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THE NEW TIMES

Vol. 7. No. 46. MELBOURNE, FRIDAY, NOV. 21, 1941.

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

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

Now, when the
padlocks for our
lips are forging,

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

THOSE U.A.P. REVELATIONS

An Indictment of the Party System

On Thursday of last week open rebellion broke out in the Victorian "United" Australia Party. The first move was a letter to the press, and the storm, which resulted, could not be hushed up. Consequently, revelations about the U.A.P. "junta" and its financial tie-ups have received considerable publicity in the Melbourne dailies. Repercussions will be felt throughout Australia.

All of which is all to the good if electors learn the right lesson from it—i.e., not to pin their faith to ANY political party, old or new. Electors have just had a peep through the smoke-screen, which surrounds party politics. What they saw should be a warning against ALL parties. As between different parties the details and the interests served may appear to differ somewhat, but that sort of thing must be suspected in all cases.

THE REVELATIONS.

The trouble in the U.A.P., which has apparently been brewing for some time, flared up when the Victorian State president of the United Australia Organisation (Mr. T. S. Austin), wrote a letter to Melbourne's morning papers, in which he criticised the State Parliamentary Leader (Mr. T. T. Hollway).

Mr. Austin's letter criticised Mr. Hollway for a reported statement by him that a "spring cleaning" was necessary in the U.A.P., and said that the party wanted to know more about the reported proposal for a political alliance between the U.A.P. and the Labor Party and the reasons preventing Mr. Hollway enlisting in the A.I.F.

In the course of his letter, Mr. Austin naively explained that "the United Australia party is composed purely and simply of members of

Parliament, whose election to the Legislature has been supported by the branches and members of the United Australia Organisation acting in conjunction with the Australian Women's National League and the Young Nationalist Organisation. **Once those members have been elected, the extra-Parliamentary organisations just referred to do not have any control over them, and they are free to vote and speak as they think fit.**" (Our emphasis.)

Apparently Mr. Austin thinks the public is quite ignorant of the little matter of pre-selection. Of course, a politician who ignored the wishes of those controlling the political organisation, which backed him, would thereby commit political (Continued on page 7.)

BANKING FOLLOWS THE FLAG

A recent issue of "The Weekly Review" quotes the news-item hereunder, and publishes the skittish commentary, which follows. Apparently the good work of bringing the blessings of modern debt-slavery to East Africa is to continue under different auspices.

"British Bank in Addis Ababa. First Branch Opens. ("Daily Telegraph" Reporter).—Over an imposing doorway in one of the main streets of Addis Ababa there appeared for the first time yesterday the familiar name of Barclays Bank, which opened a branch there. None of the other members of the 'Big Five' has such a step in contemplation. It is realised, however, that, with the formerly strongly entrenched Banco di Roma and the Banca d'Italia virtually out of business there, immense banking possibilities have opened up in Italy's lost East African Empire."

Professor Verminn, travelling as a running commentator under the name of Hoova Goblimee, described a recent ceremony in Hoya Bogy, which may have some bearing on the above report. He writes:

In the centre of the city a Safe Deposit, largely consisting of unexploded bombs, tins of mustard gas, frozen credits and other securities, was rifled yesterday; it was immediately evident that no property could be secure without a bank. Approaches to the Bank of England at its headquarters in Baghdad led to a simple announcement in the Court Circular, "A Bank will be opened on July 5 by one of the Big Five at five o'clock victory time . . . — V."

On that day I witnessed a most

But, of course, if we cannot conceive of a world, which does not regard "employment" as the chief end of man, we must develop

CHILD SLAVERY ALLEGED IN MILK INDUSTRY

DIRE EFFECTS OF MONEY-SCARCITY

"Allegations that the return to producers was so inadequate that conditions governing the production of milk for the Brisbane market amounted to the sweating of men and women and the enslavement of children were made at a combined meeting of the Warm and Country Milk Associations last week."—"Qld. Producer," Oct. 29.

It was claimed, this report continues, that farmers had to call on their children to milk to enable them to carry on, and the children were often so tired that they went to sleep at their desks while at school.

Even with the assistance of their wives and children to save labour costs, it was stated that milk producers were making only a meagre and uncertain living.

The meeting appointed a sub-committee to ventilate their grievances and to campaign against the alleged exploitation of milk producers supplying the Brisbane market.

This sub-committee has been charged with the duty of informing the public of the sweated conditions under which milk is

produced, and the "shameful exploitation of the farmers, their wives and children."

"From now on the public will be informed of repulsive conditions in the milk industry by a series of statements, and it is hoped that this campaign will remove a set of conditions of labour which would seem impossible in 1941," says an official statement issued by the two organisations.

The president of the Country Milk Association (Mr. A. Vores) said that although he had not been advised officially by the Milk Board, he understood that it had rejected an application made on Monday for an increase in the price paid to producers.

Because dairymen supplying Brisbane were so impoverished, women and girls were working on delivery runs at 3 a.m., said the Warm Milk Association chairman (Mr. W. A. Basnett) last Thursday.

This would be revealed by a sub-committee, appointed by the Warm and Country Milk Associations, to indicate to the public the miserable state of affairs operating in the industry. It seemed the only course left to producers to obtain a fair deal.

Every morning in the Kedron district he had seen women and school children helping their husbands and fathers on delivery runs. In another case a girl began work at midnight. A farmer who delivered milk by motor cycle and side-car was assisted by his wife, (Continued on page 8.)

BUREAUCRACY IN INDIA

Miss Claudia Parsons, in an amusing and readable, but far too expensive narrative of "Vagabondage," which includes driving a £10 second-hand car from India to England, remarks on the visible deterioration going on in India—buildings falling into disrepair, transport services down at heel, morale vanishing.

There are two outstanding causes (the book is not concerned with such matters). The first is the change for the worse; both in the personnel of the Indian Civil Service and its transformation into a pure bureaucracy primarily concerned with tax collecting. The second is the imposition on Indians, as "Sahibs," of lower-class Europeans unaccustomed to reward personal service with reciprocal respect and affection. The bond between the East and West is weakening, not strengthening. The Isaacs-Montagu Viceroy-India Office period, though short, did more to accelerate this process than twenty years could undo. — "The Social Creditor" (England), September 13.

every possible source of power, and take the consequences, as we are doing at the present time.—I am, etc., C. H. DOUGLAS.

SIMPLE FACTS ABOUT FINANCE

A Talk Broadcast from 7HO, Hobart, at 8.15 p.m. on Sunday, November 9, by James Guthrie, B.Sc.

The question of what quality of clothes you should wear, what kind of house you should live in, how many holidays you should have, has not been—in my lifetime—a question of how we can provide these things; it has been entirely a question of money.

Nothing in this country can be obtained without payment of money. Neither the grocer nor the tax collector will accept payment except in money. There is nothing serious in this provided there is sufficient money available to pay for all the goods and services, which this country can provide.

If there is NOT sufficient money available to pay for all the goods and services that this country can provide certain very important things must happen.

Men and women will decide for themselves what they want most and they will have to do without the rest. First they will have to pay rates and taxes whether they wish to or not. That is not decided by the people of this country; that is decided for them. They cannot escape paying rent. They must buy food for their families; this will be the cheapest possible kind of food. The dearer foods, such as milk, butter, fruit, vegetables and high-class meats, will be bought in small quantities.

After paying for these things, ninety per cent, of the heads of families in this country have anything from 2/6 to 15/- a week to themselves, provided they have no holidays and no doctor's bills.

If we consider the housing, feeding and clothing of the people as part of the working expenses of the nation as a going community, or what we would give to an animal to keep it from being a liability, we can say that the average "profit" made by the vast majority of heads of families in Australia is less than 10/- per week. That, in other words, is his weekly wage, the remuneration he gets for his weekly toil.

If you grasp this position clearly you will realise how impossible and ridiculous it is to expect that out of this small margin Australia has to finance a war effort costing £300 million. You will also realise why it is impossible to buy homes, to pay for roads and buildings and factories.

