The "New Times" is a really independent, non-party, non-class, non-sectarian weekly newspaper, advocating political and economic democracy, and opposing totali-tarianism in all its forms.

Now, when our land to ruin's brink is verging, In God's name, let us speak while there is time! Now, when the padlocks for our lips are forging, Silence is crime. \_\_\_\_\_Whittier -Whittier.

# THE **EW TIM** Vol. 13, No. 4 MELBOURNE, FRIDAY, JANUARY 31, 1947

SUBSCRIPTION RATES Our charges for supplying and posting the "New Times" direct posting the "New Times" direct to your home or elsewhere every week ore as follow: Three months, 5/-; Six months, 10/-; Twelve months, £1. Payments must be made in ad-

vance and sent direct to New Times Limited, Box 1226, G.P.O., Melbourne. (Registered Office: 343 Little

Collins Street, Melbourne, C.I. Telephone: MU 2834.)

# **Campaign to Demand Big Tax-Cuts**

# **Non-Party Electors' Groups Show** the Way to Get Them

From all parts of Australia the Federal Government is being urged to reduce taxation, both direct and indirect, in order that Australians can take the first step towards genuine post-war reconstruction. So far we have had only post-war chaos, which is growing worse. Production is hampered, shortages are relished by tens of thousands of officials who visualise themselves rationing and controlling the people for ever, while the legitimate grievances of the working man, who finds that indirect taxation on the goods he buys has destroyed the purchasing power of his money, are exploited by the Communists.

The present taxation policy, which is being imposed mainly because the economic "experts" advising the Labor Government seek to introduce centralised totalitarianism in Australia, is a challenge to all thinking Australians to unite in self-defence. We are pleased to say that the challenge has been taken up by liberty-loving groups of people, who urge all electors to join with them. Hereunder we report a few examples of such action in three States:

Mr. John Macara, Honorary Secretary of the Western Suburbs (Sydney) Voters' Policy Association, has sent the following letter to a large number of people likely to be interested in assisting the tax-reduction campaign: 69 Lucas Road, Burwood, N.S.W. 15/l/'47

by Lucas Road, Burwood, N.S.W. 15/l/47 Dear Colleague, I believe there is a general agreement that we have come to realisation that if we think a thing should be done, then we must do it ourselves. It is no use waiting for "George" to do it. There is the widest possible agreement among all sections of the community that TAXATION is far in excess of all require-ments, and is at present one of the prin-cipal obstacles to our recovery. It is equally evident that Mr. Chifley is fanatically attached to the maintenance of the present extortionate taxation policy, and that if we are to achieve rational taxation he must be either prised from his limpet-like attachment to this policy; or he must be driven from office, and re-placed by someone more responsive to public opinion.

public opinion. Mr. Chifley derives the power to main-tain his taxation policy from the support of REPRESENTATIVES, who, in turn, derive their power from US. Herein lies our hope for rectification, for the power to oppress us is derived from OURSELVES. WE are the source of all social power, and Mr. Chifley derives the power to main-tain his taxation policy from the support of REPRESENTATIVES, who, in turn, derive their power from US. Herein lies WE are the source of all social power, and Mr. Chifley derives the power to main-tain his taxation policy from the support of REPRESENTATIVES, who, in turn, derive their power from US. Herein lies WE are the source of all social power, and

therefore WE must make the initial move in this matter.

In this matter. It is very gratifying to note that a move-ment has been initiated in South Aus-tralia to articulate the will of constitu-ents re the taxation policy, and the above Association is desirous of giving all pos-cible accienters

Association is desirous of giving an pos-sible assistance. Effective action is the only thing, which can bring about change, and it is only from active individuals that action can arise.

It would appear that the form which individual action may assume may be three-fold—i.e.:

- (1) Encourage individuals wherever possible to write to their M's.P.
  - As there are many who do not readily write letters, supply such with a form letter, requiring from the constituent only his signature and address; if necessary, post it for him. (A supply of form letters will be supplied on request)
- of form letters will be supplied on request.)
  (3) Persuade others, such as business firms, or various associations, to interest themselves in this matter, and to supply physical and financial help, and perhaps to distribute form letters and literature.

# **TAX-TYRANTS RIVAL ADOLF HITLER!**

# **Arrogant Demands for Endless Form-Filling**

In a letter to "Country Life" (N.S.W.), a shearing contractor gives an example of taxation tyranny not widely enough known. In the course of his letter the contractor states:

"I am enclosing a cover from the new tax group certificate forms which were re-

ax group certificate forms which were re-cently issued by the Taxation Department "On showing this cover to several graziers in the country, all expressed resentment at the arrogant wording, especially as we em-ployers collect this tax, free, for the Gov-ernment, and should at least be treated with some consideration

"It will be seen that the word MUST ap-

"We have just cut out at [we delete the name of the shed] at Condobolin, where 54 men were employed at the shearing. This meant writing out 216 group certificates and collecting some £140 tax, free for the Gov-ernment. Quite a job in itself. Added to this is the issuing and collecting of 30 de this is the issuing and collecting of 30 de-pendant forms and entering the whole in our ledger for inspection. The only ac-knowledgment we get for this free service is a receipt run off the cash register. The

The Corangamite (Victoria) Voters Policy Association opened its campaign at an excellent public meeting in Colac on Wednesday, January 22. A report of this meeting appears elsewhere in this issue. A letter from the Voters' Policy Asso-

the Corangamite Electorate, explaining what the Association is doing and asking for the co-operation of all those electors who are interested. The Colac radio station has donated two

free sessions to the Association's tax-re-duction campaign. The first radio talk, published in this issue, was given last Friday night.

The following is a copy of the demand-letter being used by the Corangamite Voters' Policy Association:

## Address .....

Mr. A. McDonald, M.H.R. Dear Sir,

Heavy taxation, both direct and indirect, is now recognised by all sections of the pre-sent high cost of living, most industrial troubles, and shortages in essential production.

Apart from the colossal waste of manpower involved by most industrial and business organisations in their capacity as tax collectors, we now have what is referred to as the Canberra Bureaucracy, a virtual army of occupation of over 400,000 which governs by regulation and decree, and which hamstrings the community with "red tape.

The urgent task confronting all Austra lians is to (a) rapidly increase essential production, thus removing the necessity to continue rationing and controls; and to (b) increase the purchasing power of the people's money. These two objectives can be achieved by:

(1) The abolition of all DIRECT taxation

- (1) The about on of all DIRECT taxation on incomes less than £6 per week.
   (2) A 40 per cent reduction in direct taxation on incomes over £6 per week; also a 40 per cent, reduction in all INDIRECT taxation, and no further increases in prices
- As the first step towards the reduc-tion of the Canberra bureaucracy to a genuine Civil Service, the number of officials employed by the Common-wealth to be reduced to the 1938 level. This would make tens of thousands (3)This would make tens of thousands available for urgent production and help make easier the introduction of a shorter working week.

The above three objectives are, I believe, the policy of the great majority of the Australian people, and, as my personal representative at Canberra, I urge you to take immediate action to have this policy implemented.

Yours faithfully,

(Signature).....

