

ON OTHER PAGES

Conscription?
(Page 4.)
A.B.C. Criticised.
(Page 2.)
Short Story.
(Page 4.)
Letters to Editor.
(Page 3.)

THE NEW TIMES

Vol. 7. No. 47. MELBOURNE, FRIDAY, NOV. 28, 1941.

Mow, 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).

"Deliberate Attempt to Sabotage War-Effort"

Speaking in the Federal Parliament on November 6, Mr. C. A. Morgan (M.H.R. for Reid) complained that Government purchases of collapsible boats were being switched from the firm that pioneered their production to one of the huge monopolistic concerns. He also referred to manufacturers and idle manpower in N.S.W. not being used in the war effort. "Hansard" reports him as follows:

Mr. MORGAN (Reid).—Last night, speaking on the motion for the adjournment, I mentioned the position in which the Clyde Engineering Company Limited has been placed because of the withdrawal of Government orders for the manufacture of collapsible boats, and I stated that, unless the position was rectified, a large number of men would be out of employment. The Minister for Munitions (Mr. Makin) promised that he would look into the matter. I raise the matter again tonight because today I received the following urgent telegram from the State member for Granville, Mr. Lamb:—

"Unless further order collapsible boat Clyde over 100 men lose employment. Several off tomorrow."

Now this matter has been brought to my notice by the men employed at the works, because they are in danger of losing their means of livelihood. Last week, I was in touch with officials of the Department of Supply and Development. I made representations by letter and telegram to the Minister for Supply and Development (Mr. Beasley), but I am now informed that these have been handed over to the Department of Munitions. It seems strange that after the Minister for Supply and Development had demonstrated that he was prepared to take a firm stand in dealing with the big Melbourne business executives, the matter should now have been handed over to a new department. I was given to understand by departmental officials that the company was to be given an official order immediately for 100 boats. He expressed the opinion that it was only right that the firm should receive the order because it had pioneered the industry, and had acquired a staff of skilled workers. Now General Motors-Holden Limited of Adelaide, which had the ear of the previous Government, is to be given the work. It has copied the plans, and 'pirated' the business. Well and good, the company is entitled to all the business it can get, but what becomes of the theory of enlisting private industry to assist in the war effort? The Clyde Engineering Company Limited conducted all the investigations leading up to the construction of these boats, and the previous Government evidently thought so well of it as to guarantee its account with the bank for £150,000. I regard this action as a deliberate attempt to sabotage the war effort and to embarrass the new Government. I am glad that a new Minister for Munitions has been placed in charge of the department, because I am convinced that, when he learns of what is going on, he will deal severely with some of those who were placed in authority by the previous Government. I am convinced that there is an attempt at deliberate sabotage, and that some fifth-column work is going on in the department. This is borne out by the fact that, although in my own electorate 3000 men were unem-

ployed when I was returned twelve months ago, no attempt was made by officials in Melbourne to utilise their services in the prosecution of the war programme. The Purcell Engineering Company Proprietary Limited, although well qualified to manufacture lathes urgently needed for the war effort, was refused orders because its trade rivals McPhersons Proprietary Limited and E. P. Bevan and Son, Proprietary Limited, of Melbourne, were determined to smash it and one of their directors was the Director of Machine Tools in the Ministry of Munitions. When we raised the matter in the House, a representative of the Purcell Engineering Company Proprietary Limited was sent for by high officials of the Ministry of Munitions, and told, "You keep away from Morgan and Beasley, or we will take your show over or close it down." We said, "Go ahead and take it over, and that will create a good precedent for Labour when it gets into (Continued on page 8.)

PASSING EVENTS AND COMMENTS

Recent cables report the occurrence of severe earthquakes in U.S.A. and other places, but these seem to be trifling affairs when compared with the eruption, which took place in the U.A.P. the other day.

Mr. Hollway seems to have become super-sensitive all at once. Mr. Menzies and party don't object to working under the domination of "financial moguls", so why should smaller fry, such as State M.P.'s, object?

An amazing assertion in connection with this "bust up" was made by Mr. Hollway when he said (vide "Herald" report): "There ARE democratic elements in the U.A.P." If so, they must be so scantily diffused that a high-powered microscope would be needed to reveal their presence.

Mr. Hollway should not be discouraged by the fate of other politicians who have had the temerity to rebel against "financial moguls." It was said that during the previous world war, Lloyd George was once rash enough to threaten to remove Mr. Montagu Norman from the Bank of England. "Monty" swallowed the insult—for the time. Then Lloyd George aggravated his offence by stating that every time he sought the advice of the economists and

financial experts, subsequent events proved them to be wrong. Since that time Lloyd George has been relegated to obscurity. The "financial moguls" got him in the end. Mr. Hollway should "watch his step" because the U.A.O. President's sentiments toward him seem to have taken a somewhat sanguinary trend. He wishes Mr. Hollway to join the A.I.F. As is well known A.I.F. men sometimes get shot, but then "dead men tell no tales," nor do they suggest embarrassing "clean-ups."

Mr. Hollway's somewhat belated desire for spring-cleaning must, however, be received with due reserve. When he first nominated for Parliament, the U.A.P. Augean stable was just as "smelly" as it is now, but that did not deter him from making supplications to the "financial moguls" to accommodate him with a stall therein, complete with manger, corn and carrots.

Interest in this revealing quarrel was heightened when it became known that the "secret junta" in wheezy indignation had accepted the challenge. No doubt they regarded it as an insult, and muttered: "Financial moguls, indeed! That's gratitude for you! Who endorsed him? Who paid his election expenses? The whipper-snapper will know where he gets off, when the next election takes place!" Probably he will; unless he backs down in the meantime. However, it is interesting to recall that Mr. Hollway used almost the same words as did Mr. Ian MacFarlane, M.L.A., when he broke away from U.A.P. domination, and also, that Mr. MacFarlane has held his seat against the nominees of the secret junta ever since—a fact that should encourage Mr. Hollway.

* * *

Another politician, who came in for vitriolic abuse from the President of the U.A.O., was Mr. Coles, M.H.R., member for Henty, who, the President spitefully stated, had crawled into Parliament "on the backs of the U.A.P." Certainly in some respects, Mr. Coles seems to have pursued a somewhat erratic political course, but the charge that he entered Parliament under false pretences is utterly untrue. He nominated as an Independent, and the U.A.P. organisations throughout the electorate abjectly crawled around after him imploring him to don the U.A.P. collar and tie, despite his repeated rejection of their overtures. Later on, for a brief period, he joined the party, but a brief experience of party intrigues and insincerity caused him to return to the freer air of Independency and self-respect.

Now the "dyed in the wool" members of that party are sharpening their axes, and eagerly waiting for revenge at the next election, but probably will meet with another disappointment, for quite a large number of U.A.P. supporters in Henty have expressed approval of his actions.

(Continued on page 8.)

TAXES RETARD WAR EFFORT

Startling evidence of the way in which the crushing tax burdens imposed on the community are hampering Australia's war effort is revealed by one of Melbourne's leading public accountants in the financial page of the Melbourne "Herald" of November 24.

The proposed taxes to be made on companies not only threaten to remove incentive and initiative, resulting in decreased output, he claims, but will also stifle any attempt to obtain greater efficiency in production because of the financial restrictions thus imposed. So important are the facts revealed by these figures, that the person concerned is forwarding them to the Federal Treasurer, Mr. Chifley.

In part, the "Herald" report reads as follows:—

CRUSHING TAX ON PRIVATE COMPANIES

Harmful To War Effort

One company ... is now supplying urgent orders for defence requirements.

"When I placed the taxation calculation before the board," said the accountant, "the managing director was shocked. It was apparent that his reaction was such as to be hurtful to the war effort. He has been working exceedingly hard and very long hours, and he asks what is the use of it all? The reply that there is a war on and that everyone should strive to the utmost, whilst true, does not remove the human reaction.

"I fear that there will be some slowing down in this factory. The managing director argues—'Why wear out the plant for no return?'

"Patriotism should be sufficient incentive. But, as a matter of fact, will it be sufficient without payment?"

Here is the tax calculation of the company:—

Net profit as per accounts £9,985
Add, disallowances, say215

Taxable income ... £10,200
Federal tax, 3/- in £1.....1,530
State tax, 2/- in £11,020
Total ordinary tax£2,550
Private company tax—
16/8 in £1 on *£6148 .. 5,124

Total taxes .. £7,674
* £10,200, less £1052 taxes paid in 1940-41, less £3000 proposed dividend.

Therefore, if dividend of £3000 is paid, the company will pay out in cash £10,674. If dividend is not paid, the company will pay ordinary tax, £2550, and private company tax at 16/8 in £1 on £9148, amounting to £7623—a total tax of £10,173.