Now, in spite of the small margin of "profit" that finds its way into the average home in Australia, it is an undoubted fact that the productive power of this country has greatly increased, actually and potentially; but the purchasing power of the wage earner has not increased to any marked degree during the last twenty-five years.

Naturally, as the productive re-

sources of a country increase, its financial resources should increase, because the financial resources are merely a reflection in money values of the real resources of a country.

But the reason why increased financial resources have not found their way into the homes of the people has not been evident to many people, although knowledge on the subject is spreading rapidly.

Let me try to explain to you why we remain poor and in debt in spite of all the amazing amount of work that has been done in this country by you and your father and your father's father, and in spite of science, invention, education and better organisation.

Let us imagine that you and I and a third person decide, as millions of our race decided before us, to move away from the city and its rates and tax-collectors and all the other gentry who prey upon long-suffering man; let us decide to hack out a living for ourselves in the bush.

Suppose I go fishing and trapping rabbits while the other fellow builds a hut to live in and you build a dam to supply us with water. After the dam was built and the water trickled past our hut, we have an asset, which will last us a lifetime.

The cost of that dam was the labour expended by yourself, and of myself in feeding you while you built the dam. The dam was built and paid for by our labour; an asset was produced, but no debt remained, and, in this way we could go on producing assets.

But in Hobart, if we wish to build an asset in the form of a reservoir or a hospital, we go to the bank for a loan in order to pay the workmen's wages. The real cost of building that asset is the food, clothes and shelter provided by the people in the district for the workmen when building the reservoir or hospital; therefore, the reservoir belongs to the people in the district. Oh, no! The banks virtually claim these assets as their own; they issued

the money for them and they demand interest for ever afterwards.

For this reason 40 per cent of our city rates go to pay interest on loans. The entire income tax of this State goes to pay interest on loans obtained to build schools, hospitals and roads; for this reason we pay ever-increasing taxes and ever-increasing prices.

And no matter how many assets we erect on the face of this great country, our debts always increase, and our economic security decreases, and no man can leave this earth and leave his family secure, as the tax collector gradually but surely breaks up and sells up every family estate, unless, of course, that family marries into the inner financial ring.

Over 90 per cent of business transactions in this country are done by cheque. If a bank has a hundred pounds in cash in the till it can issue loans, or create credit, to about £1000. This can be done because the banks know from experience that only about 10 per cent, of the money demanded from them is demanded in cash. Of course, if everybody demanded cash and refused cheques the banks would have to close their doors.

By means of cheques, property and houses change hands; motorcars and labour are bought and sold. When money is required for the building of hospitals or factories, the banks issue the necessary credit. They simply write down the client's name in the book and allow the client to operate by cheque up to the amount stated.

When a bank issues a loan or subscribes to the war loan, they simply write a cheque for the amount. They expand credit to that amount; no extra cash is involved. And they can go on making loans until the total loans made are about ten times the cash in their tills.

Practically all money issued to pay wages is issued by the banks to employers of labour; this money comes back to the banks week by week, and is issued again. Most of the money reaches the hands of shopkeepers, who deposit it in the banks. The shopkeepers are paid no interest on this money, but this cash received from shopkeepers and savings banks, and passing through the private banks each week, allows the banks to use it as a basis of expanding credit, or issuing loans to ten times the amount, so that when a bank issues a loan at 4 per cent, it is getting about 40 per cent, on cash which doesn't belong to it, and on which it pays no interest.

That is not the whole story; the private banks have an agreement with the Commonwealth Bank by which they can call in cash any time they want it.

We can say therefore:

1. That all money comes into circulation through the banks.
2. And therefore all money comes into the community as a debt on which interest has to be paid.
3. That the banks can and do create a shortage of money whenever they please.
4. That there never is sufficient money for the community to pay interest on the accumulated private, municipal and Government debts.
5. That the community has therefore to borrow from the banks to pay interest on debts to the banks.
6. This explains why debt is increasing at such a high speed.
7. It also explains why the more assets we produce the greater become our debts and the greater the rates and taxes required to pay the interest.

The financial policy of this country is a policy of debt-creation, and that policy demands

higher and higher taxes. It is quite useless to complain about increasing taxation, and at the same time to suffer all money to be issued as a debt by the private banks.

The more energetic, the more inventive, the more organised industry becomes, the greater must be your debt, and therefore the greater your rates and taxes; that is not a matter of opinion, that is a matter of mathematical fact.

The politicians of this and other countries have split their countries into two very hostile camps on the question of taxation. You want to take the matter out of the hands of the politicians; they will only lead you into chaos.

When the question is put to you, how you want the taxes paid—by soaking the rich or soaking the poor—brush the question aside with contempt and say: We want the money necessary for this war to be created by the Commonwealth Bank, debt free and interest free, and we are not going to have our money come to us as a debt from men who have no more right to create money than a common forger, and who use the Commonwealth Bank as a milch cow, and refuse the Government permission to issue its own money.

If you wish to see this country put on a decent foundation and to allow the real leaders of the country to come into their rightful place, you should make yourself conversant with a few simple facts about this money racket. Businessmen would be well advised to read the report issued by the Southampton Chamber of Commerce, and which is available at our office, 101 Collins-street, Hobart, at 6d. a copy.

Home Meetings and Speakers' Class

Now is the time to intensify our efforts, and there is no more effective method than to gather a few friends in your home. If you will make your home available and send particulars of how many can be accommodated, Mr. J. Bradshaw, A.F.I.A., will contact known supporters nearby and fix a date for a meeting. If you are interested in joining the U.E.A. speakers' class, please enroll now with the secretary of the United Electors of Australia, McEwan House, Little Collins-street, Melbourne.

CARAVAN CAMPAIGNERS

We are pleased to report that Mr. Norman Rolls, who was taken ill near Maitland during the first stages of an inter-State campaign, has left hospital and has been recuperating in the district. Mr. and Mrs. Rolls have been the guests of Lieut. John and Mrs. Middleton, of "Brownsville," Albert Street, Rutherford, N.S.W.

Arrangements were made for Mr. Rolls to interview prominent local citizens before recommencing the tour early this week, campaigning in Greta and Branxton en route to Singleton, where another break in the journey will be made during this weekend; thence to Muswellbrook (Tuesday), Denman (Thursday), Sandy Hollow (Friday), Bylong (Sunday), and Mudgee.

Interested persons should, therefore, contact Mr. Rolls by writing c/o local P.O. without delay, since the value of his work can be increased immeasurably by local co-operation.

Mr. Rolls wishes us to convey his sincere thanks to the "New Times" readers in Newcastle, and to Dr. C. J. B. Armstrong and the staff at Maitland Hospital for their kindness and co-operation.

M.H.R. URGES NATIONAL CONTROL OF MONETARY SYSTEM

"I have witnessed the effects of deflation in its worst form. I have seen mothers and children literally starving in this rich land, and their plight has been due to the rotten system called deflation."

The Member for Riverina (Mr. Langtry) dramatically declared this in the House of Representatives when he urged national control of our monetary system.

"I am afraid we shall witness such conditions again unless a change is brought about," added Mr. Langtry. "Our monetary system must operate for the well-being of the community in general, not for the interests of a privileged few. Until that is done, there can be no new order."

"LIVE IN SECURITY"

When money could be obtained free of interest to finance our war commitments, Mr. Langtry asked,

why should the nation borrow money from the private banks? He did not believe that such a thing as inflation could arise while there remained with us poverty. Every man, woman and child should be enabled to live in security.

Full use must be made of the Commonwealth Bank, the Member for Riverina said. If ever there had been a time in the history of Australia when the Commonwealth Bank should be used as was intended by its founders, that time was now, when the greatest war in history was being waged.

How to Win the War — and the Peace

A Challenge to Every Britisher

By ERIC D. BUTLER.

(Continued from last issue.)

One of the big troubles at the present time is the fact that most of the men in charge of various Government departments are completely divorced from the realities of production. These men sit in offices and develop the "card-index" mind. Figures become more important to them than actual production.