The United Nations has been endeavouring to persuade the United States to make the former's permanent "home" in Manhattan an inviolable international zone, which law enforcement officers could never enter without U.N. permission—the power of granting entry and the conditions governing the entrant to be determined by the Secretary-General of U.N.

It is ominous to note the power sought by this world cabal; apparently other Member Nations are not being consulted in this matter. There is also an unconfirmed report that all members of this body and the World Bank must take an oath not to take any directions or instructions from their respective Nations. Readers should ask their Federal Members if this is correct.



#### **MR. CHIFLEY**

We are informed that signatures are being readily obtained. Readers in Cor-angamite electorate who desire supplies of this demand letter should write to Mr. Bert Spencer, Murray-street, Colac. A small donation to defray printing costs should accompany each order. Those col-lecting signatures can easily defray ex-penses by asking each person signing to provide money for a stamp. In most cases at least 3d sometimes more will be given at least 3d, sometimes more will be given. Several letters can then be posted in the one envelope or sent in batches.

In the Wimmera (Victoria) electorate, the Red Cliffs Voters Policy Association has sent an official letter to every paper in the electorate, explaining the lead being given and appealing to electors to assist. It is proposed, if possible, to keep a rough check of the letters sent to the local Member and from time to time supply a prograss report on the comparison to the

progress report on the campaign to the press throughout the electorate.

Public meetings will be held at Red Cliffs on February 6, and at Mildura on February 7. Mr. Eric Butler will address these meetings on his way through to South Australia.

The South Australian League of Rights has already got a tax-reduction campaign under way. A demand for a 50 per cent, reduction in both direct and all indirect taxation is being favourably received. Mr. Eric Butler will arrive in Adelaide on February 12 and will conduct a vigorous lecturing tour under the auspices of the League.

ears seven times in so few words. Hitler at his worst could not have issued a more severe edict.



ADOLF HITLER

Graziers' Association drop us a note thanking us for the graziers' returns sent in after each shed, and even the Rationing Commis-sion (after a direct protest for their negli-gence) now drop a few lines acknowledging receipt of coupons collected on their behalf in sheds, and thank us for our 'co-opera-tion in this matter.'

'A reproduction of the offending instruc-"A reproduction of the orienting instac-tion in your paper may bring Taxation peo-ple to a sense of some small acknowledg-ment for this co-operation we extend to them, as well as all graziers."

Here is the wording of the instruction:

\*

#### IMPORTANT.

The Group Certificate forms MUST be used in correct sequence. One set of forms, with the same number, MUST be used for each employee.

each employee. Group Certificate MUST be issued to each employee at the "Cut-Out" of each Shed. Within seven days of the "Cut-Out," a remittance for the amount of instalment deductions made MUST be forwarded.

Duplicate certificates MUST be forwarded with the remittance and they MUST agree in total with the amount of the remittance. The duplicate copies of Group Certificates MUST be kept in numerical order.

FARMERS' FRIENDS: A curious friendship between waterside and transport workers and the Tasmanian Farmers' Federation is reported from Hobart. Believe it or not, reported from Hobart. Believe it or not, these unionists are supporting the demands of the farmers for higher prices for their products. It is even suggested that processing firms unwilling to pay increased prices would be "declared black" by the workers, and the Labor State Government is said to consider that prices are too low. Maybe, there's an understanding that the farmers will support the unionists' demand for higher wages after fruit and other primary produce prices have risen! On the face of it, it certainly cannot be that both unionists and primary produces realise that they have a common enemy in the financial they have a common enemy in the financial formula which charges all income increases into prices, thus preventing the people from obtaining any real benefit. Such understanding would be rather too much to expect! \*

VIGILANT VANGUARD: The need for vigilant citizens' committees to safeguard the people against unwanted legislation and other undesirable parliamentary practices has

brought forth an organisation known as the "Political Reform Movement." The president "Polifical Reform Movement." The president of this body (Mr. R. J. Bruce) reports that it intends to have an observer at every sit-ting of the Victorian Parliament, who will ob-serve absence from the House, neglect to cast votes, back-peddling on contentious matters and other matters of Representatives' conduct. Reports of unsatisfactory behaviour will be circulated in the constituency of any offending Member. That's all to the good, and may it lead to similar moves in the Federal sphere. The next step should be to organise in each electorate vigilants who organise in each electorate vigilants who would also help to instruct Members on what legislation the electorate did, or did not require. Until this is operative we will not have a democracy.

**TEST TENSION:** Much to the surprise of the Federal Government, Opposition Members, eager to be clear of parliamentary duties during either the second Test match or the Christmas holidays, helped in the sudden collapse of pre-Christmas session. Scenes of extraordinary haste and confusion marked the rush to pass Bills. In one instance, the Speaker ruled Mr. Turnbull out of order

(Continued on page 4)

# **PEOPLEEXPLOITED AND FRUSTRATED** BY TAXATION MONOPOLY

# **Effects of Tax Policy as Pretexts for More National Socialism**

## ELECTORS CAN SAVE THEMSELVES NOW IF THEY TAKE CORRECT ACTION

## (Radio Talk by ERIC D. BUTLER Over 3CS Colac.)

No reasonable person will deny that high taxation, both direct and indirect, is one of the major causes of our increasing problems in this country. The Taxation Monopoly is being used to impose a policy of Socialism upon the community. Socialism in practice means that there can be no individual rights or liberties at all—a State Monopoly controls everything and everybody. "The State" is, of course, the new ruling class being built up in this country-the Bureaucracy.

The "key" members of this bureaucracy, who have derived their totalitarian ideas from such alien institutions as the London School of Economics, are determined to take each citizen's money from him in taxa-tion and spend it as THEY think fit. Need-less to say, they try to camouflage their policy by telling the people about the "so-cial benefits" they are giving them, and how they have brought about "full employment."

There is certainly a policy of full em-ployment, but a great amount of the employment is not connected with the production of goods and services urgently re-quired by the people; it is, in fact, designed to hamper production and thus provide an excuse for the continuation of rationing and control. controls.

We now have over 400,000 people in Australia who are termed public servants. Even supposing that over half these people are genuine civil servants, we still have 200,000 officials, mostly staffing wartime Depart-ments, which we are apparently expected to continue permanently, some under new names

I advise workers, when they next hear some of those advocating class warfare against the so-called capitalist exploiters, to ask about the swollen bureaucracy, which is surely the most vicious form of exploita-tion. And this exploitation is a policy being imposed by a Socialist Government.

#### **PRODUCTION AND PRICES**

No thinking person will deny that it is a desirable objective that we should try to reduce the hours of work necessary to pro-vide ourselves with the basic necessities vide ourselves with the basic necessities of life, in order that we can use our in-creasing leisure for cultural pursuits. But the attainment of this objective is seriously hampered if we build up an army of thou-sands of non-productive officials who not only must be fed and clothed by those who are engaged in productive work, but who hamper them with a system of restrictions and crippling taxation.

There is no need for me to stress the fact that high taxation is seriously retarding all forms of production at present. In spite of the fact that this cripping of production has created black markets by causing shortages, Mr. Chifley and his economic advisers insist that high taxation is necessary to defeat inflation.

