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FOURPENCE WEEKLY

Prices Referendum Must Be Decisively Defeated

Menace of Monopoly State

On May 29 Australian electors have to decide whether they are in favour of an addition to the Federal Constitution which will enormously increase the permanent power of the Federal Government and its ever-increasing army of officials. The Federal Government is asking that electors permit Canberra to have permanent power to control "Rents and Prices (including charges)."

Although the Chifley Government is skilfully playing on the fears of the electors by insisting that a No vote on May 29 will result in an immediate drastic increase in prices and rents, a brief examination of this Government's record clearly reveals that the attempt to gain permanent control of prices, rents, and all charges is merely one further step towards the creation of the complete Monopoly State in Australia.

It is true, of course, that the Federal Government states in its official case for a Yes vote at the Referendum that the granting of the increased permanent powers for Canberra does not mean that there will be permanent price control.

Electors are asked to believe that "the prices power will become essentially a reserve power," to be used only in a state of crisis. Thinking electors are tired of hearing this story. They vividly recall that it was the Labour Government, which originally promised that Uniform Taxation would only be a temporary measure, but which has since made it clear that it is going to maintain permanent Uniform Taxation and use it to help crush the States.

Increased Bureaucracy

When the war finished we were to have a drastic reduction in the number of bureaucratic officials, controls, and regulations. *There has been no substantial reduction in regulations and controls, while the number of bureaucratic officials has actually increased!*

So far from increased permanent powers for the Federal Government not being used except in an occasional crisis, nothing is more certain than the fact that policies will be deliberately pursued to ensure that there is a permanent state of crisis.

The totalitarian State is being built in British countries by Governments first creating crises and then exploiting these crises to stampede the electors into handing over increased powers to the Government.

Taxes Inflate Prices

Because Australian electors are naturally gravely concerned about rising prices, the Government hopes that they will grant it permanent Price Control and overlook the fact that it has been the very policies of the Government, which have played a big part in forcing prices up.

The present taxation policy being ruthlessly imposed by the Federal Government has directly inflated prices by virtue of the fact that all taxation, both

direct and indirect, must be charged into prices. Taking the average Australian family as consisting of four persons, this means that every family is contributing at present £216 per year in all taxes, or over £4 per week.

What arrogance for Mr. Chifley and his totalitarian economic advisers to ask electors to give them permanent power to control prices when they deliberately inflate prices by heavy taxation. And, on Mr. Chifley's own admission, we can expect heavy taxation to continue permanently. The Melbourne Age of December 1, 1942, reported him as saying: "After the war . . . we must have heavy tax rates. We shall need more direct and positive controls!"

Not only has high taxation directly inflated prices; it has so crippled production that shortages have eliminated genuine competition and resulted in black markets. A Yes vote on May 29 will be a vote in favour of the present policy of inflation being imposed by the Federal Government.

In the face of all evidence to the contrary, the Government maintains that Price Control has prevented inflation. In the official case for Yes electors are told that since the war ended "Retail prices generally have risen by only 5 percent, food by 6 percent. . . ."

How many housewives believe this statement?

High Clothing Prices

We have had Price Control since 1939. Has Price Control been successful? The Government assures us that it has, but the following brief selection of price increases since that time reveals the real story.

Working men will be interested to know that the price of working shirts has increased by 113 percent, since 1939. Working trousers have increased by 79 percent, and working boots by 36 percent. The average increase in the price of all meat has been 50 percent.

And here are a few figures relating to children's clothing: Boys' overcoats have increased by 113 percent, ready made tweed suits by 97 percent, sports shirts

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HOW TO VOTE NO
Place the number 1 in the square opposite the word NO on the ballot paper, and the number 2 in the square opposite the word YES.

Referendum Must Be Defeated

(Continued from page 1)

by 201 percent, girls' cotton dresses by 191 percent, and girls shoes by 75 percent.

Many more similar figures could be given, but electors all know from bitter experience that the maintenance of Price Control has not prevented prices from continuing to soar.

The first step towards reduced prices is a drastic reduction in taxation, the closing down of bureaucratic departments which employ tens of thousands of form-fillers, and the stimulation of the production of a flow of consumer goods which in turn will result in a return to genuine competitive business. The consumer will then have a reasonable chance of controlling his own prices.

Consumer Control

Consumer Price Control is the only really effective form of control. At present the consumer is more or less at the mercy of the retailer. Under-the-counter trading and other practices have broken the proper relationship between the businessman and customers.

The Communists are not slow to exploit the situation, and further the idea that free enterprise is to blame for the situation.

It will, of course, be argued by many people that, even if taxation and other controls were removed immediately, it would be some time before increased production and genuine competition started to stabilise and reduce prices. They ask what is to happen in the meantime.

In answer to this many competent political and economic students point out that no bureaucratic system of Price Control can be operated which does not seriously hamper production and actually help keep prices high by ensuring that inefficiency is rewarded; and that the quickest and most effective road to economic sanity is to abolish completely Price Control along with all other forms of bureaucratic control.

It is simply untruthful to say that Price Control is effective when everyone knows that cars, houses, land, and other things are changing hands at prices agreed to by sellers and buyers, prices far in excess of those fixed by the Prices Commissioner.

However, for those who feel that the abolition of all Price Control in the near future would be dangerous, it is essential for them to know that irrespective of what happens at the Referendum, the Federal Government can, under its Defence Power, continue to operate Price Control.