A typical example of this occurred in Britain recently, when Lord Beaverbrook got away from the figures for a while and went down to talk to 2000 munition workers at Manchester. The meeting developed into a debate. In the Melbourne "Age" of November 11, 1941, the following report appeared: "The industrial correspondent of the 'Daily Mail' writes: 'Lord Beaverbrook heard first hand of problems about which he did not know . . . This public debate taught many lessons. The most important are, firstly, that the workers, who see so much muddle, do not believe that the Government is seriously planning a war effort; secondly, that Ministers are not sufficiently aware of the real problems in factories; and, thirdly, that until the mistrust between the managements and workers is eliminated, we shall not get 100 per cent, or even 80 per cent, of our potential output.' (I would say that 90 per cent, of the mistrust mentioned is the result of financial policy—wages, etc.)

"The correspondent adds: 'The munition workers told Lord Beaverbrook so many stories of dismissals, mismanagement, craftsmen's prejudices, transport chaos, lack of crèches for married women, and canteen shopping facilities, that he could only promise to look into them and pass them on to other Ministers.' (Just think of it! He will "pass them on to other Ministers"! And they will pass them on to somewhere else. The present system automatically produces bureaucratic madness, where no one accepts personal responsibility.)

"The correspondent adds: 'let us be frank about our war effort. Sir Wardlaw Milne recently said that production was only 75 per cent of what it should be. Mr. Bevin had since then urged the workers to step up the output by 30 to 40 per cent I have spoken to employers, who contend that production is only 50 per cent of what it should be.'" (My emphasis.)

As we will see later, similar facts have been made public about organisation in this country. Everything is paralysed by those in control of the credit system. Mr. E. C. Gordon, Chairman of Council, Engineering Industries' Association, put the matter bluntly in a letter to the London "Times" of July 31, 1941:

"There is no escape from these facts, and today, up and down the country, a great number of engineering organisations are being frustrated by the difficulty of getting adequate finance from any source at all! And still we stand for it!

The creation of the nation's money supply is a monopoly in the hands of the private banks. These institutions are holding up the war effort with their antiquated system. And those who want this system altered are dubbed "cranks"!

BUREAUCRATIC "GEMS."

In view of this abuse by protagonists of the present banking system, I challenge them to show us anything to compare with the crankiness of a financial system, which has so broken down, that bureaucratic socialism is being introduced to try and prop it up. The results are appalling. The British Government is leading the mad race towards socialism—although Australia is making a gallant effort to catch up! And I am in good company when I say this. The following item appeared on the front page of the Melbourne "Herald" of November 13, 1941:

"In an outspoken attack on the British Government, delivered at a meeting of his constituents, Sir Herbert Williams, Conservative M.P. for South Croydon (London), said: 'I believe the splendid British people will win, however incompetent their Government, but an incompetent Government will greatly add to the cost, in life and treasure. The present Government is not only incompetent, but, in many respects, it is the most incompetent Britain has had in modern times.'" (My emphasis.)

And this comes from a man who is a real engineer and organiser, not a departmental head "built up" by the press. Sir Herbert Williams is an engineer by training. Engineers usually think in terms of real things.

And now for a few of the many "gems":

The following item, by "Pobottle," in "The Times," London, is a clever satire on exactly what is taking place today:

"There are, broadly speaking, two possible ways of controlling things in a war:

"(1) To leave everything to Professional Civil Servants, in which case, of course, everything is a mass of red tape, and what is required is a Practical Man with Experience of the Industry. Or—

"(2) To use the Practical Man with Experience of the Industry, in which case, of course, the whole thing is a Racket and a Scandal and a Ramp, and what is required is a nice, impartial Civil Servant.

"The obvious solution is therefore to mix Civil Servants and Practical Men in judicious proportions, when one will, of course, get the most glorious of all things, a Racket tied up with Red Tape.

"This is exactly what has happened, as far as we can see. In fact, the only dammed thing in the whole war which we believe is being handled with speed, efficiency, integrity, unselfishness, patriotism, vision and courtesy, is a small matter which we ourselves have reluctantly taken over officially at extreme personal inconvenience, at the almost tearful request of the Very Highest Quarters . . ."

As an example of wasted manpower, the following report, in "The

People" (London), of February 2, 1941, must have shocked even the most complacent reactionary—or, should I say, the most "progressive planner":—

"If the staff of officials at the Food Ministry were lined up in single file before Lord Woolton, the Minister, they would form a queue eight miles long! There is growing apprehension in trade and Parliamentary circles over the size of the gigantic bureaucratic organisation that is being built up at this Ministry. 'Less food, but more officials,' seems the motto! Sir Herbert Williams, M.P., who raised the matter with the Minister the other day, was told that the staff now numbers 30,200. Nine months ago, when a report on the strengths of the new wartime Ministries was made to the Chancellor of the Exchequer, the Food Ministry's officials numbered only 12,000."

It would be interesting to learn how many tens of thousands of officials we have in this country now as a result of the dozens of new boards created. On one hand we are told that we have a "surplus" of foodstuffs—apples, pears, lamb, wine, etc.—while on the other hand we are told to make more sacrifices. This is the result of a money shortage. Instead of seeing that the people have sufficient money to buy these foodstuffs the Governments create bureaucratic boards, and waste the time of thousands of potential helpers in our war effort, in order to try and "plan" production to fit the money system. The money system should be the servant and not the master.

Here is a selected letter, typical of dozens, which have been appearing in the British press. It was published in the "Daily Telegraph" of November 5, 1940:

"Sir, —Factory managers should be concerned with production only. Instead, we seem to have to spend our time interviewing Government representatives, inspectors, factory inspectors, and going through multitudes of Government returns, reports, and new regulations. We have to deal with inspectors over shelters. Factory inspectors insisted upon hurricane lamps, but another inspector barred them. We had to camouflage our factory, and after it was done we were told it was unnecessary, after all. We were told to paint all our glass; later to strip it and have shutters. Then we had another specification involving roof curtains and fabric to prevail glass splinters. Later, we had to use wire netting. After all this expense, Mr. Bevin wants to use up his unemployed, once again changing our methods . . . We have to control stocks and keep them apart for certain Government departments. This in turn involves additional labour and expense. We have to sign progress reports. We are harassed by telephone calls from departments insisting upon speaking to principals. Then, periodically, we have Government auditors to see we are not making profits, and each one wants to be satisfied on points which take hours of our time in explaining. As a last straw, we are expected to join panels for the quick repair of damaged premises and give time towards organising this effort. Meanwhile, our job of production has to be relegated to others, and we have become mere receptionists for Government representatives. Why not leave us alone to do our job? We, who are supposed to lead the industrial army into the field of greater production, are holding the telephone and signing forms, and we are far too busy dealing with red tape to do our ordinary work. We are willing to work, but we cannot get on. —Yours faithfully, 'A Midlands Manufacturer.'"

Although one could go on indefinitely giving examples of the chaos resulting from false ideas about organisation, this is not necessary. However, before proceeding, I cannot resist the temptation to quote the following "gem" from "Public Opinion" (England), of August 8, 1941. It is a diary sent by a farmer to the "Manchester Guardian." The story begins in May 1940, and ends in June the next year. The farmer said that he had similar barns to those mentioned erected in a fortnight at half the cost before the war:

"May, 1940. —The County War Agricultural Committee ordered the farmer to plough 150 acres of pasture. He had from 100-120 acres regularly in cultivation,

"July-August. —Farmer not having sufficient storage capacity asks C.W.A.C. to pass his application for two barns and two covered ways.

(Continued on page 5.)

COUNTRY TOWNS LIKE MORGUES

DRIFT TO CITIES ATTACKED

"What chance is there of achieving decentralisation if we legislate to benefit monopolies and city interests?" This question was asked in the House of Representatives by the Member for Riverina (Mr. J. I. Langtry) in the course of a strong plea for a vigorous decentralisation policy.

In the last eight years, 4500 farmers had gone off, or had been put off, their holdings, and only 200 had taken their places, leaving a net loss of 4300, said Mr. Langtry. The fact was that farmers were unable to make a living under present conditions, yet without primary production Australia could not carry on. There had been no inducement for people to stay on the land.