Apart from the well-known fact that all business done on the black market, and it is not inconsiderable, is at inflated prices,

Is not inconsiderable, is at inflated prices, nearly all taxation must appear in prices and is therefore a direct cause of inflation. The camouflaged, or, shall we say, "un-official" inflation of the black market can only be defeated by increased production and genuine competition.

All inflation can start to be defeated by first drastically reducing all taxation.

#### GOVERNMENT PROFITEERING

The present taxation policy is simply pro-fiteering in its worst form. You can take the balance-sheets of various companies and you will find that, in some cases, the Government takes in taxation up to 300 per cont. profit on the price of a product Government takes in taxation up to 300 per cent, profit on the price of a product, to the manufacture of which it contributes nothing but hindrances. At least the private profiteer makes his profits by producing goods and services, which he knows the people require. The Government invests the money it takes in taxation on all sorts of projects, which are of no immediate value to the people. This has the effect of de-pressing the general student of living even to the people. This has the effect of de-pressing the general standard of living, even though there may be full employment. Soviet Russia has this type of full employ-ment. Germany had it. Goering very aptly termed it "guns before butter." Apparently we are to have bureaucracy and high taxation before butter. The worker would do well to examine this type of exploitation while he still has the opportunity of taking action.

want to do. Good law, that which has the sanction of all the people, which is rarely broken and easy to police, is being super-seded by law, which has not the sanction of the people. This is bad law, and the people evade it. Then more and more manpower has to be wasted in building up a Gestapo system to try and police it. While we have shortages, which most people realise are not natural, we can expect black marketing of some form or other. Speaking in the Federal Parliament on November 21 of last year, Mr. Beazley, Labor Member from West Australia, revealed his totalitarian philosophy when he revealed his totalitarian philosophy when he advocated the creation of a Gestapo to try

to curb black marketing. He said: "Since black-marketing in the sale of motor-cars is so widespread, the Commonwealth Government should have a corps of agents to visit motor dealers and offer to purchase cars at the fixed prices. If the 'stunt' of asking  $\pounds 200$  above the fixed price is indulged in, the seller should foe paid



#### MR. K. BEAZLEY, M.H.R.

with marked notes. It is well known that criminal investigation branches set traps such as that which I mentioned."

traps such as that which I mentioned." If Mr. Beazley's proposed corps of "snoop-ers" were engaged in the production of some of the goods and services the public re-quire, instead of spending the tax-payers' money trying to police artificially-created conditions, they would help to remove the conditions which make the black market possible.

#### TAX GRABBERS v. THE PEOPLE

During August of last year, the Federal Taxation Commissioner, Mr. McGovem, said that people who "pimped" on their fellows who were evading taxation were perform-ing a national duty. It is no use any of us denying the fact that practically every tax-payer in the community is doing his best to find ways of evading some taxation. We have reached the stage where it is a rehave reached the stage where it is a re-cognised battle between the taxpayers, aided by their legal advisers, and the Taxa-tion Department Our respect for all types of law is being undermined. And now we

are urged to become "snoopers." This is exactly how the Hitler Government opeexactly now the Hitler Government ope-rated in Germany—by setting the commun-ity against itself. In order to try to win the battle against the taxpayers, the Taxa-tion Department has had to increase its staff. When Uniform Taxation was intro-duced, we were told that taxation would be collected, much more afficiently, and more duced, we were told that taxation would be collected much more efficiently and more economically. Exactly the reverse has hap-pened. The Taxation Department covers more floor space than ever before and em-ployed 5017 people, and this year is em-ploying 5391. Apart from this waste of manpower, it would be most revealing to know just how many man-hours are wasted by business organisations, who have to act by business organisations, who have to act as unpaid tax-collectors for the Government.

#### TAX-REFORMS ESSENTIAL

At this stage let me answer the question, which I am sure many are asking: "How much taxation should any Government levv

No Government should levy one penny more in taxation than it requires to carry on the legitimate business of governing the country. The proper purpose of the Gov-ernment is not to take over economic ac-tivities in the community; its task should enimetal is not to take over econditic ac-tivities in the community; its task should be to ensure that general rules for the con-duct of economic activities by the people are not defeated by, say, any monopoly group. The less laws the Government passes the better. Taxation should not only be reduced to the legitimate requirements of government; it should be so simplified that every individual knows just what taxation he is paying. Further, he should know exactly how his taxes are being spent and what value he is getting for them. The present complicated system of taxation is designed to ensure that the taxpayer has little hope of understanding how he is as-sessed or the total amount of taxation he is paying in various ways. Direct taxation is only one aspect of taxation. Indirect taxation, as most of it is not obvious to the people. It is one of the main causes of the present high cost of living. And it is the present high cost of living. And it is the high cost of living that has had such a serious effect upon the small wage earner. It is no wonder that he is discontented.

#### ELECTORS MUST ACT NOW

The time has arrived when all electors, irrespective of political affiliations, must associate to demand that a drastic taxation-reduction policy be implemented by the Federal Government immediately. A start was made in the Corangamite Electorate this week, when public meetings at Colac and Terang passed unanimous resolutions asking the Federal Member, Mr. A. Mc-Donald, to instruct the Government that a 40 precent reduction in both direct and in 40 per cent, reduction in both direct and in-direct taxation was desired immediately. The Coranganmite Voters' Policy Association is circulating a demand letter for all elec-tors to sign and send to Mr. McDonald. This letter contains the following three-point policy: The abolition of all direct taxation on incomes of £6 per week or less. (This is supposed to be a part of official Labor policy, so the Government should welcome pressure on this point.) A 40 per cent, reduction in all direct taxation on in-comes over £6 per week and all indirect comes over £6 per week and all indirect taxation is also demanded. The third demand is that the bureaucracy be reduced to a genuine civil service and thousands of officials made available for the productive system.

#### USE YOUR LOCAL M.P.

It may be argued that this local Mem-ber is in Opposition and that therefore Corangamite electors should not worry about him. This attitude is wrong. When Mr. McDonald speaks in the House at pre-sent, he speaks as a Member of the Liberal Party, and carries no weight with the Government. But if Mr. McDonald gets up Government. But if Mr. McDonald gets up in the House and says that he has received resolutions from meetings in his electorate and, we shall say, 16,000 letters urging drastic taxation reduction, then his elec-tors, many of them Labor sympathisers, will in effect be speaking in Parliament. And no Government dare ignore the electors. Taxation will be reduced when enough electors associate and send letters of pro-test to their Federal Members. Those test to their Federal Members. Those Corangamite electors who desire to help with the collecting of signatures to demand-letters are urged to contact the speaker, care of this station.

## **HIGH TAXES RESTRICT** COAL PRODUCTION

Back in 1944 a New South Wales coal-miner wrote to the Sydney press as follows: "Do you and the Government and the general public think it fair that a man should have to cut and fill fifty tons of coal week—for nothing? If you and the public saw fifty tons of coal stacked up in a heap saw firty tons of coal stacked up in a heap and you had to fill it to pay your taxes, you would walk around it and go for your life. You or they would not fill it, let alone cut it. Well, sir, that is what I do—stay home three days—and will do so until the Government wakes up."