If the High Court should eventually rule that it can no longer do this, the Premiers of all the States have made it clear that they are prepared to continue Price Control until it is felt that it is no longer necessary.

Rent Control

As far as Rent Control is concerned, it is only necessary to point out that the States have their own Fair Rent Courts and are much more competent to re-

gulate Rent Control locally than is the Federal Government. Surely we have all had enough of centralised control, and would prefer to have any controls that are necessary administered locally in order that we have much more chance of seeing that such controls are not abused.

The main thing to bear in mind about the Price Referendum is the fact that it is a continuation of the war being waged against local government, private ownership, and genuine free enterprise.

Immediately after the defeat of the 1944 Referendum, Dr. Evatt said that the fight had not finished, and Professor Copland, the architect of Price Control in Australia, threatened that another day would come! Since then we have had the 1946 Referendum, the salary grab and the bank nationalisation.

Hardly a week passes but we are subjected to an example of the growing arrogance of the bureaucratic army of occupation. Corruption is rife and our children are growing up in a community where British and Christian standards are being rapidly destroyed. All liberty-loving citizens should be now doing all in their power to ensure that May 29 is a day, which the Canberra totalitarians shall long remember.

Must Be Defeated

The Prices Referendum must not only be defeated; it must be made the opportunity of administering to the Federal Government the greatest possible electoral chastisement.

An overwhelming No vote on May 29 will make it clear beyond all doubt that Australian electors are opposed to the totalitarian policy of any more power for Canberra.

A successful revolt against Canberra on May 29 may easily prove a turning point in the battle to save Australians from the menace which ushered in Guild Socialism in Italy, National Socialism in Germany, Communism in Russia, and which has reduced our British kith and kin to a state where they are little better off than were the Germans under Hitler.

The philosophy, which has resulted in open economic conscription in Great Britain, is the same philosophy underlying the policies of the Canberra dictators.

Defeat this evil philosophy by voting No on May 29.

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Monopolies and Price Control

The removal of prices control would do away with many of the present impediments to production. **The big monopolies flourish under prices control.** They squeeze out competitors.

J. T. Lang, M.H.R., at Canberra on Dec. 3, 1947.

A REFERENDUM GUIDE FOR CATHOLICS—AND OTHERS

"It is an injustice, a grave evil, and a disturbance of right-order, for a larger and higher organisation to arrogate to itself functions which can be performed efficiently by smaller and lower bodies. That is a fundamental principle of social philosophy, unshaken and unchangeable, and it retains its full truth today. Of its very nature the true aim of all social activity should be to help individual members of the social body, but never to destroy or absorb them."—Pope Pius XI.

(Like all previous Referendums, the Prices Referendum is designed to help destroy the States.)

The Communists Are Voting Yes

The Communists are leading advocates of a Yes vote at the Prices Referendum on May 29. Whatever else may be said about the Communists, it cannot be claimed that they are fools. They never support any policy unless they are firmly convinced that that policy can be used to further their totalitarian strategy. All genuine democrats should bear this fact in mind when they vote on May 29. Centralisation of power always assists the Communists. Don't be a Communist dupe; vote NO on May 29. Remember: All those voting Yes are voting with the Communists.

DR EVATT: KEY MAN BEHIND THE PRICE CONTROL REFERENDUM

Anti-British Record

As Dr. Herbert Vere Evatt has played a key role in the campaign to create the Monopoly State in Australia, particularly specialising in devising ways and means of either directly assaulting the Federal Constitution or of circumventing it, a brief biography of this astute power-luster should be of interest to electors at a time when another attack is being made upon the Constitution:

When Dr. Evatt stepped down off the High Court to stand as a Labor candidate at the 1940 Federal Elections, his action was applauded from one end of Australia to the other.

The "capitalist" press eulogised him in glowing terms, and suggested that here was a man to whom the middle class voters could look with confidence. There is little doubt that it was Dr. Evatt who very nearly carried the Labor Party to success at the 1940 Elections.

At this stage no mention was made of this dangerous planner's objectives.

This journal was practically alone in expressing grave doubts about the learned Doctor. It pointed out that it was well known that he was in favour of tampering with the Federal Constitution, and that some of his American associations were highly suspect. His power-lusting tendencies were first made obvious to electors when he tried to bludgeon the States into giving over their sovereign powers before the 1944 Referendum.

Not daunted by his defeat in the 1944 Referendum, he again attacked the Constitution at the 1946 Referendum, which was held at the same time as the Federal Elections. This move was very nearly completely successful, two out of the three powers being sought being nearly granted. With the aid of Mr. Menzies, who advocated a Yes vote, the main power, on Social Services, was granted.

Laski as Friend

Amongst his overseas friends Dr. Evatt numbers the famous pro-Communist Professor Harold Laski. After seeing Stalin in 1946, Laski said, that Communism in Russia and Socialism in Great Britain were merely two separate roads to the same objective. Laski has also said: "There is no reason to doubt that the prerogative of the King seems to men of eminence and experience in politics above all the means of delaying the coming of Socialism." Laski's anti-British record is well known.

In his book, *The King and His Dominion Governors* (1936), Dr. Evatt wrote: "I am also under obligation to Professor Laski, of the London School of Economics . . . for much encouragement and advice."

Professor Laski expressed disappointment when Dr. Evatt's 1944 Referendum was defeated.

Dr. Evatt has also written a foreword

to *British Imperialism and Australia*, by the notorious Left Wing pro-Communist, Brian Fitzpatrick.