"The country towns are like morgues at the present time," Mr. Langtry declared. "The people are drifting away to the larger towns and to the cities."

Mr. Langtry said the creation of the Mortgage Bank would materially assist primary producers, and it was his belief that in other ways country people would now be assisted to carry on their activities. He looked forward to the time, not only when the drift to the city would be checked, but the flow of population would be reversed, with an exodus from the metropolitan and industrial areas to rural towns and districts. The establishment of more secondary industries in the country was a necessity.

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, NOVEMBER 21, 1941.

No. 46.

MR. MENZIES MISLEADS

Poor Mr. Menzies! The "great statesman" has, perforce, left the full glare of the limelight and is now reduced to running around the country frightening the dear old ladies of the A.W.N.L. with the inflation bogey and lurid tales about the "financial cranks." Still, it must be admitted that Mr. Menzies runs true to form. Which is something. We know just where we stand with Mr. Menzies. No doubt the "National Union," so much in the news at present, recognises this characteristic of Mr. Menzies and cherishes him accordingly.

On Monday of last week Mr. Menzies, lacking bigger game, descended upon the ladies of the A.W.N.L. in a Melbourne suburb and unburdened himself of the views on finance that we and the "National Union" have come to expect from Mr. Menzies, as a matter of course. Perhaps he managed to give the ladies the impression that he was a sort of St. George, engaged in a terrific combat (verbal only) with an entire horde of ravaging, fire-snorting dragons disguised as "financial cranks." No doubt, this doughty champion—of the banks—got sufficient applause and afternoon tea to smooth his ruffled vanity a trifle. But it was a shame to mislead the hospitable womenfolk so brazenly.

Of course, Mr. Menzies did it skilfully. He gave them a judicious mixture of truth, half-truth and untruth. We can agree with him "a bad Budget and a bad financial policy is as great an enemy as any panzer division ever put in the field." Therefore, it is all the more deplorable that he should deliberately cloud the issue so that his hearers would be prevented from recognising a bad financial policy.

Mr. Menzies said that the German economists' contention that it was either guns or butter was completely right. But Mr. Menzies did not point out that our war effort, present or projected, is a mild effort compared to Germany's, and therefore need not encroach on civilian requirements to a corresponding extent, if at all. He did not point out that, in any case, Australia is in a position to provide plenty of butter for her own population without interfering with sources of materials or man power needed for her war effort—we use wife-power and child-power in dairying to a large extent, and while Professor Copland can still report that we have 100,000 registered unemployed, there is no need to even think of reducing the number of workers now engaged in dairying. Mr. Menzies did not point out how different Germany's position is (and has been) in regard to butter supplies. Neither did he point out that Nazi economists realise, if he doesn't, that a half-starved population CAN'T make a sustained maximum war effort, and that while the Germans, of necessity, under the circumstances, went on short rations of butter, they made strenuous efforts to compensate for this dietetic deficiency. The "guns or butter" slogan of Nazi Germany had a special local "justification." To accept it for Australia would be childishly stupid.

Mr. Menzies declared that the new Government proposed to borrow about £70,000,000 from the Commonwealth Bank. He said that would mean "a very gross inflation." (Incidentally, that is a clear admission that borrowing from a bank brings additional money into existence—i.e., "banks create credit"). But, despite his much-vaunted legal experience, he failed to produce one tittle of EVIDENCE that inflation would automatically and necessarily ensue. He trotted out the bogey of the German inflation after the last war, but said not a word about the huge expenditure of bank credit that has taken place in Germany in recent years without "a very gross inflation." He spoke strongly about the horrors of inflation, but entirely omitted any reference to the horrors of deflation. Does anyone suppose that these omissions were accidental?

Mr. Menzies seemed to be very upset because, as he said, "individual members of Parliament were being subjected to a new kind of 'pressure politics' in the form of circular letters threatening them they were 'gonners' if they did not advocate certain financial policies." Mr. Menzies pays lip-service to democracy, but when electors seek to make it a reality by demanding THEIR policy, Mr. Menzies objects and resorts to cheap abuse: "This," he said, "was the Douglas Credit and monetary crank movement in its latest form. Honest people were being deluded by other people with clever tongues." Not content with this puerile mud slinging, which was far from flattering to the intelligence of his audience, his electors or himself, he resorted to downright lying. Their "fun-

IN THE SPIRIT OF PROGRESS

The "Spirit of Progress" sped on its way to Melbourne. There were six of us, all men, in a smoking compartment. In one corner sat a well-groomed young man reading a book bearing the title, "Poems by Australian Authors."

Opposite him, a sun-tanned, well-built man turned over the pages of his newspaper. He looked like a prosperous farmer. Three other men, apparently friends, revealed by their flowing conversation that their objective in Melbourne was "the Conference," and they appeared to be deeply interested in the industrial Labor movement.

The trio's conversation turned to the war, and one of them, with a remarkably ruddy complexion, asked the farmer if there was any news in the paper. "Nothing much," replied the farmer, "only another Menzies' attack on the money reformers." This seemed to awaken keen interest in all members of the company. The young man looked over his book. The second man of the "conference" party, who wore a beaming countenance with a pair of twinkling eyes, enquired if "sound finance" was not giving us the maximum war effort. The third member, who wore glasses and a rather serious countenance, seemed to have an analytical kind of mind. "Don't forget," he said with a faint smile, "Bob's a born fighter. I only wish I were as cock-sure of any one thing as Bob is of everything."

"Surely," retorted the man with the ruddy complexion, "you're not one of those timid men who lack courage and get soured when things are going against you?"

"Not at all," replied the serious member. "I like a man of soldierly courage, with optimism and a clear distinction between right and wrong, plus a simple desire to do his duty."

"Quite right," interjected the member with the ruddy complexion. "We all admire the true patriot who's conscious of the nation's sin and stands up against tradition and vested interests, ready to suffer for the attitude he assumes."

The member with the beaming countenance raised his hand. "The saxophone's too loud," he said. This remark added a note of merriment to the proceedings.

"Anyhow," continued the ruddy

member, "I happen to be a money reformer and seek the truth. Wasn't it Cicero who said, 'There's nothing sweeter to men than the light of Truth.?'"

"Menzies suggested that you money reformers are a lot o' cranks," said the farmer,

"Did he?" queried the reformer, raising his eyebrows. "There's more heat than light in that argument. Assertions must be substantiated by facts, and I want to say this—"

At that moment two lively children skipped merrily past the doorway into the corridor. One shouted lustily, "Sticks and stones 'll break me bones, but names—The end of the sentence died away."

"There you are," said the reformer assuredly, "the kiddies see my argument."

The young man in the corner smiled generously as he remarked, "Much less than a philosopher can see an argument with truth in it."

The company was in a merry mood. Someone asked if the newspaper disclosed where the argument had been thrashed out. The farmer looked at his paper again and said that it was dealt with at a meeting of the A.W.N.L.

"What branch of the A.I.F. is that?" asked the ruddy member.

"Never mind," said the member wearing glasses, "I was a captain in the army myself once, and I know that captains have their responsibilities."

"That's how they learn strategy," suggested one of the party. "True," said another, "but Bob didn't learn it there."

"Here's a poetical view," the young man in the corner broke in. (Continued on page 6.)

damental error," he continued, "was the belief that wars were fought with money." We challenge Mr. Menzies to name any monetary reformer who has ever expressed such a patently absurd belief. On the contrary, monetary reformers are eternally pointing out that it is the physical things that count. But they go on to point out how the orthodox monetary system prevents many physical possibilities from becoming actualities.

Mr. Menzies said that wars are fought by men, women, materials, labour and services subtracted from the ordinary wealth of the community. This statement simply ignores the fact that, under orthodox financial rules, peace-time production is much less than capacity production—leaving idle resources and man-power which can be used for the war effort, or in replacing diversions into the war effort; so that no subtraction from "the ordinary wealth of the community" is necessary until the claims of the war effort exceed the productive usefulness of these previously idle resources and man-power, of man-power previously absorbed in futile and unproductive pursuits, and of more efficient methods and labour-saving devices that can be introduced promptly into any part of the economy.