But the Government didn't wake up. It continued to take the advice of the eco-nomic "experts." who either believe that the taxation system is more important than the production system or are deliberately trying to cripple production in order to pro-vide excuses for more controls for the bureaucracy they direct.

The official organ of the Miners' Federa-tion said in its issue of February 17, 1945: 95 per cent, of absenteeism is attributable to taxation . . .

to taxation . . . . Mr. R. James, Labor M.H.R. and an ex-miner, said at Canberra on September 27, 1944: "Absenteeism in the heavy industries is definitely due to high rates of taxation . . .." While many were prepared to work to capacity for the war effort, they are no lapped prepared to do their best

longer prepared to do their best. Mr. Justice Davidson, appointed by the Federal Labor Government in 1945 to in-vestigate the coal-mining industry, said in his Report, released in 1946: "The burden of taxation is the most active of all causes

of absenteeism. The New South Wales Combined Colliery Proprietors' Association, in an advertise-ment in the Sydney press of September 26, 1946, said: "Without doubt, the disastrous decline of coal production since the Gov-ernment took control in 1942 is due to strikes and absenteeism, caused largely by crushing taxation.... Taxation burden must be lightened to ensure essential coal production.

The coal industry is a basic industry. It affects the housing programme, all heavy industries, gas and electricity supplies. More coal production can be obtained, not by na-tionalising the coal industry, but by dras-tically reducing miners' taxation.

#### **TAX-MONEY USED IN SUPPORT** OF STRIKES

Oddest feature of the Chifley-Curtin social services scheme is that it has become a powerful instrument for the support of strikes. This is because all those who may be unemployed by a strike automatically qualify for unemployment benefits.

quality for unemployment benefits. Strikers, of course, do not benefit, but since others unemployed by the strike are taken off their hands by a benevolent State, the unions are able to devote the whole of their available funds to the maintenance of the actual strikers and their families.

Twice in one year this has happened. Payments of unemployment benefits jumped from £17,000 in December 1945, to £198,000 the following month, when the New South Wales coalfields strike caused a general lockout of workers from stalled industry. Before the effects of this strike had sub-stided the Queerland general strike a faw

sided, the Queensland general strike a few months later boosted the outgoings in un-employment benefits first to £50,000 monthly and ultimately to £65,000 as the strike spread and intensified.

A sharp rise in this charge on taxpayers is certain to follow the industrial upheaval of the last few weeks, but figures to show

it are not yet available. —E. H. Cox, "Herald" Canberra Repre-sentative, Melbourne "Herald," January 19.

#### MR. FALSTEIN, M.H.R., SEES A LITTLE LIGHT

It is not often that we agree with Mr. Falstein, but the following extract from his Budget speech at Canberra, on November 21, 1946, should be taken to heart by all 21, 1940, success: -Labor supporters: -

"I am not directing my remarks imme-diately to those imposts, but to the taxes that fall directly on individuals. I am dis-appointed that no relief has been given in the budget to basic-wage workers.... The budget might well have provided for the exemption from income tax of workers in receipt of the basic wage. These are the people who are most in need of a real increase of wages. If the income tax were lifted from them, the cost would not be passed on to the community in the same way as a direct increase of wages would be. An exemption, rather than a general reduction, is desirable, because it would be the least inflationary method of granting relief to a section of the community which has only its labour to sell in the industrial market" market.'

#### TOWARD THE POLICE STATE

Unless enough electors do take action to compel the Government to leave them to spend more of their own money, by drasti-cally reducing taxation, we shall eventually have the Police State. In the Police State people are compelled to do what they don't

Get your supply of demandletter forms and start canvassing for the tax-reduction campaign immediately.

Times," January 31, 1947 Page 2 ---- "New

# HIGH TAXATION INCREASES MONOPOLY

It is amazing how many people who realise the menace of Monopoly do not understand that the growth of Monopoly has been accelerated by high taxation.

In Victoria alone we are aware of many well-established business organisations in country towns making excess taxable profits which are embarking upon new enterprises and extending their sphere of operations in directions which would normally be regarded as uneconomic and unprofitable. For ex-ample, it is not unusual to see drapers opening milk bars, etc.

In his book, "Bureaucracy," von Mises ably deals with this issue:

"In the past, an ingenious newcomer started a new project. It was a modest start; he was poor, his funds were small and most of them borrowed. When initial success came, he did not increase his consumption, but re invested the much greater part of the but re-invested the much greater part of the profits. Thus his business grew quickly. He became a leader in his line. His threaten-ing competition forced the old rich firms and the his competitions to adjust their manage the big corporations to adjust their manage-

ment to the conditions brought about by his intervention. . . . But today the income tax absorbs 80 or more percent of such a newcomer's initial profits. He cannot accu-mulate capital; he cannot expand his busi-ness . . . He is no match for the old vested interests. The old firms and cor-porations already own a considerable capital. Income and corporation taxes prevent them from accumulating more capital, while they prevent the newcomer from accumula-ting any capital . . .. The already existing enterprises are sheltered against the dangers from ingenious newcomers. They are not menaced by their competition." \* \* \* \*

The small man is being crushed every-where. The policy of building Monopoly was initiated by the credit monopolists, as admitted before the MacMillan Commission in England. Taxation and, of course, bureau-cracy, are now being used to take the policy to its ultimate conclusion: State Monopoly.

If Mr. Falstein's sympathy for the basic wage earner is genuine, he should welcome letters of instruction from electors, insisting that he and his Labor colleagues take ac-tion to reduce all taxation by a substantial amount

#### IMPORTANT SYDNEY MEETING

Sydney readers will be interested to know at Mr. Eric Butler will address a special that anti-taxation meeting in the Lower Adver Hall, Bligh-street, Sydney, on Tuesday, March 4. All Sydney readers are requested to help make this important meeting a big

## WHERE THE TAXPAYERS MONEY GOES

There was a time when the people's paid servants at Canberra made some pretence of examining closely every item in the Budget, in order to ensure that the people's money was being wisely spent. But now we have reached the stage where the more of the people's money the Government spends, the less time is devoted to an examination of every item of expenditure. The last Budget was passed in approximately 30 hours-millions of pounds being voted without Members of Parliament having the slightest inkling of how it was to be spent. This is totalitarianism at its worst!

The following carefully collected facts may give the harassed taxpaver some idea of where most of his taxes are going:

First, of course, is the large interest bill on the National Debt. This absorbs ap-proximately £80 million annually, most of which is lost to individuals as purchasing power. It would be a safe estimate that at least 80 per cent, of the National Debt is now owed to the banks. While we conis now owed to the banks. While we con-tinue with a financial policy that results in increasing debt, it is obvious that an increasing interest bill on the debt will necessitate increasing taxation. A Gov-ernment genuinely concerned with reduc-ing the taxation required for the interest bill would give serious consideration to a financial policy of debt reduction.

