIBLE TO FEED AND HOUSE A MAN ON 7/6. The one consoling feature in the "Daily Telegraph's" report, however, was the evidence that hundreds of people were prepared to succour the dog—if not the MAN!

—"Scissors."

## 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 this issue we conclude the final speech of the mover of the motion, Mr. W. M. Marshall, and give the details of the voting.

**Mr. Marshall:** I am permitted only to reply to points raised during the debate; I would like to reply to the member for East Perth because he has spoken about inflation. He is obsessed with the idea that he is an encyclopedia on almost every subject. He speaks about inflation as if he could expand credit or issue large quantities of money, and, provided there was gold backing or some other form of security, inflation would not follow.

**Mr. Hughes:** Yes, he is obsessed with that idea.

**Mr. Marshall:** Of course, that is absolutely ridiculous. I wager that the hon. member cannot show me where the credit of the country has been expanded, that is to say, where large sums of money have been brought into circulation without the banks having some security in the form of deeds, Treasury bonds or stock. All that money has had behind it some security.

**Mr. Hughes:** That is exactly what I say.

**Mr. Marshall:** The member for East Perth spoke about the gold basis. Speaking of farmers' mortgages, he said that the security would be there, notwithstanding that the bank would print large numbers of notes to take the mortgages over.

**Mr. Hughes:** He did not say that.

**Mr. Marshall:** I wish the hon. member, who has had his say, would let me have mine. He is like a cockatoo on a perch; someone has taught him to say something which he cannot help repeating. There are two causes for inflation. The first is the sudden influx of money; no matter how it is created, whether by the issue of credit or by increasing the note issue. If extra money is suddenly made available without an increase in resources, a period of inflation will follow, because traders who have goods for sale, realising that the goods are limited, and that money has increased, will, without doubt, raise their prices.

**Mr. Hughes:** Well, let us stop gold production immediately.

**Mr. Marshall:** That is one form, and the most popular, of inflation. The second cause of inflation is taxation; costs are added to prices of goods, and there is a gradual, although slow and unnecessary, increase in the cost. Those are about the only two ways in which credit can be expanded against securities or the gold basis. If one has read the latest authorities on the gold basis, it would be ridiculous in this enlightened age to assert that gold has any effect upon internal currency. That theory has long since been exploded. The only use gold has had for many years is as a unit of value accepted internationally. It is used for balancing international debts, and it has an influence on the import and export trade of various countries. But that is about its only uses. If the argument of the member for East Perth were right, America would have no trouble at all today. America has many tons of gold, a quantity well above the reserve fixed by her law. I think she has about 85 per cent. of gold, whereas the law provides for 45 per cent. But that has no effect upon the internal currency at all. We have had managed currency for years, as was pointed out by

McKenna and other writers. McKenna was the bitterest opponent of it. The people of England, like fools, would not trust their Government to control and manage the currency, and took the dollar basis. They are now controlled by the Central Reserve Bank of America, which controls the dollar. McKenna spoke scathingly of the people of England for having done that; and, bear in mind, he is an English banker.

I do not know what else I was asked to reply to, except that I was asked whether I could prevent inflation or what I would do to prevent it if I could control the policy of the Commonwealth Bank in order to expand the credit necessary to give this State a decent standard of living. I am sorry that the member for Brown Hill-Ivanhoe (Mr. F. C. L. Smith), who reads and quotes the London "Economist," did not notice in it that, since war has broken out, the Imperial Government has spent £1,000,000 a week to keep prices of essential commodities definitely fixed. I do not think the hon. member doubts that.

**Mr. F. C. L. Smith:** Is it apropos?

**Mr. Marshall:** Well, it is in the London "Economist." Let me quote Sir John Simon's own statement—I quote from "Victory Without Debt," page 60—

Sir John Simon, then Chancellor of the Exchequer, in a statement to the London "Daily Telegraph," explained how it was done:—

"The cost of food index remained quite steady between December 1 and January 1. I will explain the reason. The position at the beginning of December was that further increases in food prices would have been found necessary if the working of the food control were not to involve a loss to the Exchequer. The Government then decided, after a careful examination of the economic situation, and of the principles which ought to guide the policy in that sphere, that the Exchequer should bear for the time being the loss involved in an endeavour to avoid these further increases. It was due to this action that the cost of food index was unchanged between December and January. This policy of controlling retail food prices by the use of public funds is being continued, and I anticipate that as a consequence any increase there may be during the present month in the cost of food controlled by the Government will be of quite small dimensions."