Anti-British Viewpoint

In his book, *From Suez to Singapore* (1942), the American writer Cecil Brown



Dr. EVATT

wrote: "On the train from Canberra to Melbourne Dr. Evatt and John Beasley, Minister for Supply, asked me to sit with them. . . . Their remarks convinced me that they were completely baffled about the whole world set-up. Dr. Evatt showed an animus towards the English. No matter what I said, he interspersed his remarks with, 'That is just the way the English do things.'" (Our emphasis.)

In *Marshall: Citizen Soldier*, William Frye writes of the Pacific situation just after the Philippines: "Meantime the Australian Minister in Washington, Herbert Evatt, had called on Marshall with some bitter comments about the British. . . ."

When the British had to take vigorous action to prevent the Communist coup in Greece in 1945 Dr. Evatt joined with the Communists in denouncing British policy.

Giving an address on international affairs at Canberra in 1946, Dr. Evatt

asked the question, "Does Russia intend aggression?" and answered it as follows: "Having no clear evidence to the contrary, and having during the last four years come to know some of Russia's greatest statesmen, I take the view that the Soviet Union's policy is directed towards self-protection and security against future attack. In my opinion, its desire is to develop its own economy and to improve the welfare of its peoples."

Assists Zionists

In spite of the violent anti-British policies of the Zionist Jews, Dr. Evatt has consistently supported this group. He played a key role in ensuring that the outrageous Partition Plan for Palestine was carried by the requisite majority at the United Nations late last year. He has been acclaimed by Zionists all over the world.

Bearing Dr. Evatt's anti-British bias in mind, we can pass to a brief examination of his connection with the ratification of the Statute of Westminster. It will be recalled that Dr. Evatt had this dangerous piece of legislation brought forward soon after his appointment as Attorney General in the first Curtin Government.

In a letter dated February 5, 1945, the Attorney-General for South Australia wrote: "The effect of the adoption of the Statute of Westminster by the Commonwealth Government is to give the Parliament the legal right to secede from the Empire, and to become legally independent of His Majesty the King and the British Parliament, by taking the appropriate legislative steps without any necessity to have the concurrence of any State Parliament, and without any State Parliament which disagrees having the right to prevent the secession."

Vital Admission

In his book, *The King and His Dominion Governors*, Dr. Evatt makes the vital admission that a "complacent Parliament" could surrender "constitutional powers by the method permitted by sec. 5 of the Statute of Westminster, and without any specific consent or authority of the Dominion people concerned."

Now, while most Socialist constitutional authorities agree with the idea that the Federal Government can secede from the British Empire, there appears to be a stumbling block in Section 9 of the Statute of Westminster, which states that ratification of the statute does not permit the Federal Government to make laws on any "matter within the authority of the States of Australia, not being matters within the authority of the Parliament or Government of the Commonwealth of Australia."

Well may the question be asked: Does

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ABOLITION OF THE STATES

One of the major objectives of the coming Referendum is to provide the Canberra Government with increased powers, which can be used to crush the States. The States are an obstacle to the establishment of the complete Monopoly State in Australia.

The Prime Minister, Mr. Chifley, has made it clear that he wants to abolish the States. Speaking as President of the Federal Labor Party of N.S.W. on June 15, 1934, he said: "State Parliaments as at present functioning are an impediment to progress, and the sooner they are swept away the better." Every policy pursued by Mr. Chifley has been designed to centralise all power at Canberra.

Speaking at Canberra during the 1944 Referendum debates, Labor Member Brennan said: ". . . sooner or later, through the process of taxation and other processes that are available to this Commonwealth Parliament, alteration of the Constitution will be forced upon the people whether they are willing or not. The tendency will be to so strain the powers that the Commonwealth possesses as to make local government, as at present employed, impossible.

Mr. A. Calwell, M.H.R., said at Canberra on March 27, 1946: "I do not believe in the maintenance of the present States; the policy of the Australian Labor Party is that complete power should be vested in the Commonwealth Parliament We do not believe in the sovereignty of the States."

Every student of German history knows that it was the progressive centralisation of power as a result of the destruction of local, decentralised government, which lead to National Socialism. One of Hitler's first acts was to wipe out completely the last vestiges of local government. Speaking at Canberra on March 21, 1944, one Labor Member, Senator Aylett, openly admitted that the Australian Federal Labor Government was attempting to emulate Hitler: "In order to illustrate my point (in favour of centralised control) I shall refer to what happened in Russia and Germany under a system of central control. Poverty became a thing of the past, no one starved, because no one lacked employment. . . . Those results were possible because in each of those countries there was a central authority"

Well may it be asked how the granting to the Federal Government of the powers being sought at the Prices Referendum will permit a direct attack to be made upon the sovereignty of the States? Electors must note that not only are they being asked to grant permanent Canberra control over all Prices and Rents, but also all charges. This is an enormous power, which the Federal Government could use to dictate all charges fixed by State Governmental bodies, such as railways, water, and electricity. The Federal Government could also fix the charges of all municipal authorities.

It will be recalled that during the 1944 Referendum Dr. Evatt made provision that increased powers for Canberra should not permit the Federal Government to dictate prices fixed by State Government bodies. Dr. Evatt now wants a power, which would permit the Federal Government to crush the States by having the power to govern what prices, rents, and charges they can fix. This Referendum is thus seen to be one of the most powerful, although subtle, attacks yet made on local government.