#### "SOCIAL SERVICES"

The most amazing feature of the last Budget is the revelation that civil expen-diture for this year is estimated at £223 million, or a 34 per cent, increase on last

Portion of this increase is, of course, for "social services," which are a clever de-



#### SENATOR McKENNA Minister for Social Services

vice for taxing the people and then plac-ing them at the mercy of a bureaucracy which dictates the conditions under which the people can get some of their own money back. This devilish policy makes more and more people dependent upon the State; it saps their initiative and self-respect, and conditions them for the acceptance of further totalitarian policies. Genuine economic democracy exists when

the individual makes his own arrangements for the spending of his money. He then

gets better value for it. It is probable that "social services" for this year will cost between £70 million and £80 million.

#### FEDERAL GESTAPO?

There has been, much critical comment of the appointment of a handful of defeated Labor politicians to the national pay roll. But this is "small stuff" compared with what is happening in the Canberra bureaucracy. It is true that some temporary war-time departments have been closed, but in many cases their staffs have been merely transferred to permanent departments. To take one example:

As part of the Commonwealth Investiga-tion Branch, a special temporary security service was created during the war. Alservice was created during the war. Al-though that service was liquidated at the end of the war, there was an immediate increase in the number of personnel in the Investigation Service—an increase from 46 persons to 93, or over 100 per cent. Well might it be asked if we are building a Federal Gestapo!

It is to spend £295,000 on salaries this year. General expenses will be £77,300. We were assured that the conclusion of the war would see the end of rationing. The Rationing Commission cost £351,383 last year. This year it will cost £452,000, and, as usual, will continue to favour the chain store and other monopolies at the expense store and other monopolies at the expense of the small firms.

The Prices Commission started with a modest £32,000 in 1940. Last year this Department cost the taxpayers £1,350,000. It has been allocated £1,101,000 for this year, but will no doubt cost but will no doubt cost much more.

#### INTERNATIONAL BURDEN

For 1945-46, U.N.R.R.A. cost Australia £5,811,067. This was virtually a gift from the Australian taxpayers to Soviet puppets in Europe and elsewhere. It was generally understood that our commitments to U.N.R.R.A. finished at the end of last year, U.N.R.RA. finished at the end of last year, but the last Budget provides for the vastly increased expenditure of £15,000,000 for this year. This in spite of the fact that U.N.R.RA. has been proved an interna-tional racket designed to strengthen the British Empire's enemies. £15,000,000 di-vided between, say, 500,000 basic wage earners, would be £30 each. We are to contribute £47,000 for the up-keep of the International Labor Office.

we are to contribute  $\pounds 47,000$  for the up-keep of the International Labor Office. Trips abroad for the politicians to "repre-sent" us at the International Labor Con-ferences will cost us  $\pounds 32,000$  for this year, as compared with £19,233 last year. Representation at the World Trade and Employment Conference is to cost £30,000. U.N.O. will cost £160,000.

In order to help the international food planners, we are to pay  $\pounds 26,373$  towards the Food and Agriculture Organisation.

Column after column could be filled with items such as the above. Such Depart-ments as the Department of Post-War Re-construction and Department of Information could be analysed, but space will not permit

#### "EXTERNAL AFFAIRS"

Some mention must, however, be made of the remarkable expansion of Dr. Evatt's Department of External Affairs. In 1938-39 this Department cost us £18,000. For 1946-47 it has soared to £756,000. When the High Commissioner for Austra-lia was under the Prime Minister's Depart-ment, Mr. S. M. Bruce spent £73,849 per year. When Labor was in opposition, the workers were told of the extravagance of the High Commissioner in London. They may be interested to know that Mr. Beasley may be interested to know that Mr. Beasley is to cost £238,000 per year—an increase of 200 per cent.!

The new set-up under the United Na-tions is proving costly. It appears that Australia is to have a Minister in every one of the 63 member nations. This is the projected cost for the next twelve months:

China	£44,00
Russia	£27,000
France	£33.200
Brazil	£30,900
Chile	£32,500
Netherlands	
Canada	£27,500
Eire	£19.000
New Zealand	£12,700
India	£25,700

South Africa. £19,000

South Africa ...... £19,000 Then there are the Consuls in New York, Philippines, Netherlands East Indies, Siam, New Caledonia and Portuguese Timor, cost-ing £102,300. There are even representa-tives in Malaya and Ceylon, so it will not be long before the world is completely oirdled girdled.

#### FOOD FOR THOUGHT

Full employment can be maintained by increasing the number of bureaucrats in-ternally and by establishing Embassies, etc., with every nation and tribe in the world. Then there can be still larger delegations every part of the world. The prospects are unlimited. But how long can the tax-payer stand it? It is a fact, not a theory, that the produc-tion system of this country, if used to serve the requirements of the people, can be so de-veloped that every individual, including disabled ex-servicemen and others not able to work, could have individual security withwork, courd nave individual security with-out taxation or the piling up of debt. The only taxation necessary should be for the bare cost of legitimate Government. Tax-payers should think it over. The 1946 Income Tax Assessment Act is an imposing volume of 174 pages containing over 200 sections.

No wonder the poor taxpayer is bewildered and meekly accepts his assessment without understanding it! With existing taxation complexities, it is not surprising that the Taxation Department makes mistakes in the assessments. The tragedy is that the ordinary taxpayer has no means of discovering these mistakes. -E.D.B.

## TAXING THE MOTORIST

During the Budget brought down in the Federal Parliament late last year, the Fede-ral Government attempted to take consider-able credit for the fact that it was reduc-ing the petrol tax by a penny a gallon. It was not mentioned that, with the increasing use of motor vehicles, the Government will obtain a graater revenue from patrol tax use of motor vehicles, the Government will obtain a greater revenue from petrol tax than ever. Total petrol tax for the year ended June 1946, was over £12,000,000. Some naive people think that this taxation is spent on the roads the motorists use. During 1946, only £3,300,000 of the total collected went to the States under the Roads Agreement. And the rest? It went into consolidated revenue. If a private firm misappropriated funds in this manner, legal action would take place. Since June 1939, consolidated revenue has gained £51,000,000 from petrol tax. And this was during years when petrol was severely rationed. If the financial "experts" can conceive of no better way to finance road maintenance than to impose a petrol tax, at least the

than to impose a petrol tax, at least the tax should be merely sufficient for the pur-pose for which it is allegedly imposed. Further, in the interests of decentralisation and domegratic generation to would be an and democratic government, it would be an excellent idea if the taxation for roads were levied by local governing bodies, which would ensure that all motorists would have such taxation spent on the roads they used most.

The first step for motorists to take is to demand, with their fellow electors, a dras-tic reduction in all indirect taxation such as petrol tax.

## HOW TAXATION HAS INCREASED

Here's how Federal taxation compares with 1938-39: —

with 1930-39.		
	1938-39	1945-46
	£	£
Income tax	11,882,440	181,295,135*
Excise & Customs	47,632,365	77,960.669
Sales tax	9,308,334	33,600,150
Pay-roll tax	Nil	11,499,245
Entertainments	Nil	4,303,885‡
Estate Duty	1,915,352	3,880,041
Land Tax	1,489,436	3,782,359
Flour tax	1,808,972	1,779,937
Gift duty	Nil	392,949
Gold tax	Nil	383,551
Miscellaneous	2,780,269	

£76,817,168 £318,367,921

After deducting £33.3 million reimbursement to States. ‡ After deducting £765,787 reimbursement to States. \* \* \* \*

It is estimated that total taxation revenue for 1946-47 will be even greater than for 1945-46.