Company "B" is also doing war work:— Net profits as per P. & L. a/c..... £10,879
Add disallowances, say .. 121

Taxable income £11,000
Federal tax, 3/- 1,650
State tax, 2/- 1,100

Private Co. Tax, if no div. paid .. , 7,068

Total tax £9,818
Stifles Initiative.

"I could add to these examples,"
(Continued on page 8.)

FURTHER CRITICISM OF A.B.C. POLITICAL TALKS

A Talk Broadcast from 7HO, Hobart, at 8.15 p.m. on Sunday, November 16, by James Guthrie, B.Sc.

On Sunday, the 26th October, I criticised some of the political talks, which have been given over the national network on Sunday nights, under the title of "Tomorrow's World." In further criticism of these talks I want not only to remove the false impressions produced, but to show you the false foundations on which the arguments are based, and the reason why these false foundations are selected when other foundations of fact and truth are so readily available.

Often in wartime you hear men comparing, say, the rate of munition production of today as compared with, say, a year ago. They might say a certain place is producing ten times the number of guns it did a year ago.

That sounds very wonderful, but if you find out that that place only produced one gun a year twelve months ago, and that the production now is only ten guns a year, you find it is not so wonderful when the facts are revealed. And it becomes less wonderful when you find out that the particular place is easily capable, according to experienced men, of turning out twenty times its present output.

It is because most of us do not know the facts concerning these comparisons that they are without any real meaning, and are mostly used by men to hide their own shortcomings.

One comparison, which I have always taken very strong exception to, is a comparison between the social and economic conditions of today with those of the late eighteenth century.

The unknown speaker broadcasting in the series, "Tomorrow's World," said: "The British people are four times better off than the people in Dickens' time"—the suggestion being that we are taking part in a long, steady and rapid process of improvement. This is a completely false impression, for the following reasons:

The late eighteenth century and the beginning of the nineteenth century, although representing a period of prosperity and expansion and a great ferment of new thought, was, for the wage slave a period of the greatest degradation, poverty and cruelty; a period of viciousness probably never equalled in the whole history of England. It represented the culmination of about five centuries of slow deterioration in the economic security and dignity of the labouring man, the craftsman and the small farmer.

Thorold Rogers, in his monumental work called "Six Centuries of Work and Wages," said "I repeat for the last time, what a husbandman earned with fifteen weeks' work, and an artisan with ten weeks' work in 1495, a whole year's labour would not supply artisan or labourer with in the year 1725, throughout Lancashire I have protested before against that complacent optimism which concludes, because the health of the working classes has been bettered, and appliances, unknown before, have become familiar and cheap, that therefore the country in which these improvements have been effected must be considered to have made, for all its people, regular and continuous progress."

In fact, the labourer in Queen Elizabeth's time could buy over a gross of eggs for a penny and whole pig for 3½d. True, his wages were small, but he paid practically no rent and no taxes and comparing the primitive means of agriculture and manufacture with that of the present time, these facts are staggering and a very grave indictment the men who govern the world in our time.

But this unknown political speaker, who gets paid by the

A.B.C. to educate us expects us to be very pleased with ourselves when he tells us that conditions have improved since Dickens' time.

What would you think of me if I said to you: "Your social and economic conditions are much better than those of an African savage?" Would you be interested, would you be excited about it, would you have a feeling of well being and progress?

So much for stupid comparisons. Now, let us examine some more of these words of wisdom, which are showered upon us by the political speakers of the A.B.C.

This unknown speaker said that about 5 per cent, of our resources in men and machines were not used before the war. Where this figure came from is also unknown. He further said that with care-

ful organisation and training of the unemployed after the war we might be—only "might be"—able to increase the goods available to distribute to you and me. This must be the Brave New World, which we have been promised after this war—the New World Order.

Neither the unknown speaker nor any other man is in a position to say how much of our resources were unused before the war, and how much we can expand these resources after the war. But we can obtain an insight into what is reasonably possible, given favourable conditions of distribution.

One Prime Minister of Australia said no sane person would give a guaranteed price for farmers' products without some means of limiting the amount produced. The implication being that if the farmers were given a reasonable price for the goods, the output would be so great that no country would know what to do with it—evidently more than 5 per cent, increase was expected. Mr. Roosevelt got over this difficulty by paying the farmers for every pig they did not rear; in Canada, at the present time, the Dominion Government is circulating a leaflet with these words on it:

"Less Wheat in 1941 Will Help Win the War. Please Sow Less Wheat."

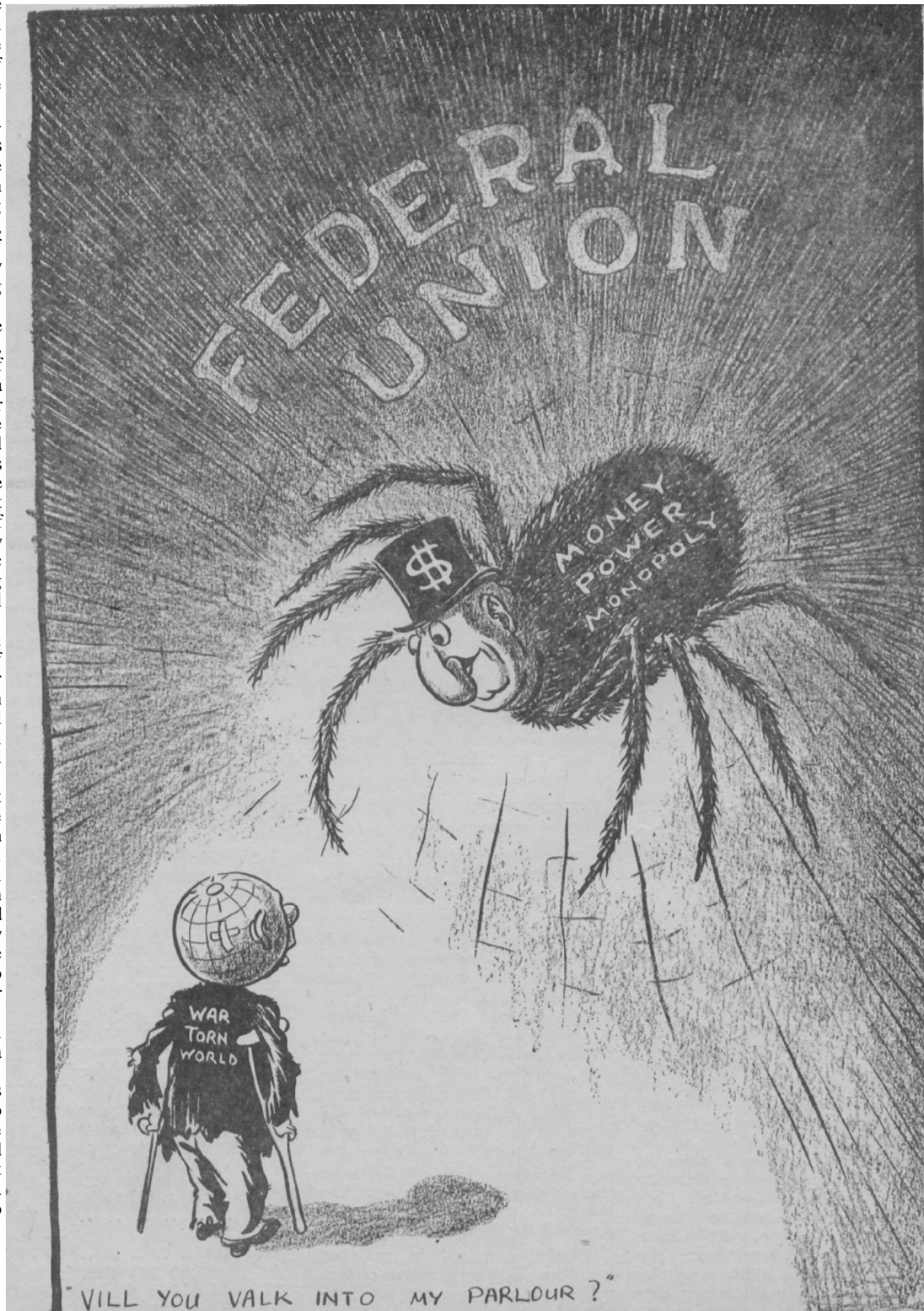
But if you compare the production of various modern countries you will find that it depends largely on the horse-power of the

machinery used. Modern production is a question of power machinery: the strength of the man behind the machine has got nothing whatever to do with the output of the machine.