The Canberra dictators must be denied this totalitarian power by an overwhelming NO vote on May 29.

Dr. Evatt, Key Man

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Dr. Evatt feel that the States are a possible obstacle to the international planning of his anti-British Socialist friends such as Professor Laski, and that every effort must be made to destroy the powers of the States as quickly as possible? It is particularly significant that ever since he became Attorney-General Dr. Evatt has been the driving force behind every attack upon the States and the Federal Constitution, which helps protect State rights.

Australian electors should recall the above facts as they go to the polling booths on May 29.

PRICE CONTROL AIDS MONOPOLY

Speaking at Canberra on March 2, 1945, Labour Senator Large said: "I do not object to the formation of trusts, because as a convinced socialist I appreciate the fact that such bodies gather together the threads which enable us, when we desire to take them over, to do so quite easily, and operate them without difficulty."

Now note carefully the statement by Mr. W. Middleton, President of the Country Traders' Association of New South Wales: "**Price fixing regulations are forcing old-established country stores to sell out to chain organisations.**"

Socialism in practice simply means, of course, that those running the monopolies and chain store organisations have the backing of the State for their operations. Workers who are told the fairy story about the Government taking over the monopolists should clearly understand that the truth is that the monopolists are taking over the Government.

The only effective answer to monopoly is genuine free enterprise and decentralised ownership of private property.

Main Hook In The Referendum Bait

Number 6 of the famous 14 powers sought by Dr. Evatt and his fellow-planners at the 1944 Referendum dealt with Price Control.

The Federal Government desired to have power to control "**profiteering and prices (but not including prices or rents charged by State or semi-governmental or local governing bodies).**" (Our emphasis.)

In the power over prices being sought at the coming Referendum there is no reference to State and local governing bodies being exempt from Canberra dictatorship.

If the Government were to win the Referendum, it would be able to control directly all State Governments and local governing bodies. This enormous power must be refused by a strong NO vote.

Responsibility for political comment in this issue taken by John Weller, 343 Little Collins Street Melbourne.

MANPOWER CONTROL IS BEHIND REFERENDUM REAL POLICY

Socialism in practice means centralised planning of all economic activities. This objective obviously cannot be obtained unless those power-lusters doing the planning have direct control of the individual. How could there be centralised planning if individuals were free to ignore the planners if they so desired?

Bernard Shaw, prominent English Socialist, saw this clearly when he answered the question, "How does Socialism work in practice?" by saying: "**Compulsory labour, with death as the final penalty, is the keystone of Socialism**" (vide *English Labour Monthly*, October, 1921).

The present British Socialist Government has now openly introduced direct



Dr. H. C. COOMBS

peacetime manpower controls. In order to impose industrial conscription effectively in Australia, it is essential that the Federal Constitution be destroyed or bypassed.

Speaking at Canberra in January 1944, Dr. Evatt revealed the real policy behind the Referendum held later that year. He said: ". . . **What are Manpower regulations but a system which—imperfectly, I know—attempts to ensure that everybody in this country shall be usefully employed. . . . There has been a nearer approach to what is a well-ordered society in respect of employment during this war and the last than in any of the years between the two wars.**"

Dr. Coomb's Statement

Speaking at the Melbourne University on June 11, 1944, chief socialist economic "adviser" to the Canberra Government, Dr. H. C. Coombs, was even more specific: "**People could not expect complete freedom after the war. . . . It would be necessary for some individual to be given the right to say what was best for the community.**"

The defeat of the 1944 Referendum did not deter the Socialist planners. In 1945

Dr. Evatt rushed off to San Francisco, where he was responsible for having an article on "full employment" written into the United Nations Charter.

In the Melbourne *Argus* of June 16, 1945, Dr. Evatt was quoted as saying at San Francisco: ". . . every international agreement we make places an obligation upon Australia to fill it. For this reason it may well be that in certain circumstances the existing external affairs power can be used by the Commonwealth Parliament for the purpose of carrying into effect in Australia the precise terms of the international agreement."

This was an indication that Dr. Evatt felt that there was a possibility of using the external power of the Federal Constitution in conjunction with international agreements for the purpose of bypassing the Federal Constitution.

Socialising Medicine

The policy of direct control of the individual was responsible for the 1946 Referendum. Although the industrial powers sought by the Federal Government were rejected, a Yes vote was ob-

tained on the Social Services issue. (Mr. Menzies obligingly helped by advocating a Yes vote.)

The Federal Government is now able to push ahead with its drive to socialise all medical and dental services. "Free" medicine is the bait, which contains a very nasty hook. So long as private doctors are permitted, the individual can in the last resort escape manpower direction by obtaining a certificate from his doctor saying that he is not fit to do the work prescribed. When all doctors made State employees, they will no longer be able to protect the individual.

Bank Nationalisation

The policy behind bank nationalisation is also to further centralised control of the individual. Labor member J. T. Lang has put the issue clearly: The Government "**realises that, under the Constitution, it cannot impose economic conscription by the ordinary processes of legislation. . . . So Prime Minister Chifley has decided to tackle the problem by the indirect method . . . he proposes to seize power through a Government monopoly of credit.**"

If the Price Control Referendum is carried by the Government, it will be able to use its enormous permanent powers to help close industries and ensure that workers from the closed industries are directed to work in industries of which the Canberra planners approve.

Vote No against economic conscription on May 29.