Major Douglas—I have not read his work, but authorities quoting from it—definitely advocated in 1918 the fixing of a just price in any circumstances. The wisdom of that has since been realised throughout the world. The only objection I have to the method adopted by the Imperial Government is that it is financing £1,000,000 a week, not out of debt-free money—because England has no national bank—but out of loan money. In Australia the Commonwealth Bank could provide such money debt-free. Once prices are stabilised and retailers compensated for the difference between a fair and just price and what would be a profitable price, or even the exploiting price that has prevail-

ed for years, once prices are kept steady having regard to the cost of production and profit to the retailer, credit can be expanded with every degree of certainty, provided that between any two given points only sufficient credit is issued to equate the value of the amount produced and the amount consumed. That is the way I would do it. The member for Brown Hill-Ivanhoe made an eloquent speech, there is no doubt about that; and I realise with him the difficulties that will arise from interfering with banking policy. Such interference would, without doubt, have repercussions; but, whether we interfere with it today or whether we wait for 200 years, as suggested by the member for Brown Hill-Ivanhoe, the repercussions will occur.

**Mr. Watts:** You will not be able to wait all that time.

**Mr. Marshall:** I would certainly be prepared to make the most able fight possible to remain here 200 years, and once every year during that time I would use all my energies to oppose the exploitation of the people's wealth. What would be the position of the Labour Party if the pioneers had adopted the hon. member's attitude? Would we have worker's compensation, or State insurance, or arbitration, or free education, or any of the other multitude of reforms made by that party? Would the member for Brown Hill-Ivanhoe have enjoyed ministerial office?

**Mr. F. C. Smith:** It took a couple of hundred years.

**Mr. Marshall:** I do not know the age of the hon. member, but I suggest that he was not born 200 years ago. If I were in the position of the member for Brown Hill-Ivanhoe, that is to say, if I were not inclined to make the initial effort for reform, I would not attempt to deter others from doing so. A man belonging to the Labour Party and taking up the attitude of the hon. member appears to be somewhat mysterious. This is supposed to be a progressive party. If the hon. member's speech had come from somebody on the other side of the House I would not have been surprised.

**Mr. F. C. L. Smith:** You need to learn a lot more about the subject before you discuss it.

**Mr. Marshall:** The hon. member gives me considerable encouragement to pursue the study! He has made three speeches in my hearing, and each time he has said in effect, "Let matters stand as they are." That is not going to be my attitude. Believing this particular form of monetary control to be wrong in principle and crushing in effect, and in spite of my limited knowledge, I intend to do the best I can to oppose it. Reading the history of the Commonwealth Bank, I found that men like the member for Brown Hill-Ivanhoe hesitated. They did not want the bank to be established, but a little body referred to by the author as the torpedo gang kept jabbing at them and booting them along until finally the bank was established. I regret that men like the hon. member give reformers so little encouragement. I respect the hon. member; I consider him well informed on this matter. He should have led the Assembly in this proposal for reform, but I am afraid that considerations other than his lack of knowledge deter him. He wishes, I think, to keep particularly sweet—

**Mr. F. C. L. Smith:** With my banker.

**Mr. Marshall:** No, not with his banker. The banker does not worry the hon. member. I have never yet been so eager about ministerial office as to be influenced thereby in anything I have to say in this Chamber, and I do not think it becomes other hon. members to travel that road. I have been sent here to do a certain job, Looking around me, I

see poverty everywhere, irrespective of what the Treasurer or anyone else, might say. Constantly in this House, when any Vote is under consideration, a picture of ghastly poverty is painted. Our school facilities are said to "be out of date; we want more buildings; the appointments are bad."

**Member:** That is a fact, too.

**Mr. Marshall:** We want more water supplies. As a matter of fact, the water supplies at Cue in my electorate are inadequate. The installations have been there for 40 years, and there are more wooden blocks left in the main than there is iron. Yet we are told there is no poverty. The rolling stock on our railways and tramways is as obsolete as it could be. Today we are sacrificing our national assets and our social concessions in order to sustain ourselves. The whole reason is that we have no money. All writers on this subject tell me, as Graham Towers told the commission, which conducted the inquiry, that the only limit to Canada's effort to win the war was men and material. If goods could be produced to the limit of production, he said he could find the necessary money debt free. I am told that by all the authorities, and I do not intend to be deterred by the member for Brown Hill-Ivanhoe. Nor am I going to wait for 200 years.

**Mr. Watts:** Why not?

**Mr. Marshall:** This subject is far too important for people enjoying comfort to smile at the efforts of those battling in the interests of the less fortunate. I shall have something to say on the motion the Leader of the Opposition will move within the next 24 hours about those who enjoy the environment of a beautiful home, as many meals a day as they like, a good bed, and all the other comforts that make life worth living, while other people do not know what a good square meal is. A little more sincerity in this Chamber might do some good.