The problem before the war was not to find sufficient men to man the machines, but to try and prevent inventors placing machines on the market which required so few men to operate that they would play havoc with the labour market and the system of wage slavery on which our financial system is based.

Competition from Japan recently forced Lancashire to install new types of weaving machinery, which cut down the need for human labour by 50 per cent. — not 5 per cent, but 50 per cent. The same thing happened with the introduction of new machinery into the coalmines. The amount of human labour displaced by mechanised labour in these two industries alone caused the British Government much anxiety just previously to this war. And the miners in N.S.W. are very strongly opposed to the introduction of new machines into their own coalfields.

At the present time, Australia is actively engaged in making machines to make machines. This requires a high proportion of skilled labour, especially as everything has to be done in a hurry and under bad organisation; but once these machines are made the production that flows out from (Continued on page 7.)



How to Win the War — and the Peace

A Challenge to Every Britisher

By ERIC D BUTLER
(Continued from last issue.)

Those people who believe, along with the financiers, that efficiency and greater results are achieved by bigger and bigger production units, would be well advised to read the conclusions of those really trained to understand these matters.

While greater efficiency is obtained by centralisation of production—both primary and secondary—up to a certain point, there is a limit beyond which efficiency starts to decrease. As one who has had some practical knowledge of primary production, apart from making a general study of the subject, I am thoroughly convinced that a primary producer finds that the bigger the acreage he is cultivating, after passing a certain limit—varying according to the crop, etc.—the less are results in proportionate relationship to the energy expended. This matter was graphically demonstrated in the Ukraine, in Soviet Russia, when collectivised farming was introduced. I have studied the figures of actual production under collectivised farming with the use of motor power, as compared with individual production with horsepower. Even with the use of less horsepower—the figures were worked out in detail—better results in proportion to the energy expended were obtained by individual farmers.

TECHNICAL MAN ATTACKS CENTRALISATION

The same has been discovered in secondary industries. This matter was ably summed up in a broadcast from Hobart on June 22, 1940, by Mr. James Guthrie, B.Sc. Mr. Guthrie is a technical man who has had many years of practical experience in these matters. For that reason his views are more worthy of consideration than those of some Minister of some Department who has probably never even organised a small business, or of some banker who has never done anything more realistic than become enmeshed in a maze of figures. Among other things, Mr. Guthrie said:—

"Actually, the trouble is this: That the organisation of the munition industry is in the hands of men who want to do things in, a big way: build large munition factories with all the latest type of tools in them. Quite nice, if it can be done. But it is a trifle old-fashioned. In America, where industry was organised in a big way before there were any factories in Australia—in America the craze for centralisation is being exploded, and many large organisations distribute the component parts all over the country to be machined in small shops. This is not only found to be perfectly efficient, but distributes the talents and the social life of skilled operators throughout the countryside, and prevents the massing together of men in concentrated heaps in one place in one city, nice and convenient for a well-placed bomb. Now, in Tasmania, and throughout Australia, every little workshop has its lathe, besides other machine tools. These lathes can be used to turn out simple parts on a mass production basis. The men who own these lathes know them well, and could work long hours turning out mountains of rings, rods, bolts, valves, parts for guns, aeroplanes, and tanks. . . . In this way the unused skill and machinery can be used in the service of the country without colossal establishments; no overhead expenses; and, furthermore, without destroying the life of the community. Because, after all, the human factor does count in this war, and transplanting the male population (of Tasmania) to work on the mainland, leaving their homes behind, is something that should not be done unless it is necessary—and it is not necessary. . . . Men who talk big and think big often overlook, and often have overlooked, unlimited resources right under their noses. In England, up to date, some firms have been overworked, while equally as good and better firms are idle. This is due to over-centralised control and the habit of men in head offices looking upon those far away as barbarians.

"Another reason for the failure of men in authority to use small firms is that these men come under the guidance of men with purely financial minds as opposed to engineering minds. And the policy of big finance throughout the entire world is centralisation and nationalisation of everything. They don't like independent small men; they like to get men away from familiar environment, regiment them in rows in factories, until the most brilliant mechanic becomes a numbed, dull, clock-watching robot; and the work which is obtained from these men is the minimum for which they can retain their job."

WHAT A GREAT INDUSTRIAL ORGANISER DISCOVERED.

The late John Hodgson, the distinguished English engineer and inventor, who spent a lifetime in studying these matters, gave some staggering facts in his book, "The Great God Waste." He deals in one place with an experiment at the Mount Hermon School on the Connecticut River in Massachusetts:—

"At this school there were 800 students of 20 different nationalities and of all grades of society. Their average age was about twenty years. The school possessed extensive farmlands, a small power station, and various workshops. These enabled the students to produce sufficient wealth to provide for three-quarters of the needs of the school. The skilled students worked at this productive labour for an average of one hour a day, and the unskilled students for an average of two hours. This actual example emphasises the present immense waste of activity in industrial countries. It also emphasises the fact that in these days of power-driven machines, except for purposes of defence, groups of men living in small and almost self-contained communities could enjoy very much higher standards of material and cultural prosperity than are now enjoyed under our present Leaky-Tank system by large communities having world-wide connections."

The great difficulty of small concerns obtaining finance was dealt upon at length by Mr. E. L. Payton in giving evidence to the Macmillan Committee, on behalf of the National Union of Manufacturers, on February 27, 1930.

Sir William Perring, President of the National Chamber of Trade, an organisation representing some 360 local Chambers of Trade, also gave evidence. He said:—

"The development during the last 20 years of large manufacturing units, as against the old system of small units, has, in our opinion, not fulfilled the expectations which were held as to the general advantage that would ensue from the anticipated reduction of productive costs. . . ."

But the present financial policy is one of bigger and bigger monopolies. And everyone must be regimented into working for the monopolies!

BRITISH ENGINEERS EXPOSE FINANCIAL SABOTAGE OF WAR EFFORT.

The hold-up in war production in Britain has become so serious that the Engineering Industries' Association—comprised of real organisers who know what they are talking about, not half-baked Socialists like Mr. Bevin and Co.—have recently investigated the whole subject thoroughly. The findings were published in a pamphlet entitled, "War Production." This document is one of the most important publications that I have yet read, and it applies as much to Australia as to Britain. It is worthy of careful study by some of the Labour and Socialist theorists in this country who have such ill-conceived ideas on taxing industry, because they believe that making profits is wicked. Industry must make a profit if it is to remain solvent. Admittedly, extortionate profits may be made by some firms. The B.H.P. has been mentioned. As far as I can learn, the B.H.P. is a very efficient industrial organisation, and vitally essential to our war effort. I shudder to think of its administration being socialised. But B.H.P.'s financial and political ramifications are another matter. The Government should break its political and financial influence on the nation, and by supervisory control use its productive mechanism to the utmost. This can be done to all firms. Let the Government guarantee a just price to manufacturers, see that they have no financial worries, and let them get on with the job. Don't waste their time by having them worrying about taxation legislation and whether they will be able to recover all their financial costs. If one or two firms are making a few pounds too much, what does it matter? It is not as if they are taking something off someone else. We want equipment today from anyone who can help to manufacture it. Profits can be dealt with when we win the war. It is better to win the war and take excess profits of the monopolies then, if so desired. The following are selected extracts from the publication mentioned above. I suggest that they are worthy of serious study by those thinking people who desire to know what is wrong with our war effort:—

"The presentation of the views of the Engineering Industries' Association to all Members of Parliament in the form set out below is made with the object of impressing upon Members the Association's deep concern at the lagging of war production in the engineering industries, and to demonstrate to Members the way in which some of the essential principles of industrial production are being outraged by ill-conceived financial legislation.

"The burdens being imposed on industry by financial legislation of an indeterminate and often wholly incomprehensible kind are against all sense and consequently damaging in the extreme to the national production efforts, because those charged with industry's productive effort are worried and encompassed by doubt, confusion and injustice.

"Burdensome as the present financial legislation is, the 1941 Finance Bill adds greatly to industry's problems and will still further interfere with the expanding of war production. . . .

"The Association trusts that Members of Parliament will observe the developing tendency to put the taxpayer in the hands of the tax-gatherer without any real safeguard, and act to bring legislation into line with the traditions of Parliament in this matter. . . .

"The special purpose of this Memorandum is to deal with financial legislation, which seems to us to be the key to the present difficulties."

The Memorandum then points out how any enlargement of a company's plant and equipment is certain to be a millstone round the necks of its directorate and management the instant it ceases to be engaged on war production. Naturally, unless some financial guarantee can be given, the incentive to produce is destroyed. The report continues:—

"Yet expenditure on premises, plant and equipment is essential. It should, in fact, be going forward much more rapidly if war production is to be increased and labour resources conserved. It is only by this increasing efficiency that production can be increased and costs reduced. (The introduction of as much labour-saving machinery as possible would ease the manpower question considerably.)