# WHAT ABOUT IT, LABOR

SUPPORTERS? All official Labor Members of the Fede-ral Parliament sign the platform pledge of the Australian Labor Party. On page 51 of the latest issue of the A.L.P.'s "Rules and Constitution and Policy and Platform," un-der the heading of tayation the Platform

der the heading of taxation, the Platform, un-Policy is shown as follows: "Income Tax: —Incomes from personal ex-ertion, of less than £300, to be exempt from income tax. Deduction from the taxable income of £100 for a taxpayer's wife and £60 for each child and others wholly de-nendent upon the taxwor "

pendent upon the taxpayer." The Labor Party was the first Party to impose direct taxation upon the basic wage earner. Labor supporters should join the taxreduction campaign and insist that Labor Members fight to honour the pledge they sign. Or is this pledge, like so many pledges given by all politicians, designed to gull the public?

#### DON'T MISS THIS

Extra copies of this special antitaxation issue of the "New Times" are available at the "New Times" Office, McEwan House, 343 Little Collins Street, Melbourne, (Postal address: Box 1226L, G.P.O., Melbourne).

The price to you, for a parcel of these extra copies, is 2/- per dozen, post free.

A supply of them will help you to further the tax-reduction campaign, so write or call for your parcel without delay.

Get your supply of demandletter forms and start canvassing for the tax-reduction campaign immediately.

### TAXES AND TOBACCO

Mr. John Knox, of Middle Brighton, Vic-toria, writes to the Melbourne "Herald" of January 7 as follows:

"The secretary of the Plumbers' Union (Mr. F. Courtnay) and other trade union officials obviously don't know what they are talking about when they contend that the teheses comparises heaving mode a profit the tobacco companies, having made a profit of about £900,000, could have carried the extra

in tobacco company, with an active a product a product by consumers. "In 1943-44 (latest figures available), 416,119,800 packets of 10 cigarettes were pro-duced in Australia. The extra cost of ½d a packet amounts to £875,249. In the same year production of plug, flake cut and fine cut tobacco was 18,186,936 lbs. At ½. oz, the extra cost is £602,232, making a total of £1,481,481, which obviously could not have been absorbed by the companies out of their £900,000 profit. "If the Government really wants to keep prices down, the logical way to have met the increase would have been a cut of about £1½ million in its vastly swollen excise col-lection, which this year is likely to amount to well over £50 million, compared with £16,471,903 in 1938-39."

If the supporters of Lady Nicotine want cheaper "smokes," they should help the anti-taxation campaign. A drastic reduction in indirect taxation—excise, etc.—would make possible a big reduction of prices.

# **HELP TO GET YOUR TAXES DOWN**

Tax-reduction demand-letter forms are now available at the "New Times" Office, McEwan House, 343 Little Collins St., Melbourne. (Postal address: Box 1226L, G.P.O.. Melbourne.) The price of the forms is 2/- per 50 or 3/6 per 100, post-free.

In addition to canvassing fellowcitizens, it is suggested that actionists who intend doing something about their distribution should contact individuals in as many organisations as possible with a view to enlisting their aid.

This is an issue in which Laborites, Liberals and others of different political views, can co-operate for their individual and mutual benefit. Individuals in these organisations are, we are sure, just waiting for a lead to go into action.

The "New Times" is most anxious to receive progress reports as the campaign advances in the various centres.

Write for your tax-reduction demand-letter forms NOW, and let us know what YOU are doing from time to time.

### MORE BUREAUCRATS

The staff of the Treasury proper this year will be 219 persons, compared with 159 last year. The Department of External Affairs central administration staff rises impressively from 31 persons last year to 153 this year. The Crown Solicitor's office staff goes up from 92 to 114. The Interior Department's administration staff rises from 270 to 309.

The Works and Housing administration this year hopes for a staff of 946 persons, compared with 311 the previous year—an ironical commentary on the "disbanding" of

the Allied Works Council. The Civil Aviation Department has boosted its personnel over the year from 727 to 1652—and this does not include the additional army or public servants the Na-tional Airways Commission is creating to operate the T.A.A. services. There is hardly any Government department which does not show marked staff rises.

#### CANBERRA CONTROLLERS

During the war we had the Department of Import Procurement. It now appears under a new title—the Commercial Branch of the Department of Trade and Customs.

#### THE TAXATION MAZE

It should be the policy of responsible Government to ensure that taxpayers un-derstand their tax assessments and know what they are about.

Ten years ago there was a Royal Commission to simplify taxation. Today the taxation system is more complicated than ever.

In 1915 taxation legislation comprised a book of 23 pages with 65 sections. In 1922 the Act required 43 pages with 100 sections.

By 1936 the book of words had grown to 84 pages with over 200 sections.

# HIGH TAXES CUT MEAT PRODUCTION

"Smith's Weekly" of January 16 published the following letter, from a stock-raiser in Queensland, which makes abundantly clear the cause of artificially restricted meat production:

"Like most of our financial and industrial troubles, the meat difficulty traces directly back to high income tax. "The grazier—a man who is usually on

a tax level where he is slugged for the greater part of his income—has grown tired of raising beef for an ever-increasing herd of bureaucrats who take his money to regulate and plan and control him out of existence. "Some time back, I saw 500 head of prime bullocks mustered for a buyer who was

ready to write his cheque for the lot at £20 a head.

"To the seller, it at first looked good; but on considering, he shook his head, and decided against the deal, saying: 'If I sell the 500, it will put me in a tax bracket where the Government will get  $\pounds 18$  a head and I'll get  $\pounds 2$ . I'm damned if I'll raise bullocks for  $\pounds 2$  a head. They can go back into the paddocks '

Another cattleman, who used to put 2000 head of fats on the market every year, now sells only 200 head.

"He found that, selling his herd on a basis of £10 a head, he got £2 a head and the Government £8—that is, if he sold 2000; but by selling only 200 he reverses the process—he gets £8 a head and the Government only £2.

'With the saving in expenses this cattleman considers he is actually better off by selling the smaller number of cattle.

'His behaviour may not be exactly commendable; but it is human, and all the plans and regulations in the world will not alter that factor—human nature—unless you go in for a new breed of men, patterned after the fashion of archangels."

Human nature cannot be altered, but high taxation can be drastically reduced and re-gulations can be abolished—if electors unite to make their will prevail at Canberra.

"New Times" January 31, 1947-- Page 3

# LABOUR PAPER CONDEMNS HIGH COST OF BUREAUCRACY

In a recent series of articles, Mr. J. T. Lang's "Century" has attacked the growth of the Canberra bureaucracy. Number four of this series, published in the January 17 issue of "Century," provides some interesting information on how some of the taxpayers' money is spent:

With the sky the limit in Governmental expenditure during the war, the bureaucracy pyramided votes in every Department on the assumption that the bigger the vote allocated to a Department the greater the status of the bureaucrats.

Now, with the war over, the bureaucrats are fighting a rearguard action in a desperate attempt to maintain that status by maintaining expenditure.

Then there are the new Departments, who have come into being during the war and have succeeded in carrying over to the post-war period.