"You can't pay for this war by 'soaking' the rich." Quite so, Mr. Menzies. And you can't pay for it by 'soaking' the poor and the not-so-rich. In fact, if you are to have anything like a maximum effort, you can't pay for it even by 'soaking' all three. You must get additional money created. Even your own Government did this to a degree, as you know quite well; but it let the private banks do the creating on their own outrageous terms of debt and interest to themselves.

"My belief is that people ought not to be better off because there is a war on. There are 2,000,000 people today who are earning more than they were earning before this war began." Well, Mr. Menzies, they thus suddenly become better off if they hadn't been worse off than necessary before this war began—when they existed under YOUR Government!

Our patience and our space are exhausted. "A great statesman"? A great humbug! At his present rate of "progress," Mr. Menzies will end his career in a backwater, writing articles for that archaic monstrosity, the "Sound Finance Review."

INDIAN SUMMER OF THE N.Z. LABOUR PARTY

By JOHN A. LEE, M.P.

In 1935 Labour secured a magnificent majority. In some way that can scarcely be understood, the Hon. Walter Nash occupied the centre of the stage after Labour's success, which was a great misfortune. Mr. Nash never had believed in a new order, although he thought he did. He merely believed in tidy accountancy within the framework of the system he was pledged to alter.

True, he did say before taking office that he believed in Labour's complete acquisition of money power, but that was merely because it was part of the programme so much power jargon. Nearly every member of the party knew that Mr. Nash did not believe, and the blithe, light-hearted repudiations of his yesterday's attitude he engages in today are seen to have been inevitable.

Is the above attitude dishonest? Not at all, if you believe every OTHER man is outweighed with original sin, and is not good enough for a good policy. But be careful to reaffirm the integrity of the faith at the annual conferences.

When Mr. Savage was Prime Minister, Mr. Nash ruled. Mr. Savage saw people; he never saw problems. He sat in his sanctum and yarned benevolently at the thousands who came to tell him he was a great man. Mr. Nash was quite prepared to humour the belief as long as Mr. Savage continued to leave power in the Nash hands.

Mr. Fraser hovered, a neutral figure, another theoretical Socialist who thought that half-a-crown on pensions was a mighty instalment on the road to Jerusalem, and another person like Mr. Nash, who always seemed to believe Socialism should balk at banking legislation. Mr. Nash was supposed to be the inspirer of guaranteed prices, of banking legislation, of decent pensions, of housing. The supposition was so much tosh! Mr. Nash was the opponent who subsequently became the codifier. Thus it happened that, after six years, banking is still a private monopoly, the only monopoly in New Zealand to earn reduced taxation. Yet, Mr. Savage said, "Now then," and daily promised to handle the banks. Mr. Nash, being an old-fashioned free trader, plus a worshipper of banking orthodoxy, New Zealand industries were not built. But Mr. Savage said "Now then," Finally we saw the tens of thousands honouring the person who made Mr. Nash the supreme instrument for defeating Labour.

Not that Mr. Nash wanted the party to go down, only its principles. Labour to the Nashes is Nash in power, as agents of Nashism, not as instruments of transformation. Mr. Nash is not a Socialist so much as a bureaucrat. He wants every business and every organisation a puppet at the end of his red tapes. His the power, the glory and the frustration. The other day he wanted an election, not for Socialism, but for renewed power, and in his power politic his instinct was sound.

The last chance for Labour as at present constituted to win an election in a decade has gone, although Mr. Fraser's postponement was the larger statesmanship at this moment of crisis, a statesmanship which will allow of a better war effort and office during the war at the expense of Labour being finally driven from office.

Today we witness, not a renewal but an Indian Summer of a Labour Party, an Indian Summer brought about by the nihilist incompetence of the opposition under the leadership of the press and of Mr. Holland, and the afterglow of the era of social betterment now being swallowed up in taxes and profits.

For, as Mr. Richards said the other day, Labour's improvements in pension are all being engulfed in the rising tide of prices. War is responsible for shortages and price increases, war AND MR. NASH. To every child's pair of boots, to each pair of socks, shirt, to almost everything consumed in the home has been added the cost of more war taxation and sales taxation. In Australia the upward movement has not been so accelerated. The statistician may produce figures; the housewife knows that the cost of living has soared away beyond the figures. Work is plentiful and wages are high as men are called in the ballot, but the family on a low income knows what difficulties are faced as they try to buy food, clothing, shelter and fuel. The wage is pegged, prices soar. There

is a shortage of vegetables. I foresaw this two years ago. For two years I have asked the Government to move. This Government only moves in areas of the problem. There is a shortage of fuel. The workingman and his wife frequently shivered last winter, but those responsible for the unsocial coal shortages had larger incomes than ever.

We call up men haphazardly. We do have an eye on war industries. We forget that industries, which keep the home going, are as essential as industries, which keep the guns going. Mr. Nash gives the family man a diet of red tape and taxation.

Debt mounts higher and higher. But MP.'s cynically say, "Pile it up. We can never repay." Mr. Nash can neither tell us how we can ever repay or avoid the burden. He is too busy adding the figures, consoling himself with the fact that, being a Christian, it's not his fault if Christianity in politics seems impossible. Soldiers are coming back. They already come back to a nation in debt. Mr. Nash's idea of rehabilitation is to start each off with a nice load of debt. Where are the schemes of new industries the Labour Party was to have in its election manifesto? Stillborn in the manifesto.

And now we are about to break

up the homes of married men for overseas service, despite voluntarism in Australia and Canada.

Brave new world could have been in sight in New Zealand before the outbreak of war. What was in sight was a financial collapse, the result of Nash stupidity. Industry and hydro-electricity could have advanced. What we had was roads, unfinished railways, a tribute to Nash shortsightedness. We could have had a debt-free war and industry development. What is in sight is a mountain of debt with few taxable resources, a situation which will demand a revolutionary change in finance or the sacrifice of our workers, a tribute to the conviction Mr. Nash has that Mr. Nash the bureaucrat must save Labour from the manifestos Mr. Nash used to sign.

Nash arrested Labour's momentum in 1935.

And in due course the Labour movement, even the Industrial Bouncers, will realise that when they helped Savage-Fraser-Nash to avoid change and left themselves within the framework of the old wage, price and finance system, they aided in the Labour Party's final destruction. It is Indian Summer. Labour will recruit no more radicals.

—Condensed from "John A. Lee's Weekly," Auckland.

HOW TO WIN THE WAR

(Continued from page 3.)

"September. —C.W.A.C. approves application and promises to send licence on receipt of plans, estimates, etc.

"October 16th. —Farmer gets plans, estimates from three contractors, and submits same to C.W.A.C.

"October 31st. —C.W.A.C. approves but informs farmer its authority has been withdrawn, and he must apply to Ministry of Agriculture.

"November 1st. —Farmer asks for his plans, etc.

"November 5th. —C.W.A.C. telephones farmer it has mislaid them. Farmer gets copies and submits them to the Ministry.

"November 21st. —Ministry inquires as to the need for two barns, and afterwards informs farmer he must apply to the Ministry of Supply. Lengthy correspondence follows.

"December 2nd. —One of the three contractors telephones farmer he has got a licence to proceed with two barns and inquires if they were for him.

"December 9th. —Farmer has not heard anything, but confirms his order.

"December-January. —During this period at least six officials called at different times in cars to inquire if the barns were necessary. Farmer replies in the affirmative. No inquiry or inspection of site made or correctness of particulars.

"January, 1941. —Contractor telephones farmer he cannot deliver because of the weather; a week later he says he cannot get the transport, and again a week later because he cannot get the material; on the same day he delivered half-ton girders.

"January 16th. —Ministry sent authority for one barn and three tons of steel, which were not received.

"January 20th. —Ministry sent licence but expressly state that it does not imply that the steel is available, or, if available, will be granted.

"February 25th. —Farmer receives authority to rebuild a grain store which has not been asked for nor contemplated, and a licence for nine tons of steel, which were not received.