"Financial legislation has, however, made it impossible for many engineering firms to buy such plant and equipment—the normal machinery of finance has been disturbed and no adequate substitute has been provided. (Continued on page 6.)

LETTERS TO EDITOR

One-Sided Pledge to America

Sir, —After the war many truths will be revealed, and not a few of these will relate to the Atlantic Conference between President Roosevelt and Mr. Churchill. It will be recalled that the conference coincided with Canberra's second big panic over the possibility of war in the Pacific, and with Mr. Menzies' decision, which he was unable to put into effect, to fly to London to "put Australia's viewpoint before the British Government." It will also be recalled that although Australian political circles were obviously thrown into a state of consternation, calm prevailed both in Washington and in East Asia. Today it becomes possible to build up some sort of a picture of what happened at the Atlantic Conference with regard to East Asia.

The outstanding product of the Conference was obviously the one-sided British pledge to join America in ANY war with Japan. This pledge has just been repeated by Mr. Churchill in his "war within the hour" speech. But no corresponding pledge by America

has been forthcoming. America is free to remain neutral in any British-Japanese war, but Britain is pledged in advance to fight for America in ANY American-Japanese war. In effect, Washington can issue a declaration of war on our behalf.

To describe this situation as one-sided is putting it mildly. As far as we are concerned, 7,000,000 Australians can be automatically involved in war on behalf of 140,000,000 Americans, but those Americans are quite free to decide not to fight if the 7,000,000 Australians are attacked. A survey conducted recently by the American magazine, "Fortune," indicates that only one American in every three favours going to the aid of Australia if this country is attacked.

Common sense would suggest that Britain should be no more and no less neutral in East Asia than America is in Europe. As things stand at the moment, however, Washington has frankly taken over Britain's power to declare war. We do not know whether Mr. Churchill was a willing party to this arrangement, or whether his consent was obtained by promises of "aid," and threats of (Continued on page 7.)

The New Times

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

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FRIDAY, NOVEMBER 28, 1941.

No. 47.

CONSCRIPTION

Quoting from the Melbourne "Herald" (of The Great Free Press—see numerous ads. therein) Tuesday, 18th inst.

"A move which will shatter the truce on the Federal Political Front is being planned by returned soldier members of the Senate Opposition. The plan is to introduce and carry in the Senate an amendment of the National Security Act removing the bar imposed by the Act against compulsory service beyond the limit of Australia. This, the Opposition has been LEGALLY advised (our emphasis) could be achieved by deleting the second paragraph of Section 13A of the Act which reads: —'Notwithstanding anything contained in this Act, the Governor-General may make such regulations making provision for requiring persons to place themselves, their services and their property at the disposal of the Commonwealth, as appear to him to be necessary or expedient for securing the public safety, the defence of the Commonwealth and the territories of the Commonwealth, or the efficient prosecution of the war in which His Majesty is or may be engaged: Provided that nothing in this section shall authorise the imposition of any form of compulsory service beyond the limits of Australia'."

LEGAL advice indeed! What the Senate Members must do is to obtain the advice of the people of Australia without whose sanction LEGAL advice is so much poppycock. (A few weeks ago this paper published a list of names of Parliamentary Representatives—in case you feel like writing). The arrogant manner of these returned-soldier politicians is an insult to the electors of Australia. Their attitude is entirely out of keeping with the fundamentals of a democratic government—a government, which is SUPPOSED to represent the will of the people. If it is the will of the people that this vital paragraph be deleted from the Act, then so be it. But if it is NOT the will of the people (and we do not believe it is) then let them speak now against it.

We might well believe that Australia is the last stronghold of the democratic way of life. While many of the people of the world are living in the hell that is modern war, the least we can do is to keep the torch of freedom burning for them. Day by day, hour by hour, the enemy behind the enemy is seeking to extinguish it; with every low, cunning trick that is known to a hitherto omnipotent power. The battle against this power is uneven, but while there remain in the world a handful of people whose free minds and clear ideals refuse to be stampeded, that power will be checked; that light of freedom will remain alive.

We must fight on every front against any threat to our freedom of speech, of thought, of action, of right to criticise and command the Government of this our land. We must build up a powerful wall of public opinion against which the storms of bureaucracy can but lash unavailingly.

A BOOK OF CARTOONS

The cartoon published on page 2 is one of 17, which are being published in book form in order to draw the attention of the public to the Money Monopoly, and its offspring, Federal Union and Bureaucracy.

These cartoons are the work of a clever young miner at Newcastle, and are striking evidence of the lack of opportunity and frustration caused by the present Financial System.

They are the greatest collection of cartoons ever published in any part of the world to draw the attention of the public to the Credit Monopoly by means of satire. They are the work of a genius, and will make you

laugh at those things we have always feared, and anything we can laugh at we will never fear again. The first edition will be ready for delivery in the first week in December, and anyone desiring some should apply immediately, as almost half of that edition has already been ordered.

For the present, only orders for wholesale lots are being taken at the following rates: One dozen or more, 9/- per dozen; half dozen, 5/-. This includes postage. Mail your order direct to W. H. Hand, Box 21, North Sydney; N.S.W. Money may be remitted either by postal note or money order, payable at North Sydney Post Office.

A TRAIN JOURNEY

A Short Story by John Clifford

It all started in a second-class railway compartment on the Melbourne-Geelong line. The young airman had been speaking rather aggressively about the treatment of some of the men back from the fighting fronts. He had been reading a copy of "Smith's Weekly" carrying the front page headline: "Members of A.I.F. Abroad Cable Money to Cobber on the Dole."

Sitting opposite the airman was a young militiaman, who, after listening for a few minutes, made a terse remark, which immediately made him the centre of interest in the compartment. "I wonder how long we will take to beat Germany under our present financial system," he said. "It appears to me that a lot of our ideas about organisation could do with a drastic overhaul." No one interrupted him, so, warming to his subject, he vigorously attacked everyone and everything. He was like a sergeant dealing with raw recruits on the parade ground. Perhaps he was aspiring to become a sergeant—or, to be more correct, to obtain a sergeant's pay. There is a difference.

A gentleman, who looked like a commercial traveller, managed at last to stem the young soldier's stream of invective by commenting in a rather bitter tone on the case of the wife of a soldier who had been killed A.W.L. in the Middle East. "Fancy the Army trying to refuse to give this woman a pension because her husband was killed A.W.L. Damned disgraceful, I call it."

His remark stung a returned soldier in uniform, a sergeant, into saying: "It's a pity some people wouldn't make themselves more conversant with the facts before making remarks of that nature." His tone and looks almost suggested that he believed that he was back on the Western Front in 1914-18. The commercial traveller coloured up immediately and nervously said: "Well, I am only saying what appeared in the Melbourne Herald." The sergeant's string of very colourful Australian oaths cast considerable doubt on the parentage of all those people concerned with the "Herald." In fact, it was apparent that the sergeant didn't have a very high opinion of that esteemed journal.

A very tense situation looked like developing until the young militiaman interrupted: "I read about this case, too. But I think that there is a misunderstanding between you two chaps. Excuse me, sergeant, but I think that your point is this: The Army is governed by certain regulations in connection with cases such as that mentioned, and, further, is limited by money considerations, and therefore it is really the Government's responsibility."

"Exactly," said the sergeant. "I'm sorry," said the commercial traveller. "I quite see the point. No offence, Dig."

"Oh, that's all right," said the sergeant. "I am inclined to get a bit annoyed about this matter. You see, I happen to work in the department responsible for cases such as the one mentioned. We do the best we can with the money at our disposal."

The conversation drifted on to other topics for some time. The young airman took down a bag of apples from the rack and offered the other five occupants of the compartment one each.

"Sorry they are not bigger," he said. "But they were the best I could obtain, and I paid a ridiculous price for them."

Two big, bronzed men, obviously products of the soil, who, until now had said very little, offered some very sarcastic comments on the Apple and Pear Board. Their English wasn't the best, but their logic was sound. "I can't make it out," said the elder of the two. "I have often heard how in them there slums in Melbourne there are many families who can't afford to buy apples, yet these Board officials, who can't tell the difference between an apple and a potato, are trying to learn apple growers

growers what to do. Thousands of cases have been wasted."

"Yes," said the commercial traveller. "I have seen thousands of cases rotting on the ground while travelling. I don't know about the people in the slum areas, but I know that my wife can't afford to buy sufficient apples for our kiddies."