#### LABOR AND NATIONAL SERVICE

With the adoption of manpower controls and industrial conscription, a special Department with inspectors was organised to regiment manpower. For the final year of war, the Manpower Directorate cost  $\pounds1,319,121$ , having grown out of nothing.

Now when unemployment is virtually nonexistent, the Department of Labor and National Service is carrying on as an employment agency.

The vote for the current year is £1,327,000. The salary bill of the per-



#### DR. COOMBS

manent staff totals  $\pounds 55,000$ , while the casuals total  $\pounds 405,200$ .

Dr. Roland Wilson, the Secretary, receives £1800. He has an Assistant Secretary and an Assistant Secretary of Industrial Relations—who should be a very overworked official these days.

There are 3 Area Superintendents; 1 Director of Industrial Welfare; 1 Chief Welfare Officer; I Director of Employment; 6 Deputy Directors; 7 Assistant Directors; 3 Controllers; 6 Area Controllers; 5 Chief Employment Officers; 154 District Employment Officers; 332 Employment Officers; 2 Assistant Employment Officers; 9 Industrial Officers; 6 Chief Research Officers; 36 Research Officers; 7 Assistant Research Officers; 20 Psychologists and Vocational Guidance Officers; 1 Personnel Officer; 7 Secretaries; 8 Inspectors; 5 Accountants; 13 Architects; 16 Engineers; 5 Publications Officers; 15 Catering Officers and Demonstrators; 3 Dietitians; 70 Officers in Charge, Executives; Senior Clerks; Area Clerks and Senior Administrative Officers; 306 Clerks; 7 Librarians and Assistant Librarians; 275 typists and machinists; 67 Assistants; 28 Messengers and 1 Storeman.

All that was conjured out of nothing. It is all to attend to the unemployment that doesn't exist. What will happen if there is unemployment?

What do the 13 architects and 16 engineers do? No doubt attend to the building operations of the Department as it expands. They are probably badly overworked.

There are sufficient catering officers and dietitians to see that no one goes hungry providing the industrial relations officers remain on the job. The Department seems under-staffed on Accountants, but there are sufficient Research Officers and Psychologists to go round.

In the midst of all the titles, there is one lone Storeman to attend to the requirements of all. What is the Storeman and Packers Union doing about that?

Of course, the list does not account for the temporary and casual employees, whose salaries aggregate almost as much as those of the permanents.

Still the Department does demonstrate what can be accomplished by bureaucracy in the space of six years. What will it be able to accomplish in the next half century?

#### **POST-WAR RECONSTRUCTION**

Still in the embryo stage is Daddy Dedman's Department of Post-War Reconstruction. Its vote this year is £660,000.

In addition to its Director-General, Dr. Coombs, who draws £1400 apart from his fees as Director of the Commonwealth Bank, it also has a staff with high-sounding titles.

It has a Chief Executive Officer of Economic Policy; 1 Chief Economist, 3 Economists, 4 senior research officers; 3 research officers; 3 research typists; 1 Director of Reestablishment; 1 Assistant Director (Female); 3 Senior Cost Investigators of Secondary Industry; 1 Director of War Service Land Settlement; 1 Assistant Director; 1 Valuer; 1 Assistant Loans Officer; 2 Assistant Directors of Education; 1 Chief Education Officer and 34 others in the Education Offices.

This Department has all the makings. It has the high sounding titles essential for success in the upper crust of Bureaucracy. It looks forward to happy days.

#### IMMIGRATION DEPARTMENT

The Ministry for Reffos, was a late starter, but is putting in a dashing run this year. During the war years, it almost snuffed out, spending only  $\pounds 27,192$  in 1941-2. Last year it spent  $\pounds 72,551$ .

year it spent £72,351. But this year "The Cardinal" plans to spend £796,506. For example, there is an amount of £75,000 for "capital grants to approved child and youth migration organisations," £500 for "subsidies to approved voluntary immigration organisations," £35,000 for child migration, and £3000 for "repatriation and deportation."

#### **INFORMATION ALSO**

"The Cardinal's" other outlet is the Information Department. Each year it has grown bigger. Its budget for the current year is £324,000, of which salaries absorb £188,000.

On the details, "The Cardinal" is most reticent. Director-General Bonney is down for £1450, but the only others listed are a Production Manager, a technical supervisor, a cinematographer, a processor, a projectionist and two typists. As in the case of the reffos, "The Cardinal" is short on information about Information.

NOTES ON THE NEWS

#### (Continued from page 1.)

for discussing hay, during what the Speaker claimed was exclusively a Wheat Bill. Later, it was discovered that the Speaker had been handed the wrong Bill, which meant he had been triving to a provide the a measure

have occurred through far less serious causes.

Revolutions

branded as felons and fined.

**TRANSPORT TIE-UP**: A Bill to set up a one-man dictatorship over transport in Queensland is another step to the Servile State! The dictator will have power to issue licences for the carriage of passengers or goods, to decree where such services shall run, and to refuse a licence—with no appeal against the decree. It is a vicious monopoly on a super scale with the usual clause making the commissar superior to the law. This is perhaps the worst feature of bureaucratic government—there is no appeal. Thus, the effort of centuries of struggle for courts to safeguard the people against despotic officials is defeated; these hard-won rights are swept away by a stroke of the pen by a mere handful of political Party hacks who, even on a numerical basis, represent—or misrepresent —a bare majority of citizens. Hitler must be the patron saint of bureaucrats. production and drawing attention to the shortage of manpower. Added to this, each nationalisation scheme causes production to decline further. It is a sad story, but it is unbelievable that Britishers will continue to tolerate this anti-Christian, alien way of life. It may well be the last phase of sadistic Socialism.

**BUILDING BURDENS:** As a result of the recent basic-wage increase, the prices of houses are expected to jump another £80 to £100. This will no doubt cause jubilation among home-seekers. Union Leaders are fond of telling the world about their obtaining of wage increases, but they refuse to accept responsibility for increased living costs, which automatically follow. They can't have it both ways. The only proposal they put forward to combat increased building costs is subsidies from taxes, which means that workers will be taxed to pay most of their own wage increases. Stupid, of course; but what else can be expected from Union Leaders who are so dumb as to pursue such a policy? Wouldn't it be more sensible to strike for a reduction in taxes? —O.B.H.

#### ERIC BUTLER'S QUEENSLAND TOUR

Once again we remind all Queensland readers that Mr. Eric Butler will be starting his tour of Queensland on March 6, when he will address a public meeting in the Brisbane School of Arts, Ann-street, Brisbane. Brisbane readers are urged to do all in their power to make this first meeting a big success.

During his tour of Queensland, Mr. Butler will be furthering the anti-taxation and antibureaucracy campaign now gathering momentum in all parts of Australia. The growing industrial unrest, continued shortages, rationing and restrictions, have all helped to convince thinking citizens that high taxation, both direct and indirect, is a major part of a conscious policy to reduce the nation to complete serfdom. Mr. Butler will expose the plotters using the taxation weapon and show electors how, by correct democratic action, they can associate to make their Federal Member represent their policy at Canberra. It has already been proved that the taxation issue brings electors together and provides electoral campaigners with the opportunity of proving that Members of Parliament can be brought under the effective control of their electors.