THE NEW ORDER THAT RUINED ROME

Most of these "plans" for continued State control—these "New Order" schemes, are exactly the same as ancient Rome adopted when it began to decay. They are all "Decay Schemes." And this ought to be made widely known.

History repeats itself. Every prosperous nation has to fight for its life against Dictators, or against demagogues, officials, and parasites.

This is a startling fact that ancient Rome, when it began to go down, had the same sort of Government Departments that Great Britain, Australia, and the United States have today.

It had a Farm Debt Conciliation Committee, a Resettlement Administration, a Public Works Administration, a Food Relief Scheme, a Home-owners' Loan Corporation, an Agricultural Adjustment Administration, a Farm Credit Administration, a Price-and-wage Act, and so on.

The "profit motive" was attacked. There was a "Price Control Act" in A.D. 301, when the end of the Roman Empire was near. Prices were set too low, and at once there was a shortage of commodities.

Rome was eaten up by doles and subsidies. At one time 320,000 people were on the dole for wheat. To keep the masses quiet they were given "bread and games." They were pauperised by State help.

As many as 200,000 were given free bread—two lbs. of bread a day. Also, they were given pork, olive oil, and salt every now and then. The Government became a Giver.

The Dole attracted to Rome the vagrants and the lazy people. They attracted the German tribes, too, and they began to filter into Rome. And most of the enterprising, self-reliant men left Rome and went elsewhere.

The soldiers and the Government employees clamoured for more and more money. They made incessant raids on the Treasury. *As a result, taxation steadily increased until it became intolerable:*

Then the currency was inflated by a flood of new money. This inflation destroyed the rich and the middle classes. Almost all private enterprise came to an end, and the whole nation came to a standstill and decayed.

Rome fell because of internal decay. The heart was taken out of enterprising men. The masses were taught to expect something for nothing.

Rome became totalitarian. The Government set out to control everything. As a result, there was soon not much to control. The controlled industries became extinct.

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These are the twelve steps to National Socialism as outlined by Mr. McDermott:

1. The people must be made to feel their utter helplessness and their inability to solve their own problems. While in this state of mind there is held before them a benign and all-wise leader to whom they must look for the cure of all their ills. This state of mind is most readily developed in a time of economic strain or national disaster.

2. The principle of local self-government must be wiped out, so that this leader or group in control can have all political power readily at hand.

3. The centralised government, while appearing in form to represent the people, must carefully register the will of the leader or group in control.

4. Constitutional guarantees must be swept aside. This is accomplished in part by ridiculing them as outmoded and as obstructions to progress.

5. Public faith in the legal profession and the courts must be undermined.

6. The law-making body must be intimidated and from time to time be rebuked, so as to prevent the development of public confidence therein.

7. Economically the people must be kept ground down by high taxes, which under one pretext or another they are called upon to pay. Thus they are brought to a common level, and all income above a meagre living is taken from them. In this manner economic independence is kept to a minimum, and the citizen is forced to rely more and more upon the government that controls him. Capital and credit are thus completely within control of the Government.

8. A great public debt must be built up so that citizens can never escape its burdens. This makes Government virtually the receiver for the entire nation.

9. A general distrust of private business and industry must be kept alive, so that the public may not begin to rely upon their own resources.

10. Government bureaus are set up to control practically every phase of the citizen's life. These bureaus issue directives without number, but all under the authority of the leader to whom they are directly responsible. It is a Government of men and not of laws.

11. The education of the youth of the nation is taken under control, to the end that all may at an early age be inoculated with a spirit of submission to the system and of reverence for the benevolent leader.

12. To supplement and fortify all of the foregoing there is kept flowing a steady stream of governmental propaganda designed to extol all that bow the knee and to vilify those who dare raise a voice of dissent.

"I tell you I saw all these steps consummated or rapidly being consummated in Germany in 1936," said Mr. McDermott in his address on "The Lawyer's Place in an Upset World."

"You can readily recognise them as the vital features of National Socialism. They are the cogs that made the Nazi machine work.

"I came to know a German in Munich fairly well, as he would talk to me somewhat freely. He told me: 'He (Hitler) has brought us all to a common level,' and then added in a whisper, 'but, my God, what a low level!'"

New Order That Ruined Rome

(Continued from page 5)

Just before Rome collapsed half of the people were on the public pay roll. And there was not enough money to pay them, as the taxpayers had been bled to death.

At the height of its power, Rome had a population of 1,000,000 and ruled 70,000,000 people. But in the year 1400 it had only 20,000 and no Empire. It went back to pasture land, and cows and sheep wandered about in it.

The Romans were the greatest and wisest people in the world for 400 years. Then a rot set in. Then came degeneracy—a degeneracy that still exists, as we have seen in recent years. From Marcus Aurelius to Mussolini is a tragic drop from the heights to the lowest depths.

Rome had a "Golden Age" under the "five good Emperors." It lasted for 84 years. It was the peak of ancient civilisation.

During this period, taxes were low. Private enterprise was encouraged and businessmen were in high positions. There was real "social security" for all industrious people.

Then came the Planners, and the whole shining structure of Roman life was broken down. This story of how Rome fell should be taught in all English-speaking countries.

—From *The New Deal in Rome*, by H. J. Haskell.