"Things is pretty bad, all right," said the younger of the farmers. "It's the same in my game. I'm a wheat grower. We can produce the stuff all right, but we can't get a reasonable price. This flamin' Wheat Board is another racket. We are hopelessly in debt. And who to?" He looked around as if challenging those present to tell him.

"The banks, of course," said the militiaman quietly.

"Right!" said the farmer, smacking one big brown hand into the palm of the other. "Those bloodsuckers have the country by the throat. My eldest lad is overseas; got a bit of shrapnel at Tobruk, but is all right now. His mother often wonders if he is fighting for freedom or for the banks. Surely to God there must be a change. We can't go on the way we are going."

"I didn't give four of the best years of my life during the last war for the bureaucratic monopolies that we have today," said the sergeant. "Something better will have to emerge from this war. We are certainly fighting for political freedom. We will have to make better use of it."

The young airman stopped munching an apple to say: "Well, I for one am not going to stand for any nonsense after this war. We have been told that we are fighting for freedom, and by hell we are going to have freedom!"

Further conversation was curtailed as the train drew into Geelong station. "What about all you chaps having a drink with me," said the young militiaman. The others assented. After fighting their way through the usual crowd at the bar, the militiaman managed to obtain six pots of beer, which were drunk with some relish, as the evening was rather warm.

The sergeant's offer to "shout" another round was interrupted by the bell warning passengers of the departure of the train.

Conversation lagged for a while after the train started again. Finally, the militiaman asked: "How'd you chaps enjoy your beer?" "Very good; just the thing," replied the others.

"Now that opens up a very interesting point," said the militiaman. The others looked at him expectantly. "Any of you chaps know anything about making beer?"

"No," was the surprised reply. "Right. You all admit that you know nothing about the manufacture of beer. You couldn't make it yourselves with your present knowledge. But you were all satisfied with the beer."

Looks of expectancy gave way to looks of amazement. The militiaman continued. "Although none of us has any practical knowledge of the process of making beer and the system of distributing it throughout the country, we are able to judge for ourselves whether the results are satisfactory or not. We control the beer industry by a vote—a money vote. Unless the beer suits us, we don't 'vote' for it. So long as we have sufficient monetary voting tickets in our pockets, we can vote for the policy—in the way of beer—which we desire. That works very satisfactorily in every phase of life, so long as we have money in our pockets, we can vote for the goods we desire without knowing anything

(Continued on page 5.)

LET US NOW PRAISE RIGHTEOUS MEN!

By "FOOTLE."

Have you ever noticed what a lot of trouble is caused in this world by people trying to do good to others? Oh, well, never mind! Perhaps you didn't know it was because they were trying to do good.

I am not thinking for the moment of that positive but scattered army devoted to conscious and public good deeds, nor of those who find they have to do good by stealth because of their uncomfortable habit of blushing, but of those stalwart supporters of the status quo who manage to do us good without damaging our self-respect by making us pay for our own salvation.

I am inclined to feel sorry for them, for it must be galling to see us slowly but surely undermining our self-respect in spite of anything they can do; as galling as it was for the House of Lords to have to sit helplessly while Lloyd George awarded 5/- weekly to the aged. The self-respect of the recipients of the first old age pension could, of course, have been saved by giving the pensioners £5 a week, but no one seemed to think of that—not even the House of Lords, some of whose members were experienced pensioners receiving £40 a week or so from a grateful country.

Since that time the white-anting process has proceeded steadily; the independence of the unemployed has been undermined by an insufficient dole, and family life by a baby bonus, and it seems quite possible that the undermining will go so far that soon an independent citizen will not be allowed to die in the gutter if he wants to. I grieve to think of the tribulations of the defenders of the status quo in that event. The sturdy independence these defenders have achieved for themselves by mental exertion and tireless propaganda and organisation will seem hardly worthwhile if ever the time comes when claims to maintenance are based on human need and physical possibility. Whereas at one time those in control of our destinies were content to let good happen to us if it had to, they are now assuming the role of conscious

benefactors. In fact, there are some, like Otto Niemeyer and Montagu Norman, who are prepared to sacrifice everything, even to their anonymity, to do us good, whether it is good for us or not.

Most politicians are like that, too. You often hear a Minister say: "In reply to the question raised by the Hon. Member from some darn billabong or other, I can only say that it would not be in the public interest to divulge the information asked for." Or, maybe, like Sir Kingsley Wood, he contents himself with a mere, "No, Sir," or, "Yes, Sir," or, maybe, "It's a lemon." (In the Ministerial game an evasion counts as a reply, and therefore one point to the Minister.)

There are still lots of people who seem to think it very questionable whether Ministers and their advisers are really thinking of the welfare of the people, but I don't think such skeptics can really have grasped fully the nature of the things, which may not be communicated to the multitude. Goodness knows what would happen if we were told the truth about everything.

Suppose the Treasurer suddenly go berserk and announce that the prerogative of the Crown to create and control money had been snatched by a ring of private organisations to the tune of about 96%, and insisted on having them all arrested as counterfeiterers! Or suppose he insisted on arresting those who are offering our sovereignty for sale for

a mess of International dictatorship, and charging them with high treason! But I needn't go on. You can see for yourself that such action would constitute an unreasonable attack on the democratic freedom of those who wish to control us. Besides, poets and librettists have told us how beautiful are poverty and suffering, and who are we to deny our controllers the edifying spectacle of our virtue? It was all very well for W. S. Gilbert to spring to the defence of Belgravia with the assertion that—

"Hearts beat as true in Belgrave Square as they do in Seven Dials."

I prefer the less sophisticated sentiment of the ballad of an ex-slave from South America—

"I feel so sorry that I was set free,
'Cos massa and de missis were so good to me."

Or this verse from Kipling's "Galley Slave"—

"It was merry in the galley, for we revelled now and then—
If they wore us down like cattle, faith, we fought and loved like men!
As we snatched her through the water, so we snatched a moment's bliss,
And the mutter of the dying never spoiled the lover's kiss."

If you like, you can tell me: (a) What you think of the ex-galley slave, (b) What you think of Kipling.

No doubt you've picked up the idea. It is a discovery of tremendous importance for our

rulers. It is the discovery that no one can utterly destroy the human capacity for happiness, since no one can plumb the human capacity for endurance. Once more, unlike our leaders, we must give credit where credit is due, and applaud the wholehearted way in which they are prepared to co-operate with this particular aspect of Nature.

Goodness knows what mental privations they endure in their effort to prevent us from damaging ourselves with possessions. If access to material things isn't going to make us happy, then we aren't jolly well going to be allowed to have it, and that's all about it. Even if our benefactors have to be so cluttered up with the fruits of our endeavour that they are sick and tired of adding them up in their private ledgers; even if they finish by dispossessing everybody and are left in the miserable position of owning everything there is or is ever likely to be, I believe they will not weaken. For they are of the stuff that endures to the end. Over and over again they have shown it. They will lie, they will bribe, they will incite to mutual mass destruction, they will browbeat, dispossess, defy reason itself. But they will never give in. What devotion! Beside such fanatical zeal for our spiritual welfare, the holy rollers, the hot-gospellers and frenzied evangelists of all kinds flit like pale ghosts in the radiance of the sunrise.

But, oh, hell! They do depress me so. I should hate to be good like that.

United Democrats' Report

From Headquarters, 17 Weymouth-street, Adelaide.

What do you want? Is it action? Then the only sure way of getting action is to ACT. Do not wait for the Government to move, and do not wait for the Church, nor your Union, nor the United Democrats, to start the job. All these things are Institutions, and institutions are apt to become havens for weary individuals seeking to shelve responsibility. Institutions do not act; they are merely collections of individuals who act in co-operation for a specific purpose. If that purpose is not achieved, then the institution has not justified its existence.

The United Democrats is a body of people associating to get what they want. The circumstances and conditions being what they are, those results desired can only be achieved by a sufficient number of people uniting.

We are engaged on a most difficult task, and we want all the help possible. Our organiser, Mr. Harvey, has proved that he can discuss our point of view almost anywhere and get a hearing. The time is ripe for action. Reports of new groups being formed is a very encouraging sign. This week brings news of yet another in process of formation in the city. On December 3, Mr. Harvey is arranging for members of the executive to make a trip to Gawler, where a number of battlers for the truth have been at work for some years. Our friends at Gawler have had their ups and downs in common with all in the movement, and we offer them our best wishes for their future efforts.

All this is encouraging, is it not? But it is not enough. There are many people who adopt our policy. If they all put in one hour per week for the cause, we would have so much news we could not find space for it.