I am told that this is not a matter we should be discussing; that it is a matter for the Federal Government. How, are we going to make any impression on the people who are constantly pressing us to give them that to which they consider they are justly entitled? How are we going to excuse ourselves and beg their pardon for not giving them what they know they have a right to enjoy? We can only do so by informing them we are doing our best to force the Federal Government to recognise that the system must be altered; that system which limits production and prevents us obtaining sufficient money to distribute amongst the people, thus enabling them to enjoy a higher social standard than they have at present. Our duty is to force the hands of the Federal Government. Individual Western Australians cannot do it, and the people expect us to do it for them. I intend at every opportunity provided for me under the very liberal provisions of our Constitution and rules of debate, to urge this course of action, and I hope that the member for Brown Hill-Ivanhoe and I will see the day when the system I am advocating comes into operation, and when the people of the Commonwealth enjoy a standard of living worthy of a nation such as this.

\* \* \*  
Question put and a division taken with the following result:  
**Ayes**—Messrs. Berry, Boyle, Coverley, Cross, Fox, Hawke, J. Hegney, W. Hegney, Hill, Holman, Johnson, Lambert, Leahy, Marshall, Millington, Needham, Nulsen, Panton, Raphael, Rodoreda, Sampson, F. C. L. Smith, Watts, Willcock, Willmott, Wise, Withers, Wilson (teller).

**Noes**—Messrs. Hughes, Latham, McDonald, McLarty, Seward, Doney (teller).

Question thus passed.

## NEWS AND VIEWS

(Continued from page 4.)

not buy any bananas, and 263 bought no pears.

**Friday February 14.**

At a meeting of Dimboola shire council, a letter was received from the Commonwealth Treasury asking for assistance and co-operation in support of war loans and savings certificates. It was decided to advise the Government to make use of its powers to compulsorily acquire money if the war savings appeal was not successful.

The New South Wales Trades and Labour Council decided that the basic wage judgment gave further evidence of the wish of there in control of economic policy in Australia to force the burden of the war on to the backs of the workers.

The Federal Government took steps under the National Security Regulations, to control the supply, distribution and consumption of coal throughout Australia "in the interests of the defence of the Commonwealth." Mr. Thomas Armstrong, M.L.C., president of the Combined Colliery Owners of New South Wales, is on the new "board."

The Minister of Agriculture (Mr. Hogan), had approved of the following maximum proportions of the various dried fruits which may be marketed within Victoria for the season, 1940: Dried currants, 17 per cent; dried sultanas, 14 per cent; lexiass, 20 per cent; dried prunes, 100 per cent; dried peaches, 65 per cent; dried apricots, 60 per cent; dried nectarines, 95 per cent; dried pears, 40 per cent. These percentages set forth the proportions of 1941 season's dried fruits, which are available for marketing within the Commonwealth.

Mr. Holloway, M.P., said that he considered that, in order to prevent the spread of industrial discontent, the wisest thing for the Government to do would be to give a wartime bonus to all employees in all industries. A universal bonus encouraged people to continue their excessive operations. For the Government to grant one now would be a gesture which the people of Australia would appreciate. Wage increases were being given everywhere in England.

Mr. Drakeford, M.P., said it would be found on examination that in Great Britain during the last war the provision of war allowances to

U.E.A. LECTURES: Next week—"Press Propaganda"; speaker, Mr. A. Fawcett; at Housewives' Assn. Rooms, Howey Court, Collins Street.

meet the higher cost of living was general. That system appeared to give general satisfaction, and he could see no reason why similar methods should not be followed here if the Government was really anxious to cultivate a spirit of co-operation, and thus secure a full, maximum effort which, he believed, every sincere Australian desired to give.

**Saturday, February 15.**

Most recent unemployment figures for Western Australia show that about 5,500 are dependent on the State for assistance. Of these, only 650 are on sustenance alone. The others are working under the relief work system at award rates.

Rates of pay for brick workers will be increased by a straight-out rise of 5/- a week and an additional cost of living adjustment of 2/- a week by a determination of the Brick Trade Board to operate on February 20.

The State Government considers that the financing of a large-scale building programme to provide houses for war workers is the responsibility of the Commonwealth Government. It considers, also, that overcoming the general housing shortage should be left to private enterprise. The financing of a large-scale State housing scheme in Victoria might embarrass Government expenditure in other directions. The Government's attitude was explained today, following a suggestion by the Leader of the State Opposition (Mr. Hollway) that a State conference be called to discuss a big building plan.