What Labor Said At The 1937 Referendum

Many Ministers of the present Chifley Government were associated with the issuing of the Official case for No at the 1937 Referendum, when the Lyons Government was seeding greater permanent powers for the Federal Government. These Ministers then endorsed the following statement:

"WHITTLING AWAY DEMOCRACY: Once again democracy is attacked. There is never a bold, frontal attack. That would alarm us, and we should unhesitatingly resist. But little by little control over the things that matter is stolen from the people. By delegating to unrepresentative, irresponsible authorities the reality of power, our 'elected persons' evade responsibility.

"Here, under the cloak of technical and ambiguous language, upon the pretext of an emergency, is another attempt to whittle away our self-government. Those who believe that responsibility should accompany power will vote 'No.' Protect the freedom, which the Constitution guarantees: Defend the 'Seamless Garment' of Australian unity: Resist every attack upon Democracy. VOTE NO!"

"Upon the pretext of an emergency," the very Ministers responsible for the above make their third attempt in four years to persuade the Australian electors at a Referendum to destroy their self-governing rights. Which only proves the great Lord Acton's statement that all power tends to corrupt and absolute power corrupts absolutely.

THE HIDDEN RED INK IN TVA'S BOOKS

By JOHN T. FLYNN

Although we do not necessarily endorse all the OPINIONS of John T. Flynn on the Tennessee Valley Authority (U.S.A.), we are publishing the full text of the following article from the December (1947) issue of the American "Reader's Digest" because of the important FACTS, which Flynn revealed. Significantly, this article was deleted from the British and Australian reprints of the Digest.

"Reader's Digest" introduced the article with the following Words: "The Digest has published several articles in praise of the TVA. Mr. Flynn himself has advocated it. But now, after months of investigation, he discloses one aspect of the project which deserves the thoughtful consideration of every tax-payer and believer in dependable government."

In 1916 war raged in Europe. To insure a supply of nitrates, Congress voted funds for two nitrate plants at Muscle Shoals and a dam to produce hydro-electric power to run the plants.

The dam, finished in 1925, became a Government headache. Finally in 1933 Senator George Norris put through a bill creating the Tennessee Valley Authority to operate the plants for fertilizer and the dam for navigation, flood control, and power.

But TVA is no longer just a plant and a dam. There are 28 dams on 650 miles of rivers running through seven states. TVA owns ten steam plants; has built villages, parks, stores; makes fertilizer; carries on forestry, agricultural and recreational operations.

Moreover, it is now proposed to establish as many as nine more TVA's all over the country for the Missouri, Columbia, Arkansas and other valleys.

I strongly advocated TVA. But in the interest of TVA and the country, I think TVA's financial picture should be set straight.

Extravagant Claims

Its managers have made extravagant claims. Dr. Arthur E. Morgan, its first chairman, told Congress in 1934: "After a preliminary period . . . this program will be amortized in 25 years." David Lilienthal, its next chairman, said in 1944:

"Even if the total investment in power, navigation and flood control—the entire \$700,000,000—were charged against power, revenues would pay the entire cost in less than 60 years."

It cost 762 million to build TVA. The Government borrowed and put up the money and pays interest on it. In addition, the plant must be operated. The operation costs over 14 years up to June 1946, including the interest paid by the Government, were 339 million. The revenues were 209 million. Thus there was actually a deficit of 130 million.

But TVA has a different figure. It arrives at it by leaving out of its accounts the 129 million paid by the Government as interest on the loans.

TVA carries on many activities. Power production is only one of them. The figures given above are for the entire program, including power. Now let us look at the power enterprise alone. TVA insists it is selling power cheaper

than the private companies and doing so at a profit. Let us see.

The total investment in TVA power—using TVA's own accounting assumptions—is 462 million. All of this was borrowed



DAVID ELI LILIENTHAL

by the Government. A TVA propaganda book claims that "the total net profit from power since the beginning in 1933 to June 30, 1944," was 38 million dollars. But, alas, this left out the fact that 53 million dollars was paid by the Government as interest on the money borrowed to build the POWER plants. Hence, a POWER deficit of 15 million.

Continual Loss

TVA, of course, will never accept these figures. If one questions its accounts it replies: "Go to our reports. It is all there verified by a firm of independent accountants." But it is not all there. Nowhere can you find any record of the interest charges paid by the Government. The firm of accountants it cites took particular pains to point this out, saying: "The net results stated for this program do not include any charge for interest." And the General Accounting Office of the United States in an official

report expressly calls attention to this same failure and wants it corrected.

The Government has financed hundreds of housing projects. There is a loss of over four million dollars a year on these. But the projects faithfully record their interest costs. If, following TVA, they ignored this item, they could boast of a profit of 14 million a year.

On the Government-financed Bonneville Dam project the Treasury charges two and a half per cent interest. Why not on TVA's power debt? As a matter of fact, TVA's debt for its power investment alone is split into two classes. There is a small one of 58 million and a large one of 404 million. The Government holds both. TVA does pay one percent on the small one, but nothing on the big one.

Why is the interest on the small debt—however inadequate—a proper cost item, while the interest on the big one is suppressed in its accounts?

If TVA were a private corporation the law would require it to state its debt and interest payments with exactitude. TVA ignores this. Each year it reports its revenues and its expenses (without interest). It calls the difference "net income." This is inexcusable in any case. It is doubly so in TVA, which started out as a "scientific yardstick" to measure public-utility rates. But a yardstick must contain all 36 inches. The interest costs actually amount to more than a third of TVA's annual power costs. What sort of yardstick is it, which leaves out a whole foot?

Suppressed Information

No one need take my word for this. The United States General Accounting Office says:

"Unless all costs for TVA's power operations are included in its income statement . . . it cannot be conclusively shown that the power operations are self-supporting."