But let us reiterate. You and you alone can do the job. Your individual freedom (from interference from institutions) is what you value most. Then to save what you have, and gain what you desire, of this freedom, it is necessary to use

your individual initiative. INSTITUTIONS DO NOT ACT. The Banking Institutions do not move. But there are individuals within them, sheltering from criticism, who move mountains — mountains of falsehood and place them in the path of truth. The Great Reformer, who devoted His life to the struggle against legalism and institutionalism, placed the value of the human individual beyond computation. But in saving, or discovering, that priceless individuality, He threw the onus ON THE INDIVIDUAL HIMSELF. ACT NOW.

Waste nothing—not even waste paper. Send it in to us and we can dispose of it. The proceeds will be devoted to propaganda work.

Bridge and Checkers Evening—the final one for the year—will be held at Headquarters on December 6. Let us end the year with a social success. Socially, as elsewhere, a special effort brings special results. —M. R. W. Lee, Asst. Secretary.

"BANKS AND FACTS"

By BRUCE H BROWN

A biting reply to the private banks' propaganda on war finance. The real barrier to a greater war effort exposed, and how it may be overcome. Read this excellent booklet, and demand that our war effort be financed without further debt.

Price 6d each, or 4/- per dozen (post free). Copies obtainable from the United Electors of Australia, McEwan House, 343 Little Collins-street, Melbourne, C.I.

ORDER YOUR COPY NOW!

A Train Journey—Continued

at all about the methods used to produce the goods."

"That's quite sound," said the commercial traveller, "but what are you trying to prove?" The others were all ears.

"Just this," said the militiaman. "We have been discussing many different problems all the way from Melbourne. Our conversation was typical of hundreds of different conversations taking place everywhere today. We are all agreed that we don't like the results we are getting today. But what are we going to do? Well, I am going to suggest that just the same as we had a policy back at Geelong, a drink of beer, which we had the power to vote for because we had sufficient monetary votes, we should also have a policy in the political and economic sphere backed by our political vote. We are all agreed that we want certain things. We have the political power in our hands to demand those things from our representatives. But we are inclined to argue about technical methods. Well, we didn't argue about beer production before we had a drink. It should be the same in the political and economic world. We pay an administrative staff of experts who can get us our results if we indicate quite clearly that our votes will be used to sack them unless we get our policy."

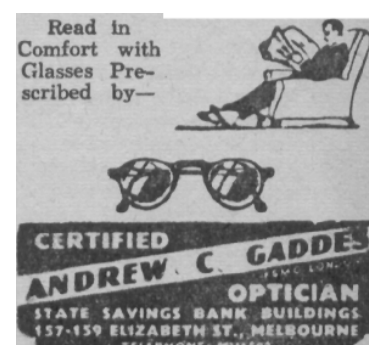
"That's all right," said the airman. "But we are always being told that we can't obtain the results we want because of lack of money."

"Tickets please," said a voice at the door. It was the conductor. As the militiaman handed his ticket to the conductor to be punched, he asked him if he had ever heard of the railways being unable to sell a prospective passenger a seat on a train only half-full because they had run out of tickets. "Why, no," said the amazed conductor as he departed.

"You see," said the militiaman, turning to the airman, "tickets in themselves are quite useless. They derive their value from the fact that they entitle you to a seat in a train. Apart from that, they are useless. If the railways run short, they have more printed. So it should be with our money system, which is only a ticket system. But a private monopoly — your friends the blood-suckers," he said, looking over to the wheat farmer, "keep the tickets short while the train of production runs half empty. And . . . by jove, I must get out here. This is my station."

He hurriedly grabbed his kit bag. "Well, cheerio, chaps! May see you again some day. Thanks for the company."

The train whistled on into the night, leaving five passengers, the sergeant, two farmers, the commercial traveller, and the airman, with their thoughts. Perhaps the militiaman started a train of thought which will be responsible for another train discussion at some future date. Who knows?



HOW TO WIN THE WAR—AND THE PEACE

(Continued from page 3.)

vided. . . . Loans cannot be obtained, since the expenditure in question has little post-war value. Even the banks are refusing further loans.' Lovely, isn't it? But, of course, the banks and their system are much more important than mere war production.

"The Results of Financial Legislation: —

"(a) Production.

"Thus industry is deliberately being made inefficient by wrongly-conceived financial legislation, which is having the following effects: — "Plant and equipment cannot be purchased for war production. "Economic production is therefore often impossible: Costs rise, Labour resources are wasted.

"Financial resources are so straitened that it is difficult to carry adequate stocks. "Payments to sub-contractors are, or in many cases would be, delayed if the main contractors met their taxation liabilities. Thus the disease of financial anaemia spreads. "Enterprise and efficiency are discouraged.

"(b) The Small Business.

"These factors bear heavily on small and medium-sized businesses. These firms provide the bulk of the engineering capacity of the country, because there are sufficient people capable of managing them efficiently. It is therefore in the national interest that they be maintained in a healthy condition.

"Management is the limiting factor in any industry, and for many years to come there will be a shortage of people trained and competent to manage large-scale industry. Parliament should take notice of this essential factor and encourage small and medium businesses so as to ensure the greatest measure of successful results." (However, the banks are not interested in small firms. And, up to the present time, they have controlled Parliament.)

"The majority of these small and medium-sized businesses on the outbreak of war made every effort to increase their effective capacity for war production and expanded their businesses with their own capital or borrowed from their bankers to do so.

"(c) Taxation.

"War taxation has not recognised this service, and these companies are being heavily penalised for having increased their production. Because they have attempted to do the best of which they are capable, they are being compelled to risk financial suicide.

"Thus an ever-increasing number of companies are unable to make any payment of taxes, because profits have been used to increase production and the banks are refusing to advance money to pay taxes.

"So impossible has the situation become that the tax collectors are now approaching those unable to pay and suggesting that Government Departmental advances can perhaps be arranged so that taxes may be paid!"

Was there ever a more damning indictment of a financial system which demands the hold-up of industry by increasing taxation to pay, in the main, interest charges to the banks on credit they have created at no cost to themselves? The banks won't allow the British people to make a maximum effort in the present war because they (the banks) still demand interest payments on the debt from the last war—in fact on all debts since 1694 when the Bank of England was established.

The same lunacy is being allowed in this country by all Governments.

The following report even found its way into the Melbourne "Herald" of November 8, 1941. The report is dealing with war finance in Britain: —

" . . . from many quarters there is renewed concern about the deterrent effects of onerous taxation on war production. Farm labourers, for instance, have discovered that their recent increase in wages brings them into the taxation group; which means that most of any overtime pay they earn will go to the Treasury instead of their own pockets.

"The Banker' says that joint assessment of married couples is a particularly flagrant case, as it removes the incentive for married women to take up factory work at normal wages. The Government's present finance methods make it impossible for the nation to reach its potential maximum output."

PROTEST AGAINST CENTRALISATION BY DONALD AND DISTRICT VIGILANCE COMMITTEE.

Evidence of the manner in which centralisation in Australia is threatening the whole economic structure of the nation was brought forward at a meeting in Melbourne on April 10, 1941. This meeting was convened by the Donald and District Citizens' Vigilance Committee. Representatives of 50 Victorian country shires, Federal and State Members of Parliament, and representatives from various farming organisations were present. The following report, which speaks for itself, is taken from the Melbourne "Herald" of April 10, 1941: —

"Why could not a man trained in Bendigo be placed on a lathe in Bendigo? Those in charge claimed that work must be accurate to 1/1000th or 1/5000th of an inch; but hand grenades did not have to be turned, drilled out or shaped to such a degree of accuracy. Could not that work be farmed out to country towns? A Bren gun carrier might have 400 component parts, but 300 of them could be made in any part of the State Six months ago, the Victorian Automobile Chamber of Commerce offered the Supply Department, free of charge, five experts to plan the distribution of munitions work through the country, but the offer had not yet been accepted. The Mayor of Horsham (O. R. E. Charles) said that Horsham offered all its plant to the Controller of Ordnance, who replied he could not give them anything to do because everything had to be submitted to the Tenders Board. Mr. Alex. Wilson, M.H.R., declared that people in country towns were losing their equity in properties, built up by years of hard industry. The whole of that equity was slipping away almost overnight, and the capital cities were absorbing it. 'We can demand that our domestic economy should have reasonable attention,' said Mr. Wilson. 'If our Government cannot give us that, then it has no right to govern. The Government deserves criticism. You should carry a motion condemning its apathy. When we ask why some of these industries cannot be moved to the country, we are told that it is not economic. But there is nothing associated with war that is economic.' Many matters were demanding the attention of the Government. Provision should be made to meet a sudden necessity for evacuation from the cities. If this necessity arose in the summer, people would die of thirst. The question of food supplies had been approached only superficially. Business people in the country had told him that they could not lay in three months' supply of food and other necessities as requested by the Government because they could not get supplies.