"March 1st. —Contractor telephones that he will complete delivery in a week, but is doubtful whether he will get the right gauge.

"March 1st; —Ministry telephones farmer to send copies of his original application and plans, and to state what they are for and if necessary.

"March 3rd. —Farmer gets for the third time coloured plans with particulars and forwards them to Ministry.

"March 12th. —Contractor promises delivery in a week and erection immediately after.

"June 9th. —Contractor finishes erection."

Another example of how we are winning the war!

IN AUSTRALIA, TOO!

Many similar examples of the results of finance-socialism in Australia can also be pointed out, as witnessed by the following item, which appeared in the Melbourne "Herald" of October 10, 1941:

"It looks as though we are trying to win the war by filling in forms," said John Wilson, manager of Cockatoo Dock and Engineering Co. Ltd., when he received a letter from the Arbitration Court asking for information on overtime and shift work. . . . In evidence, Wilson said the company's administrative staff had received so many requests for returns by different Government departments, that agony was being piled on agony, and their war effort was being impeded."

Thousands of other businessmen in this country could give similar evidence. Most of the form-filling is the result of the various taxes imposed on industry by the Government in order to collect sufficient money to pay the growing interest bills to the private banks and kindred institutions.

(To be continued.)

ERIC BUTLER ADDRESSES SUCCESSFUL MEETINGS

MORE ASSISTANCE REQUIRED

After his second period of training in the Australian Militia Forces, Eric Butler is back into full time action again.

On Wednesday, November 12, he addressed a small but attentive meeting of the Australian Reconstruction Movement at the home of Mr. and Mrs. Johnstone, 160 Riversdale-road, Camberwell. Further developments will arise out of this meeting.

On Friday, November 14, Mr. Butler left for Deniliquin, N.S.W., where he is the guest of Mr. and Mrs. Ern Muller. He addressed a very good open-air meeting that night. The chair was taken by the Mayor, Mr. J. McFaul. Quite a few members of the R.A.A.F. were present. Literature sales were good. The local paper published a splendid report of Mr. Butler's address.

On Saturday afternoon, November 15, Mr. Butler addressed an open-air meeting at Mathoura. His enthusiasm was such that, lacking other transport, he pushed a "bike" the 21 miles in order to be

present. The meeting was one of the best that Mr. Butler has yet addressed at this centre. Many books were sold. Mr. W. J. Dyer convened this meeting.

As Mr. Butler desires to make the best possible use of his time while out of camp, it is absolutely essential that supporters make use of his services by contacting him to arrange meetings. Mr. Butler has more than enough to attend to without the worry of trying to organise tours. All those supporters in Victorian country centres who desire to assist are urged to communicate with Mr. Butler, care of Box 1226, G.P.O., Melbourne. All those who cannot help physically are asked to help financially. If you desire to keep Eric Butler in the front line of the fight, send a donation to "The Country Tours Fund." Every penny will be spent in the best possible manner.

VARIATION ON THE UNFINISHED INFAMY

By FOOTLE

I don't profess to understand all the following history, although it has been compiled and dramatised (by me) from accounts of conversations between an economist and his friend. I may say it was a bit of an eye-opener to find an economist with a friend; I can't account for it, but there it is.

It appears that this chappie had a considerable business in fixing up people's taxation papers and kindred matters, and the right hand man of the said business was his married son. The story does not, however, concern the business, but it does concern the son, whose figure had begun to suffer in the region of the equator from the accretion of what is frequently but erroneously referred to as "adipose tissue." I say "erroneously" for I have it on good authority that adipose tissue is the kind of fat which is caused by long immersion in water, whereas the kind of fat which was annoying economist junior was more likely to be that in which quite other fluids were concerned. But that is mere guesswork.

"I think junior eats a dam sight too much," said the economist to his friend.

The friend concurred. "I wonder he doesn't do something about it."

"That's easy enough to say. The question is, what to do about it?"

"Get him to eat less, I mean."

"Yes, yes, of course! But how?"

It's easy enough to say, 'get him to eat less,' but you can't very well just say to the blighter, 'Look here, you'll have to eat less of this and that.' The situation is more complicated than that."

"Put him on a diet is what I meant to say."

"That's just what the doctor said. But it's such a primitive notion. The trouble with these specialists is that they are so fond of short cuts. For instance, you often hear some silly half-baked scientist make the assertion that just because you have all the physical essentials for a thing, there's nothing to stop you from getting or making it. They ought to know perfectly well by now that men and materials are a minor consideration. Capital's the thing."

"Quite, quite!" agreed the friend. "Doesn't it amuse you to hear them sometimes, talking about taking men from civil employment and using them for war production. They miss the economic factor every time. They quite fail to grasp that the very first step is to make your man unemployed, which, of course, is purely an economic matter."

"Yes, yes, of course. Everyone knows that, I should think. But the problem at the moment is the unseemly expansion of junior." "Couldn't you do something on the lines the Government and its advisers take in the matter of the war effort? I mean, isn't it rather obvious that the thing to do is to reduce junior's salary?" "Why, by Jove! Of course. I knew there must be a way."

Chapter II.—A Month Later.

"Well," said the economist's friend, "I saw junior today. When are you going to start on the little idea we were discussing?"

"I have started," replied the economist savagely. "In fact, I started the very first pay day after our conversation."

"Can't say I've noticed much alteration so far."

"There isn't any."

"Except he seemed a bit shabby—you know—just the weeniest bit down at heel."

"Yes, I know. The present generation has no brains—and we've been paying them too much, anyhow. In days gone by—when I was a boy, for example—food used to absorb more than two-thirds of a man's pay. You could easily get a fellow to reduce his diet in those days, on sound

economic lines. But anyone can see what this blighter's up to. He's going to make one suit do the work of two or three. His waist-line may remain static for ages."

"Don't get down in the mouth old boy. Plenty of time yet."

Chapter III.—Two More Months Have Elapsed.

"Well, how are things now?" asked the economist's friend.

"You may well ask. I now know the meaning of the saying 'As fat as a fool.' Junior is as fat as ever, even though I reduced his salary again after our last conversation. He and his wife, and sometimes his family, have started to come up to my place pretty often. They drop in just about mealtimes, too. Food, that's all they think of. His wife has started to get pale and crotchety and the youngest kiddie has been pronounced anaemic by the doctor. The other two have been taken away from the decent school they were attending. Goodness knows why."

"Oh, decent schools are all right," said the friend. "Lots of people like them."

"I didn't say, 'goodness knows why they attended.' I said, 'goodness knows why they were taken away,'" the economist thundered. "Oh, I see! Silly of me. I think junior is behaving most peculiarly. And he isn't getting any thinner, you say?"

"I seems hard to believe, but his wife was placing a 'v'-piece in his pants the last time I was there."

"Dear, dear! When will people understand and co-operate with economics?"

Chapter IV.—Three More Months Gone.

"I say, old chap," said the economist's friend. "I'm most awfully sorry about your trouble." "Don't talk to me about it. People nowadays are thoroughly unaccountable."

"How are all the kiddies getting on?"

"The matron of the hospital said they're doing as well as can be expected. Said they'd been getting the wrong kind of food for months. Can you imagine a more dastardly and unnatural act on the part of the father than that?"

"No indeed, I am glad to say I cannot. And his wife—I heard an amazing rumour—they tell me she's a barmaid. Is that a fact?"

"I'm afraid it is. I've seen her for myself, in fact. Would you believe it, she refused to serve me and threatened to ring up the institution and tell them I'd got out. What d'you suppose she meant?"

"I'm blest if I know. Why, you aren't connected with any institution at all. Most extraordinary thing to say. I wonder if she's sane? But where did junior get to?"

"I don't know and don't care after the disgrace he's brought upon me. He helped himself to £60 of the firm's cash and left a note saying that this was arrears of salary, and he hoped it would be enough for the hospital expenses."

"Dear, dear, dear! After all you've tried to do for him. I see very little hope for the science of economics while people behave like that."

There is no Chapter V. at the time of going to press, but I'm searching the police news hopefully.