It then insists that the interest on the Government loans must be included and that the proper rate is two and a half per cent.

The TVA, of course, greatly improved its showing during the war. The whole Valley was turned into a war arsenal. TVA revenues doubled, as did those of many corporations. However, TVA reports its war record for power with the same two-foot yardstick. It reports "net income" for the six years from 1941 to 1946 as 72 million. But what it omits is a bill for 57 million of Government interest on the power debt.

However, these years do show a net power income even when interest is included. At least they seem to do so. But the General Accounting Office is unwilling to say, so. It points in its TVA report to various costs left out, one alone amounting to as much as \$500,000 a year, and concludes that "power rates appear to produce gross revenues in excess of costs of power production," but "there can be no consistent showing of whether TVA is self-supporting and

(Continued on page 8)

HIDDEN RED INK IN TVA'S BOOKS

(Continued from page 7)

liquidating unless every element of cost is recorded on its books and shown in its final statement."

The TVA Act says its power project must be self-liquidating. The GAO says it will never be until its electric rates produce enough to liquidate its debt. The Appropriations Committee of the House says it should liquidate its debt in 40 years. This alone would mean an annual minimum payment to the Government of \$11,000,000. Who should pay the cost of the power plant, which produces power if not the people who enjoy the use of that power, as, is done by the customers of every private utility in the land?

The General Accounting Office has said the books do not tell the whole story: *It is not all there.* All of which recalls the complaint of Dr. Arthur Morgan, first TVA chairman, who declared that there ought to be an impartial investigation of the "obscure financial record of the power program."

Power Costs

We may now ask: Is TVA selling power at less than it costs? What should power costs include? Obviously the following: (1) *All operation costs.* The GAO says all are not included. (2) *State taxes.* It pays some, but less than a private company of the same size. (3) *Federal taxes.* It pays none. Other utilities pay large sums. TVA boasts that other utilities pay only a part of their profits in taxes, while TVA pays all its profits. But it has no profits. (4) *Interest on the Government power debt to build TVA.* (5) *Liquidation of the debt incurred to build TVA.*

Actually, the estimates of the cost of TVA power given above are probably much too low. They are based on certain assumptions made by T.V.A. directors. Upon these assumptions I have put the debt for power at 462 million dollars. I believe, however, that a more rational allocation of power costs would put that debt at not less than 600 million.

Many of the great dams in the Tennessee River and tributaries are called "multi-purpose" dams. It is claimed they were built not only to produce hydro-electric power but to control navigation and floods. The directors of TVA have declared how much of the structure is for power and how much for navigation and flood control. But no one has ever officially checked this allocation. The private accounting firm, which audited TVA's books specifically, disclaimed any responsibility for the allocation used. And the General Accounting Office has made the same disclaimer.

Engineers' Evidence

Competing engineers have disputed TVA's claim and have insisted that the dams are almost wholly for power production, and that the element of flood protection or navigation control in them is small.

They are supported in this by the leading authority on flood control in Congress, Will M. Whittington, a Democrat, former Chairman of the House Commit-

tee on Flood Control, a supporter of TVA and a Representative of Mississippi, which enjoys a large measure of benefits from TVA. In a speech in the House he declared that "TVA is primarily for the development of power."

There can never be any authoritative accounting of the cost of TVA power until the total amount of the investment in power has been settled. It is this that the General Accounting Office referred to when it recently reported that "the power debt should be finally determined."

I have examined patiently most of the evidence on both sides of this subject, and have gone to the TVA country to check on the respective claims. I believe there is no escaping the conclusion that the allocation of power investment and costs made by TVA is arbitrary, and

HOW TO VOTE NO

Place the number 1 in the square opposite the word NO on the ballot paper, and the number 2 in the square opposite the word YES.

that if it is ever audited by a competent board of impartial engineers and accountants it will be found that the power investment and debt is not 462 million but 600 million at the lowest.

Limiting Proposals

The reason for TVA's claim of lower power investment is plain. *The more costs TVA can unload on navigation and flood control, the less the costs of power will SEEM.* By the accounting trick here described TVA has cut more than 150 million from the debt due for power. They can also reduce the seeming cost of operating the dams, because now they charge off most of the cost of operating the "common purposes" of the dams to navigation and flood control.

Do I want TVA destroyed? Certainly not. But we must submit TVA to the yardstick, which it now tries to forget. Just as we had to have commissions to stop private utilities from soaking the customers, we should have some authority to prevent publicly owned power projects from soaking the taxpayers.

What should be done seems to me inescapable. (1) The outstanding Government debt on the power enterprise should be determined definitely and the TVA should pay the interest on it. (2) The TVA should pay off this debt in 40 years. (3) These items and all other costs should be included in the rates charged for power. (4) The TVA directors should not be the sole judges of the amount of the investment in power. (5) All the non-power activities of TVA—agriculture, fertilize production, forestry, and other projects—should be transferred to appropriate departments of the Government. They should be divorced from the TVA power project to which they have no rational relation-

ship. (6) The costs of these activities should be paid out of authorized Congressional appropriations like any other costs of government.

A Dangerous Monopoly

There is an aspect of TVA which disturbs me more than its fiscal vagaries.

It has operated as a federal corporation under a charter which has enabled it to do an incredible number of things and to escape Government scrutiny.