"The meeting passed the following motions: "That the Federal Government be asked to give more positive and effective consideration to utilising all available resources, such as lathes, workshops, etc., in country areas for

THE NEW ABSOLUTISM

Hermann Rauschnig claims to have an intimate knowledge of the German people, and of the workings of the daemonic Nazi attempt to extend the area over which Hitler expects to be dictator. This fact adds to one's zest in reading Rauschnig's recent book, "The Beast from the Abyss," which is found to be a closely packed piece of critical writing dealing with many aspects of the present world chaos.

One fails to find any adequate statement of the influence of finance in producing this chaos; but even so, if the book could be read and understood it might go a long way towards clearing the decks for the constructive remedies of Social Credit.

The value of the analyses which Rauschnig makes lies in the fact that he sees the similarity of the efforts being made in many places, and under differing guises, to establish a tyranny which he calls 'The New Absolutism.' Hitler's mad escapades are but one manifestation of these efforts. "The rival pretenders to the crown (i.e., Right or Left, etc.) are in agreement that absolutism is necessary and inevitable." (p. 95.) Again: "It (the new absolute State) not only does not create personalities, it will not tolerate them. For personalities are always 'hindrances to traffic,' and defects in the material of an exact process." (p. 115.)

After reviewing some aspects of the struggle, which is being carried on against this new absolutism, Rauschnig comes to the conclusion that "inadequate forces and inadequate comprehension" are being displayed. If he had known of the Social

Credit philosophy, and the accompanying strategy for defeating all and sundry who are working to establish the new absolutism, he might have been less pessimistic.

Social Crediters can agree that "Most of the things of which the pros and cons are being discussed in our day belong to this side of the line we have to cross" (p. 130); and they have a fellow feeling with the author when he says: "It is hard to live as an émigré—but of one element of greatness no one can rob them; they are called to be pioneers in the spiritual reshaping of the world." (p. 131.)

The negative and destructive effects of a dictator's forcefulness are typified in Rauschnig's experience: "Nothing more deeply horrified me than the visible change in acquaintances and friends men whom I thought I knew well, when they came under the spell of Nazi Politics." (p. 135.)

On the other hand let us not be impatient as we attempt to inaugurate the positive and constructive ideas of Social Credit. "For a new civilisation, cannot be created at will, it must grow. It cannot be anticipated or planned." (p. 133).

—C. H. Allen.

the war effort, as has been done in Britain, thus maintaining manpower in the country, aiding country areas and giving a more equitable proportion of war work outside the capital cities.' That it be the duty of the Federal Government not to wait for further suggestions in the above matters, but to organise this spread of war work as speedily as possible, even if it involves only small standardised parts.'

"Moving these motions, Cr. Galvin (Bendigo) said the problem was only second to winning the war. In Bendigo, technical schools were training young men for munitions. Two classes had completed training, but not one of the trainees had been engaged in that industry in Bendigo. They had been taken away. The same thing was happening elsewhere throughout Victoria. Statewide figures compiled by the Victorian Automobile Chamber of Commerce showed that there were, in 478 Victorian garages, 343 lathes, 472 drilling machines, 452 oxy-welding plants (48 of them electric) 208 presses, 265 lacquering plants, 251 garage trucks and 507,436 square feet of floor space. That none of this plant was being used to conduct the so-called maximum war effort was a disgrace to those controlling the war effort."

While touring the country areas of Victoria with Mr. H. F. Allsop Editor of the "New Times," in June and July of 1941, I was able to investigate this matter thoroughly. Mr. Allsop and myself were amazed at the things we were told by engineers. Mr. Allsop wrote several articles exposing the more shocking examples of failure to use engineers and equipment, which, incidentally, I personally brought to the attention of a Minister in the Menzies Government. But this man was so divorced from reality that he didn't believe it.

Just after that tour, during which I addressed over 40 meetings in all parts of Victoria, and attacked the policy of centralisation, quite a few articles started to appear in the daily papers assuring us that the Victorian country garages were being fully used. Marvellous things were being done.

The extent of this magnificent (!) effort was exposed in the Federal House on September 25, 1941, when Mr. Spender admitted that only £6000 worth of materials had been delivered from small garages and workshops.

CENTRALISATION IN FRANCE

It is now widely recognised that one of the major causes of the French collapse was the centralisation and bureaucracy which was the result of the internal financial policy pursued at the behest of the private financiers. The following interesting extract is taken from the "Sunday Express" (England), June 30, 1940: "The real cause of the overthrow of France was the lack of organisation and discipline. Government in France was too centralised. Everything was controlled from Paris. The central authority was weak. The Government was at the mercy of Parliament, and its decisions were carried out, slowly and incompletely, by two million under-paid functionaries buried for years under accumulations of red tape."

As compared with this, we read in the Melbourne "Sun" of November 18, 1940: "Mr. H. B. Drury, a member of the Defence Advisory Commission, declared that German military industrial production, which mystified manufacturers in the outside world by its volume and continuity is maintained by extending industrial mobilisation to include even cottage industries. The year before the invasion of Poland, sealed crates began to arrive at cottages in Germany of skilled home workers, with an instruction that they should remain unopened. Then the cottages were wired as a huge programme of rural electrification was rushed to completion. Soon Government agents arrived and the crates were opened in their (the cottagers') presence. They contained lathes, metal polishers and screen-making machines, and other appliances, each with a motor ready to be hooked up to the new electrical lines."

But, of course, there, doesn't appear to be any "shortage of money" in bankrupt Germany!

(To be continued.)

FURTHER CRITICISM OF A.B.C. TALKS

(Continued from page 2.)

the factory is, or can be made, almost entirely a question of power machinery — more power, more goods.

In Japan today, eight great modern looms are attended by one girl, and these looms were designed and manufactured in Japan. These machines gave more than a 5 per cent, increase of production. It is probably nearer 200 per cent. But none of these illustrations give us an insight into possible production, either in this war or after the war.

Today we have steel-cutters which cut the hardest steel continually for 24 hours without showing any sign of wear; imagine what would happen if this steel were used for razor blades! What would happen to the workers in that industry? Razor blades could be made for 2d, and each would last more than a year. I know, because I have had one.

Rubber tyres can be made which would last out the life of a motorcar. But why make them? I know what you are going to say: "There would be no profit in making them. But very much more important still, the workmen in the factories, like the miners in N.S.W., the lassies in Lancashire, might not like losing their jobs."

Undoubtedly, most of them would be happier and healthier growing cabbages or roses in their own back garden—if any. But for the poor there are no dividends to keep the home going. If a man does not work in a factory, or in some other place where the prisoners are issued with tickets they call money, then it is just too bad for him; he has to look round as quickly as he can and pull strings to be admitted into the nearest place of confinement, where what is euphemistically called a wage is given in return for a man's soul. Before the war, productive powers of industry actually and potentially were so enormous that to allow them to function at full capacity would have meant increasing the purchasing power of the people to an extent hardly yet dreamt of. Some of the world's great monopolies owed their origin to the efforts of a few people trying to buy up inventions to prevent them being used, and have no doubt that today more inventions are bought to prevent them being used than are bought for the use and benefit of man kind.

For the last half century the financing of industry and the organisation of industry has been based on an anti-social policy. Money has been poured into the production of heavy machinery for export, export to anywhere as long as it was not for the people who made the machine. In this way England and America have exported thousands of millions of pounds of plant for which they have never been paid—that is, no one has been paid except the commission agent. It is calculated that in South America alone British investors have lost £650 million through the medium of their financial wizards.

The pre-war destruction goods, the restriction of goods and services for the use of the ordinary man and woman, and the over-production of capital goods for investment—all this has been controlled by small and very powerful international group. These groups not only control hundreds of millions of pounds but they also have a powerful grip over the collection and distribution of news. An indication of the political ramifications these groups was given by Lloyd George at the peace negotiation after the last war, when he said

"The international bankers swept statesmen, politicians, jurists and journalists, all on one side, and issued their orders with the imper-

iousness or absolute monarchs WHO knew that there was no appeal from their ruthless decrees." The League of Nations was the child of international finance, and it was one of the chief means by which the power of the British Empire to protect itself was destroyed. The plot very nearly succeeded. It is being revived under a new name, this time it is being called "Federal Union," which, being interpreted, is a means for restricting production on a world-scale and removing all power of any nation to revolt against the edicts of a small gang of super-dictators.

Their policy is to stabilise prosperity for generations, perhaps permitting a 5 per cent, improvement, as promised us by the unknown political speaker employed by the A.B.C.