FEDERAL UNION NOT WANTED

The following letter was sent to the Adelaide "Advertiser" in reply to an editorial published under the heading, "Union Now," on October 14. Needless to say, the letter, when published, was so cut up as to be deprived of all meaning and point.

Sir,—Of all moments to press for a union of the British Empire and the United States, the present seems the most inopportune. The mere fact that America is an English-speaking nation is no guarantee that her aims—either war or post-war—are identical with those of the British Empire. In truth, to judge by press reports of her deeds, not her professions and promises, since the war began her attitude is to hold the hats while the combatants fight it out and later to gather up the spoils of battle in the form of post-war financial and trade agreements with the exhausted countries, when the latter will agree (for peace's sake) to a federal union, with the United States on top.

Meanwhile, she makes hay while the sun shines—or the battle rages—by extorting from Britain, under the guise of the helping hand, naval, military and air bases—or the promise of these—knowing full well that Britain cannot afford to refuse.

Is Britain receiving the help she expected under the Lease and Lend Act? Read the outbursts on the subject by leading English newspapers a short time ago. Read what the "Daily Herald" said a few days ago: "The truth is that America's war effort so far has lagged a long way behind democracy's need." Read the message from Washington on October 12

that the Administration has received from Whitehall a request for large quantities of rolling stock and rails to carry supplies through Iran to Russia, but that "there is considerable opposition in Washington to complying with the request, . . . until the outcome of the current battle is clear." The "wait and see" policy again?

Does this spirit prove that "Anglo-American relationships have been growing closer and closer," as you state in your editorial "Union Now," in Tuesday's issue? No doubt America would welcome Britain with open arms—together with her invincible Navy!—In a federal union. But is this to be the outcome of Britain's splendid resistance? A tame ending to so valiant a fight!

Let the sentimentalists prate about American cousins and brotherhood ties, but for heaven's sake let us face the truth—that America could help us win the war NOW, if she would; that is the only test of her sincerity.

This talk of federal union now is indecent. Neither the American nor the British people are asking for it; the latter are too busy fighting for their lives to be aware of what is being planned for them. But it is evident that the ghouls are watching events and licking their lips.—I am, etc., MARY H. GRAY, Esplanade, Grange, SA.

United Democrats' Report

From Headquarters, 17 Weymouth Street, Adelaide.

Our Quarterly Meeting was decidedly worthwhile, but might have been more so had more members been present. Several apologies were received, making it clear that while people still have their interest in the right quarter, it is a difficult time to call meetings.

The president (Mr. M. E. Dodd) read a number of replies from members of the Curtin Ministry. These letters were received in response to our circular outlining our views on Federal financial policy. Though most of the replies were non-committal, some were appreciative and interested, while Mr. Curtin stated definitely that he was proceeding with his monetary policy according to Labor's plank.

Mr. Harvey reported that he had been able to enrol a number of members, nearly half of these being new to the movement. The S/C. Group (Adelaide) No. 1, were anxious for action. Mr. Harvey said, and a new group, which may develop into a Departmental Stores Group, was being formed at Miller Anderson's Ltd. In addition, the Glenelg Group was being revived.

Mr. Harvey's report was considered very satisfactory.

A motion by Miss Gray gave a lead to those responsible for drawing up a new Demand Form. The motion was: "With a view to winning the war, the national credit should be used to subsidise retail prices in such a way as to prevent inflation, and to make sales tax unnecessary; and, further, where goods are scarce, rationing should be adopted."

The executive will proceed with the matter of drafting a new Demand Form immediately.

Mr. Harvey submitted the following motion, which was carried: "That the Federal Government be advised to take such action under the National Security Act, necessary to ensure that all sections of political thought get equal and

unbiased publicity in the press. Also, if necessary, to so licence the press and radio, that, in the event of the truth (particularly in regard to financial and political matters) being withheld or distorted, the Government to have power to suspend their operations and licence."

It was intended that this resolution be forwarded to the Prime Minister and members of the Cabinet.

A Toc H Address: Mr. Dodd recently delivered an address to the Adelaide branch of Toc H. He adopted a plan, which the writer suggests might well be copied. Mr. Dodd spoke on "The Enemy Within," taking as his source of information Eric Butler's book. By focusing the attention on this book only, the interest was sharpened to a definite point. The result was a good reception of his address, and good sales for the book. Mr. Dodd intends to draft addresses for other books, such as "The Answer to Tax Slavery," "Money Power v. Democracy," "Banks and Facts," etc. Other sections of the movement might try this and note the results.—M. R. W. Lee, Assist. Secretary.

In the Spirit of Progress

(Continued from page 5.) He took up his book of poems and read Sweeney's lines: "Some say our politicians, Always after soft positions, Mousing frothy ebullitions, Are unworthy of their pay." "The jingling lines of the disgruntled poet were interrupted by a loud, sharp voice—"Tickets, please!" Our journey was near its end. The attention of everyone was diverted by the demands of the ticket-checker. During a moment of quietness, the reformer dryly remarked—"Money is only tickets. Bob's no ticket-checker. He's an ardent cavalier." It was not long before they all said good-bye and left the train to join in the battles of a world in which queer speeches made by certain politicians are alleged to conform to "the spirit of progress."—Terence O'Toole.

THOSE U.A.P. REVELATIONS

(Continued from Page 1.)

suicide—unless he had the backing of a majority of his electors, on a non-party basis.

The following extracts from the daily press give the highlights of what followed:

Melbourne "Herald," November 13:

So indignant are the members of the United Australia Party in State Parliament over the "unwarranted attack" made through the press on their leader (Mr. Hollway) by the State president of the United Australia Organisation (Mr. T. S. Austin) that they declined to consider his resignation when he offered to give up the leadership at a meeting at Parliament House last night. This immediate stand by his colleagues, one U.A.P. member said today, indicated not only the party's loyalty to Mr. Hollway, but also its determination to resist domination by a "small junta of industrialists and businessmen" trying to control the party from outside Parliament. "There is no doubt that I am suffering the penalty for being too progressive," Mr. Hollway said today. "My party is solidly behind me, and I consider the attack filthy and despicable." Mr. Dillon, M.L.A., epitomised the feeling of other U.A.P. members. He said: "our boast of freedom of action has been scrapped publicly. The organisation now evidently claims the right to dictate a Parliamentary representative's public action, and to control his private life as well." The letter to the newspapers, he (Mr. Hollway) believed, was undoubtedly inspired by the National Union. "For a long time the National Union has been endeavouring by devious ways and means to pull me down," Mr. Hollway said. "It has never given me any encouragement. Two of the chief men in the Union are its president (Sir Robert Knox) and its secretary (Mr. E. H. Willis). I don't know how many members are actually in the organisation, but I do know that if the organising party of the United Australia Party wants any funds it has to ask the Union for the money. The personal attack made on him by Mr. Austin had a very much deeper significance than appeared on the surface, added Mr. Hollway. The real conflict was between himself and the financial Moguls who controlled the National Union. He had always felt and had, since his appointment as leader of the Parliamentary Party, strongly expressed the opinion that party funds should be controlled by the whole of the members of the organisation. At present, a small coterie of not more than half-a-dozen who described themselves as the National Union had a complete stranglehold on a party which represented 400,000 Victorian voters, by reason of the fact that they alone controlled the whole of the party funds. "I have never seen a balance sheet, and am not ever aware whether one is presented," Mr. Hollway went on. "The control of the party by this group has laid a dead hand on previous attempts, which have been made to make the party more democratic Democracy is in jeopardy, not only from external aggression, but also through the activities of such secret juntas of financial wire pullers. Early in my leadership, it became apparent that my views which, incidentally, are the views of the majority of my colleagues were too liberal for this non-elected group of king-makers, had hoped that the domestic differences in the party could have been settled in private. As this cannot now be so, I can assure Mr. Austin and those behind him that I shall do my best to break the hold of a small financial coterie which seeks to control a great party representing all sections of the community." Referring to the National Union, Mr. Michaelis remarked: "At one time, under Sir George Fairbairn's chairmanship this was a party unit which did a great amount of good work. But it has now become a

self-appointed junta controlled by a permanent official. The National Union is trying without success to pose as a force in Federal and State politics. The result of its efforts in both spheres are plain."