**Tuesday, February 18.**

"Because of the war," there was no official opening of the new branch of the E. S. and A. Bank Ltd. at the corner of Elizabeth and Collins streets. The old building was erected in 1885 by the City of Melbourne Bank. The new building opened yesterday, is of steel frame construction, of limit height, and has nine storeys.

**Social Credit Movement of South Australia**

The monthly meeting of the above movement will be held at the A.N.A. Buildings, Flinders Street, Adelaide, on Thursday, 27th February, at 8 p.m. After the business of the meeting an address will be given by Mr. J. E. Burgess—"The Way Out."

## UNITED DEMOCRATS' REPORT

From Headquarters, 17 Waymouth Street, Adelaide.

**"VICTORY WITHOUT DEBT" CAMPAIGN**

Preparations for this campaign are going ahead, but for reasons, which will be understood, we cannot at present divulge their nature. Members can be assured that something is brewing, and if things take shape according to promise, we shall soon have to call upon every able-bodied supporter to live up to his principles and lend a hand. As a preliminary canter, some thousands of propaganda leaflets have been distributed by enthusiasts in the metropolitan area and country.

**LUNCH-HOUR SPEAKERS:**

On Friday, 21st February, at 1—2 p.m., Mr. Anthony, late M.P., and Secretary of the Federal Union Movement in Adelaide, will give an address on Federal Union.

On Friday, 28th February, Dr. Fenner, Director of Education in South Australia, will speak on "Schools and Schooling in two Democracies." We ask for a good attendance at both meetings.

**MONTHLY MEETING:**

Saturday evening, March 1, is our next meeting. Mr. J. L. Atkinson, candidate for the Torrens electorate in the coming State elections, will give an address, entitled "This Money Business." This being our special subject, we ought to roll up in big numbers and give him a hearing. There will also be interesting matters to discuss—including supper later in the evening.

**JOHN HOGAN'S VISIT:**

Will those who wish to make use of his services during the month of March write to us at once. He will be available not only for country centres but for meetings of businessmen, Rotary or other clubs, and at any gatherings where he will be able to cut some new ice.

**AUSTRALIA'S BALANCE SHEET,**

As at 30th June, 1939, and the National Credit and National Revenue Accounts for the 10 years ended 30/6/1939, have now been published in pamphlet form, and are to be obtained at this office. These accounts have been compiled from the Commonwealth Year Books by Mr. D. J. Amos, F.A.I.S., and show how, by a

proper use of our National Credit, we could, without the addition of any further taxation to that prevailing in 1939, pay all expenses of Government, meet our interest and exchange bills, spend £210 millions on charity and relief work, and still have £1,000 millions left with which to finance the war. Price 3d, per post 4d.

—MARY H. GRAY,  
Hon. Secretary.

**N.S.W. Electoral Campaign Director's Melbourne Visit**

Mr. Chesby's Proposed Itinerary (Subject to Confirmation):

Leave Sydney for Goulburn, Wednesday, 26th February, at 8 a.m. Arrive Goulburn, 11.19 a.m., same day.

Leave Goulburn by 2.31 a.m. train on Monday, 3rd March, for Junee. Arrive Junee, 7.55 a.m., Monday, 3rd March.

Leave Junee, Thursday, 6th March, 8.28 a.m. train for Wagga. Arrive Wagga, 9.5 a.m. same day.

Leave Wagga, Friday, 7th March, 9.16 a.m. train for Albury. Arrive Albury, 11.33 a.m. same day. Leave Albury, Monday, 10th March, 7.55 a.m., on "Spirit of Progress," arriving in Melbourne at 11.30 a.m. same day.

**U.S. AND PEACE****Markets, Gold and Force**

"And in that peace we must have a part because our interests are vitally affected. We must see that Europe is so set up that people are free to work and to buy, that markets are no longer closed, that gold returns to free use. It must be a peace that provides opportunity for America not only to resume its foreign trade, but also to prevent an early recurrence of events so disturbing to our economy. No such peace can be had unless the United States is in a position to back up its demands with force. It goes without saying that preparation goes far beyond an army, a navy and an air force." — "Electrical World," New York, 19.5.40.

**"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. Homemade "Clovelly," The Block, Elizabeth Street. Cent. 255.  
**DAVIS,** 563 Bourke St. Royal Medal Milkers, 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. F 5566.

**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 H'berg 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. Haw. 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 7/6  
**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: W'town 124.

Printed by H. E. Kuntzen, 143-161 a'Beckett Street, Melbourne for New Times Limited, McEwan House, Melbourne.