NORMAN ROLLS' ITINERARY

Mr. and Mrs. Norman Rolls recommenced their tour on Thursday, November 20, from Rutherford (N.S.W.). Campaigned in Greta, Branxton, Belmore and Singleton; leaving the latter place on Saturday, November 22, for Jerry's Plains, Denman, Sandy Hollow, Baerami, Kerrabee, Bylong, Wollar and Cooyar (which they hoped to reach this weekend). They expect to reach Mudgee about December 1, proceeding thence to Wellington.

no "aid." But it is evident that the Australian Governments of Messrs. Menzies, Fadden, and Curtin have allowed to develop without open protest a situation fraught with peril to this country.

When America is free to steer her own course, but Australia is pledged to fight if negotiators in Washington do not agree with Japan, we must conclude that as far as this country is concerned Federal Union is now an accomplished fact, and that our status is that of a British Dominion and an American colony. —Yours, etc., I. G. McDONALD, Randwick, N.S.W.

through Australia towards the adoption of Social Credit. Furthermore, this would also serve as a means of introduction between Social Crediters, and so, perhaps, assist to bring them together in the promulgation of a common ideal. We further believe the present time to be opportune for Social Crediters to proclaim themselves. This object would be well served if you would publish a paragraph to this effect, asking those concerned to communicate direct to me. —Yours, etc., LLOYD G. BROWN, Hon. Secretary, Moore St., East Glenelg, S.A.

LETTERS TO THE EDITOR

(Continued from page 3.)

ANNUAL BAZAAR

THE DOUGLAS CREDIT MOVEMENTS

CHRISTMAS BAZAAR

will be held on

DECEMBER 3,
at the

HALL OF THE OLD PLAYERS AND PLAYGOERS' ASSOCIATION,
Brooks, Robinson Buildings,
Elizabeth Street.

MR. BRUCE BROWN

will preside, and open the Bazaar
at 8 p.m. sharp.
ALL WELCOME.

A Suggestion to Social Crediters

Sir, —Adelaide No. 1 Social Credit Group has decided to approach all parties in Australia connected with Social Credit, to try to find a badge which would, or could, become known Australia-wide. We are of the opinion that an insignia of arresting but simple design should be used as a lapel badge, and constantly exhibited by persons who admit adherence to Social Credit principles. This would ultimately be recognised and accepted by the general public as an indication of the growing strength of public opinion

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THE CONSPIRATORS.

Dr. Schacht (of the German Reichsbank) and Mr. Montagu Norman (Governor of the Bank of England) talking things over before the Second World War.

"In view of the disastrous policy followed by the Bank of England after the last war and the part it is believed to have played in the re-armament of Germany, does not the right hon. gentleman (Sir John Simon) consider it time that the people knew a bit more about the proprietors of this unique concern?"

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

SAME PAY AS MUNITION-WORKERS FOR SOLDIERS?

In the House of Representatives on November 6, the Member for Reid (Mr. C. A. Morgan) made a vigorous plea for giving members of the fighting forces the same rates of pay as munition-workers. According to "Hansard," he said:

"Surely there will be no objection to members of the fighting forces being given the same pay as munitions workers. I have nothing to say against the men making munitions, but they are protected by the men of the fighting services. Why is it that we pay the lowest rates to those who do the most dangerous work? That seems to be the principle that is followed right through. These men are too busy to insist on their rights; but that should not lead us to deny them their rights. Many munitions workers, especially those who work a lot of overtime, receive high wages. The soldiers should get what has been promised to them in cash, and the difference between that rate and the pay of munitions workers should be regarded as deferred pay, to be paid to them when they return from the war. Most of them will need the money badly then. In this matter I am in agreement with the right honourable member for Kooyong (Mr. Menzies) who said deferred pay would increase purchasing power after the war. I should give to the soldiers the difference between what they now receive and the pay of-

munitions workers, and I should make the additional rates payable from the time of enlistment. In that way the men who enlisted early would not be penalised. If that were done, every man who returned to Australia after the war would be entitled to a gratuity, which, in some cases, would amount to a few hundred pounds. That would be something to tide them over any period of unemployment, or it would enable them to pay a deposit on a home or to purchase a small piece of land, or pay a deposit on a farm if they wished to go on the land. I should give this money to them as a right. They would then know that they had something worth fighting for. I would not regard the payment as a charity, or something out of which political capital could be made, as was done after the last war. That gratuity was given in order to win the soldiers' votes; but the men had to pay it back."

Mr. Duncan-Hughes: "The then Prime Minister did do something for the soldiers."

Mr. Morgan: "They paid for it in the long run, because in the depression they lost everything."

TAXES RETARD THE WAR-EFFORT

(Continued from page 1.)

said the accountant, "but they illustrate the points: This method removes incentive to hard work and stifles initiative. It drains the financial resources of companies engaged on war work at the very time when they need those resources for their war effort.

In the case of the first company, if a dividend is paid, dividend plus tax takes £10,674; whereas, if the whole of the profits are retained, the outgoing for tax is £10,173, or only £501 less.

Another private company was asked by Government officials to build an annexe. The Department agreed to finance the cost, the company to repay over ten years. Because of the new taxation, profits cannot now be accumulated to meet the annual repayments, and the company has informed the Department that it is unwilling to proceed with the proposal.

If a proposed amendment gives private companies the right to deduct

ordinary Federal tax payable instead of tax paid when returning income, the first company referred to above will pay taxes totalling £6600.

If it decides not to pay the £3000 dividend, however, its taxes will total £9100.

The circumstances of the shareholders of this business are such that dividends are now of no interest to them, and they would welcome a chance to dispose of their asset.

This draining of companies' financial resources can only have a most harmful effect on industry. What company, after making sufficient profit to enable it to set aside sufficient funds for expansion of business and plant to meet the demands for increased war production, which then finds that these profits are to be taxed from it, will then go and "hock" its assets to the banks to obtain the necessary finance? Is the government really blind to these facts, and unaware of the effect their

'Deliberate Attempt to Sabotage War-Effort'

(Continued from Page 1.)

power to take over firms such as the Broken Hill Proprietary Company Limited." I am convinced that the threat was made because, when I was travelling by train a little while later, a high official of the department, a man who is still there, by the way, said to me: "That is a rotten show, and we ought to take it over." I said to him: "You do, and you will see what a Labour government will do when it gets into power." This sort of thing explains why thousands of skilled workers are drifting from New South Wales to Melbourne. In New South Wales, there are 200 small manufacturers willing to assist in the war effort. Although New South Wales contributes 40 per cent, of the revenue for war purposes, manufacturers

there are not given a fair share of war contracts. There is now in power in New South Wales a government willing and anxious to cooperate with the Commonwealth in every way. It has taken over the shipbuilding programme, appointed a committee for post-war planning, and a committee to investigate substitute fuels, etc. That Government cannot understand why something is not done to break the Melbourne monopoly. I shall continue to protest so long as attempts are made to sabotage the war effort, and to deprive men in New South Wales of employment. A section of the workers in the Clyde Engineering Company Limited is threatened with unemployment tomorrow, and urgent action is called for.

Passing Events and Comments

(Continued from page 1.)

Recently, in the course of some remarks preliminary to a "Tomorrow's World" broadcast it was stated that these talks were "unofficial." This, no doubt, was intended to be a reply to criticisms as to the impropriety of the action of the A.B.C. in giving to one political party the privilege of broadcasting its financial views and denying similar facilities to political parties holding the opposite views on these matters.

The disclaimer, to say the least, was singularly unconvincing. If a householder grants another individual the use of his balcony from which to throw missiles at people he doesn't like, and, in addition, pays him for so doing, his plea of non-connivance or impartiality would "cut little ice" with judge or jury.

"To-morrow's World" talks were evidently prepared during the Menzies-Fadden regimes for the purpose of misrepresenting the financial policy of the Labor party. Immunity from reply or criticism evidently stimulated the inventive powers of the A.B.C. talkers. Why Sunday night — of all times — should be selected for disseminating

financial proposals are having on the community? It has been pointed out to them only too frequently by individuals of sufficient intelligence to know and understand these problems. Or is it simply that they do not desire or intend to remedy these serious defects because it suits their purpose for these things to exist: if so, THEN WHAT IS THAT PURPOSE, AND WHO DOES THE GOVERNMENT REPRESENT? — Hilton Ross.

this series of misrepresentations and humbug is a mystery, the solution of which may be found when Mr. Chifley's auditors investigate the trading banks' balance sheets.

— "Stirrem."

Mr. Bruce H. Brown will give an address at 7 Bramerton-rd., Caulfield, on December 1, at 8 p.m.

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, AP.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.

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