Meetings large or small, are urgently required in as many Queensland centres as possible in order to hear Mr. Butler outline principles of genuine political and economic democracy. The political atmosphere in Queensland should be very favourable for Mr. Butler's tour, as electioneering for the State Elections will probably be in full swing during his tour.

If YOU can help to arrange a meeting or meetings for Mr. Butler, immediately contact the Electoral Campaign, 142 Adelaide Street, Brisbane.

## NOTHING TOO LOW FOR TAX VULTURES

The following news-item appeared in the Sydney "Daily Telegraph" during November of last year: —

The Taxation Department recently taxed the earnings of a Melbourne house of ill fame.

Taxation officials and police raided the house at night, locked the doors, and interviewed the proprietress.

They asked her the number of girls living in the house, their occupation, and the revenue derived from it.

The officials made rapid calculations and arrived at what they described as "an arbitrary assessment on income derived from a business."

They informed the proprietress that her illicit income was subject to taxation, and handed her an assessment.

A taxation official said recently: 'the proprietress paid on the spot with cash from a tin box."

Police believe the house of ill fame is the first in Australia to be taxed.

Those people who think that they are the beneficiaries of taxation might care to express an opinion as to whether some of their benefits should come from the proceeds of prostitution.

#### VICTORIAN COUNTRY MEETINGS

Mr. Eric Butler had meetings at Colac and Terang last week. Experience is proving that, as West Australian campaigners recently reported in these columns, personal canvassing is the most effective way of reaching the people at present. Prior to the Colac meeting Mr. Butler and Mr. Spencer conducted an intensive campaign of personally interviewing businessmen. Keen interest was expressed in the antitaxation campaign. Some financial support has already been given, and much more is now confidently expected. The Colac meeting on Wednesday, January 22, was attended by approximately 40 people. A resolution demanding a drastic taxation and bureaucracy reduction policy was carried unanimously by the meeting and forwarded to the Federal Member for Corangamite, Mr. McDonald. Supplies of letterforms were taken from the meeting, and it is being found that electors are keen to sign. All those signing are being asked to give the small contribution of three pence. This is being willingly given, and will help to finance the campaign. Terang was a new centre to Mr. Butler, where he was "breaking the ice." However, a small meeting, together with some house-to-house canvassing, has established the campaign in this centre. Both the Colac papers and the Terang papers published reports of Mr. Butler's meetings.

# HIGH TAXATION VERSUS PRODUCTION

Hereunder we reprint from the Sydney "Bulletin," December 18, 1946, a contributed article which clearly describes one of the ways by which the taxation policy and methods imposed by Chifley & Co. are strangling production and inflating prices: —

This is the case of Smith, here described as a manufacturer of men's suits. He might just as easily be the producer of any scarce article from boots to bricks.

article from boots to bricks. For the year ending June 1944, Smith's taxable income amounted to £500. His tax was assessed at roughly £100. The introduction of the "pay as you go" system meant that 75 per cent, of the assessment was remitted, and the remaining £25 was deferred over three annual payments. His assessment therefore became: £8 deferred tax, plus £100 provisional tax for 1945. Total: £108.

Because of the increasing demand for his product and of his own enthusiasm and energy, his business prospered during 1945, and his taxable income rose to £1200. His assessment read: taxation, £450; less £100 provisional tax paid in 1944; plus £8 deferred tax, plus provisional tax for 1946, £450. The actual sum due for payment amounted to £808.

In 1946 he saw a great opportunity to expand his business. The market was suithungry; there were prospects even of finding an export market for his products. With new machinery he felt that he could double his turnover and produce a better article at a lower cost. However, if his business prospered and his taxable income rose to £2000 here is how his 1946 assessment would have read: tax on £2000, £1150; less £450 provisional tax paid in 1945; plus £8 deferred tax; plus £1150 provisional tax for 1947. Total to be paid: £1858.

in his pocket which he cannot spend on the things he really needs, recognises the futility of work, and is more easily tempted to go on strike. So the Federal Treasurer, by maintaining a high level of taxation to avoid inflation, actually inflates prices, lessens production and chases potential revenue on to the black market.

And those unutterably dull and verbose "Labor" politicians argue during the broad cast sessions of Parliament that high taxation has no bearing on the incentive not to work! — "Peter Mike" (W.A.)

# HIGH TAXATION CAUSES ABSENTEEISM

"Here is the reason why I and other workers absent ourselves from work: We use many excuses to get time to raise fowls and grow vegetables, to go fishing or engage in other food producing work. If we work continuously we can't buy eggs, fish, vegetables, and many other items of food that we can get for ourselves.

been trying to confine speakers to a measure not before the House! All this goes to show why Parliament is fast being brought into disrepute. It is a deplorable situation when men, with so little appreciation of parliamentary prestige, obtain the necessary number of votes to enter the House. Obviously those who vote for them are unaware of their true form.

**BUREAUCRATIC BRITAIN**: More than 50 women were recently fined in London for trading clothing coupons for money. Most of those who sold coupons were poorly dressed because they could not afford to buy new clothes for their families. By selling their coupons they could buy second-hand clothes. The other better-dressed women said they bought the coupons because the owners of them needed the money. Here is a case of bureaucracy run mad. Rationing was imposed and, of course, the coupon fiends could not deal with the needs and the means of the people, who took the common-sense course of arriving at a mutually satisfactory method of at least correcting the anomalies of officialdom. Because of this they were

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\* \*

**SNOOPING SCIENCE**: Court remarks by a London magistrate on Government snoopers indicate the rapid expansion of the socialistic Police State towards a reign of terror similar to that operating in servile Russia. More and more liberties are extinguished with each of the new decrees, which require hordes of officials to police them. While this is going on, a White Paper has been issued calling for increased He is certainly entitled to a credit of  $\pounds 1150$ , subject to next year's tax, but he can't draw against it. So out of a net income of  $\pounds 2000$  he is, in effect, left with less than  $\pounds 3$  a week to keep his family and pay for new machinery.

This case is not exceptional. Thousands of manufacturers and businessmen are in the Gilbertian situation of knowing that any sharp increase in production and profits will reduce their available income to something less than the basic wage. Many have been caught in this web of high taxation and provisional assessment—a web from which they can escape only by reducing production or by trading on the unholy black market.

So the producer limits his production and profits. So the consumer tramps the city for goods, which—if available at all—sell at inflated prices. So the worker, with money "The extra money is no use to us because the tax-gatherer takes most of it. Some of my mates put money into the war loan and every one of them got a 'please explain' from the Income Tax Commissioner.

"Our elderly parents who put £20 in the war loan have had 9d per week taken out of their pension. Home purchasers on prewar contracts find that the money that should be paying off the home is going to the tax collector.

"When the war is over we will be too old to work and will lose the home and all we have paid on it.

"If the Government wants to know the cause of absenteeism, it can find out only from the workers themselves." —George W. Wood, in a letter to Syd-

—George W. Wood, in a letter to Sydney "Century" of 12/1/45.

Get your supply of demandletter forms and start canvassing for the tax-reduction campaign immediately.

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