Melbourne "Herald," November 14:

A brief reference was made by the Prime Minister (Mr. Curtin) today to the disunity that has developed in the U.A.P. in Victoria. He said that what Mr. Hollway had said about the National Union had been well known to the well informed for a long time.

Melbourne "Herald," November 15:

"It is Sydney or the bush for me," said Mr. Hollway; "I am not going to back down. There can be no compromise with the National Union. Unless the whole U.A.P. is reconstituted to give the rank and file membership control of finances and selection of Parliamentary candidates, we will never make any headway. Either this will be done or I will resign the leadership. The present set-up is intolerable. For a long time my political colleagues and I have been gravely dissatisfied. We will thrash it out at our party meeting on Tuesday. We have no false ideas about the importance of the National Union to the Parliamentary party or to the organisation. It is of no use to either. There are democratic elements in the U.A.P., but the National Union, superimposed on the membership organisation, is crushing them. It will

stifle what remains in the U.A.P. unless a change is made." Melbourne "Herald," November 17: Mr. Hollway said the reconstitution of the party would involve calling together the United Australia Organisation, the Young Nationalists and the Australian Women's National League to discuss a new basis. This would involve "the divorcement of the party from the National Union," and control by the organisation of the funds of the party. It would mean that the men's section would have to be reconstituted to provide for a real party membership fee and auditing of the party's accounts. The women's section would remain substantially the same because it was already on a democratic basis. Any member of the party under this scheme would then be entitled to know what had happened to the funds and to have some say in their use, in party policy and in the selection of candidates. At present there was a membership fee of 1/-, but the organisation did not bother much about collection of this amount. The effect of the present position would be that the ordinary man felt he had no say in the policy, of the organisation, and that what it decided was the result of the influence of "secret funds"

Melbourne "Herald," November 18:

Members of the United Australia Party in the Legislative Assembly met at Parliament House today and carried a motion of confidence in their leader (Mr. T. Hollway). When the meeting opened, Mr. Hollway announced that he had

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received a letter from Mr. Austin stating: — "Regarding the argument which appears to be developing between us in the press, I do not wish to touch on the merits of the dispute beyond saying that there is a very definite possibility that we have misunderstood one another, and that, in my opinion, a personal interview would be a far better method of settling our differences than a continuation of our argument in the newspapers." When the meeting concluded, Mr. Hollway announced that a committee, consisting of himself, Messrs Oldham, Michaelis, and Maltby, had been appointed to confer with the A.W.N.L., U.A.O., and Y.N.O. regarding the future constitution of the party, and to report back to the party.

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—Mr. R. Stokes, in the British House of Commons, April 16, 1940.

THE MONEY-POWER IN U.S.A.

In a book issued by the Federal Reserve Bank of Chicago are statements, which seem to justify serious thinking and to raise a question as to who really owns or controls the huge stock of gold in underground vaults at Fort Knox, Kentucky, U.S.A.

Certain of the statements are quite revealing; a few of them may be classed as confessions if the person who reads them will do a little serious thinking.

The reader should, keep in mind that the Government does not own a share in the Federal Reserve, the common people do not have gold certificates, and Congress is the only body authorised by the people through the Constitution to coin money and regulate the value thereof.

The following are a few excerpts from this book:

"As a matter of fact, the United States Government owns none of the capital stock of a Federal Reserve Bank."

"One of the important differences between commercial banks and the Federal Reserve Bank is the fact that the Federal Reserve Bank has the power to issue currency."

"The Federal Reserve Act stipulates that a Federal Reserve Bank must have reserves of gold certificates equal to at least 40% of

its notes in circulation, and must pledge with the Federal Reserve Agent collateral amounting to not less than 100% of its outstanding notes. Such collateral may consist of eligible commercial and agricultural paper."

"In the final analysis, the Federal Reserve Banks render two separate and distinct types of service. They determine and administer the credit policy and maintain the necessary volume of credit and currency for the needs of agricultural, commercial and financial transactions throughout the country."

These excerpts should convince anyone that Congress has surrendered control of the monetary system to a group of private bankers. This group can inflate or deflate the currency at will. In other words, they can make currency or credit scarce or plentiful. They have a stranglehold upon the throats of the masses.

—Frank Jeffries, in "Farmer's Exchange," U.S.A.

"RED TAPE RUN MAD"

"We have a well-equipped mine ready for production and the country is shouting for more coal, yet we are not allowed to open up because of red-tape run mad." Thus Mr. R. Hewitt, manager of Renown Extended Colliery at Lidsdale, N.S.W., where twenty mineworkers have been given fourteen days' notice of dismissal.

The pit, which was re-opened recently after about ten years, may (according to the Maitland "Mercury") have to close down again.

The manager said that the price-fixing authorities, because of uncertainty regarding past production costs, were unwilling to fix a price, and until this was done they could not begin production.

Lidsdale is about ten miles from Lithgow, in a district in which coal mining and munition making have brought the population to tens of thousands.

And so, under an increasingly top-heavy bureaucratic burden, Australia staggers along. Our "leaders" assure Britain of a 100% war backing, whilst a mere handful of honest men, demonstrating the courage of their convictions in the Parliaments of the Commonwealth, fail to get the results which are so vital to all of us. Each one of us—excepting those who no longer retain the use of reason—knows

this. Each one of us—approached individually—agrees that something must be done. That "something" will not be done until democracy WORKS; until it ACTS. And "democracy" is EACH ONE OF US—acting in association, and united in purpose for commonly desired RESULTS.

—"Scissors."

S.C.M. of S.A.

The monthly meeting of the S.C.M. of S.A. will be held in the A.N.A. Building, Flinders-street, Adelaide, on Thursday, November 27, at 8 p.m. After general business is dealt with, Mr. N. C. Truscott will favour with a discussion on the A + B theorem, continued from last month. Another interesting evening is assured. All members should roll up. —J. E. Burgess, Hon. Sec.

Child Slavery Alleged in the Milk Industry

(Continued from page 1.)

who rode pillion in all weathers. She began at 3 a.m.

Average dairymen supplying milk in Brisbane worked from fourteen to sixteen hours a day, 365 days a year. Day and night they and their wives slaved, yet in the majority of cases their average earnings would not amount to the basic wage of one man.

Elderly women, one was aged seventy—had now to turn to milking at midnight.

Mr. Basnett said that drought had accentuated their difficulties and costs. Most cattle were now hand-fed with fodder, which had considerably increased in price. If ever a product warranted a price rise it was milk.

An official statement issued after the meeting said: "Both Associations have been so concerned about the hardships and economic distress of their members that it was decided that the rectification of conditions on milk farms today was a matter of urgency.

As a first step, the shameful exploitation of men, women, and particularly children should be exposed to the public gaze. The sub-committee has been charged with the job of showing to the city dwellers the state of industrial exploitation, which they themselves would justifiably refuse to accept under any conditions.

Banking Follows the Flag

(Continued from page 1.)

soms of mangowuzzle emerged from the doorway to recite the following verses:

"A barclay banks in Ababa,
O Appy Addis Ababa,
A barclay banks in Ababa,
The most enormous sum;
No rule of three to trouble he
Who works by rule of thumb.

"A barclay breeds in Ababa
A fine usurious race,
On money lent at ten per cent.
It should support the place,
Which will peruse the primal

ooze
That issues from the bank
Where our deposits swell because it's

Unusually dank."
A barclay adds in Ababa,
O Appy Addis Ababa,
A barclay adds in Ababa,
In beads and coloured stones,
In tusk and hide his riches bide,
Old iron rags and bones.

The Mayor then unveiled the Medici coat of arms—three globes or on a field of horns, vert.

A printing press is installed in the basement; notes to the value of £5,000,000 were issued during the afternoon.

BOOM ta ra ra, BOOM ta ra ra.

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Printed by M. F. Canavan, 25 Cullinton-road Hartwell for the New Times Limited, McEwan House, Melbourne.