The federal charter is a comparatively new device to enable the federal government to expand its powers immensely. Mr. Lilienthal, in his book, *TVA—Democracy on the March*, calls attention to the vast growth of federal power. It has become so great that, he says, it cannot be wisely administered from Washington. But the power must not go back to the governors, mayors, legislatures, and councils elected by the people. It must go to great regional areas administered by directors appointed by the President, *to a corporation cunningly devised to accumulate power and to elude Congressional authority.*

We will see the country split into a few great regional provinces, run by corporate provincial governors. This is what Mr. Lilienthal calls "democracy on the march." I think it is democracy in retreat, a return to the European system of centrally controlled provincial governors. *With TVA as a beginning the advocates of regionalism are planning under the guise of flood, navigation, and forestry control and other excuses to blanket America with this new type of government, which represents a complete revolution in our political system.* The TVA should be specifically instructed by Congress that it is not a provincial Government agency of a regional province, but a Government-owned power enterprise. If the people of the United States want to adopt the regional form of government they should do so—but only after full discussion and a formal decision. I do not think it should be presented to them suddenly as an accomplished fact.

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PROMINENT BUSINESSMAN SPEAKS ON FAILURE OF GOVT. PRICE CONTROL

In his annual chairman's address to the shareholders of Prestige Ltd. on July 30 of last year, Mr. G. G. Foletta made some courageous and competent remarks concerning the deadly effects of price control on industry. It is refreshing to notice a prominent businessman stressing the fact that, while entrenched industrialists and employers are comparatively protected by the present economic situation, the worker is the one who is suffering most.

The following extracts from Mr. Foletta's address should be carefully read and compared with Government statements about price control having been successful:—

Another matter to which I should like to draw shareholders' attention is that, although there was a marked increase in financial turnover, there was by no means a comparable increase in the physical turnover. In other words, as far as this company's operations are concerned (and I am afraid there are many companies whose figures will show the same tendency), the company has paid more for raw materials, wages, and services, but it has contributed nothing to a higher standard of living. Rather would its figures indicate that the standard of living is deteriorating . . .

To put it plainly, our present economy is dishonest. It supplies people with money, which, because goods are not available, cannot be exchanged for human requirements. This is the chief cause of absenteeism and labour unrest. People work not so much for money, as for what money should buy.

Money and Wealth

Beyond pure essentials, many of which are also rationed, what can money buy today? People will work hard and willingly to realise their ambitions—that is, to obtain the things they want, and a better standard of living, but few (particularly young people) will work for the doubtful joy of saving.

There is a mistaken idea that people with money are well off and those without it are poor, but think of this example: Who is the better off—the returned soldier and his bride with some hundreds of pounds with which they can buy neither house nor home, or the lucky people who, though made penniless by the operation, have been fortunate enough to acquire both.

No, money is not wealth—it is our possessions that make us wealthy and the goods that we can buy are our standard of living.

That brings me back to where I started. By subsidy and prices control we are deceiving ourselves. We are helping to create for our people surplus savings, which we cannot honour with goods.

Through the consequent frustration we are robbing our people of all incentive. We are doing all this simply because we have come to believe in a theory called "Prices Control."

Supporting Inefficiency

It worked very successfully during the war, but only with the help of its brother-controls—wages and manpower.

Today we only believe we are controlling prices. In spite of our theory they are rising steadily, so we are attempting to control profits and doing it with some little success in the case of efficient companies, while bolstering up the inefficient.

But, indirectly through these controls, we are successfully keeping our markets short-supplied, so industry goes merrily along making easy profits through lack of competition.

Not only have we killed the workers' incentive, but we have dampened industry's. We may be controlling individual profits, but, in the total, it is doubtful if the public ever paid Industry a greater profit.

When to that profit is added an even greater amount that is taken from industry by the tax collector, it will be found that the public is paying an inordinate amount to both industry and the tax collector for every inefficient service.

Unbalanced Economy

Our economy is becoming totally unbalanced. We are running around in circles, but we are not increasing production in line with our increases in currency, and prices therefore are steadily rising.

Although the average working man does not know exactly what is wrong, he knows that his standard of living is falling steadily, hence the continued unrest and demands for increased pay. He can purchase few things that he wants, and soon acquires a feeling of frustration. His frustration causes lethargy—lethargy brings indolence—his incentive is killed—and so we get our demands for

a shorter working week, yet both the industrialists and the Government blame the worker.

Lower Standard of Living

It may seem strange that I should take sides with the working man, but, though we may have varied opinions as to the real cause, the truth about our present economy is that the working man is the hardest pressed through a steady decline in his standard of living.

Industrialists and employers generally are well protected by a grossly under-supplied market. This so assures profits that even the most inefficient thrive. With the help of these high industrial profits and the Government's multiple methods of taxation, both direct and indirect, Government finances have boomed to a point where there are considerable surpluses even after finding employment, so I am told, in Governmental services for one out of every four workers (the great majority of whom are unproductive).

How, I ask you, with all these overheads, plus the attendant industrial unrest, can the standard of living be maintained, much less improved? No, under such a system, do what we may, prices must rise, and no matter how much we increase wages they can never catch up with the cost of living.

Two Roads, Same Goal

Speaking at the Easter Conference of the Australian Labor Party, Mr. W. Lewis, of the Australian Federated Union of Locomotive Enginemen, said, in opposing the ostracising of the Communists by the Labor Party: "The A.L.P. objective is socialisation of the means of production, distribution, and exchange. The Communist Party's objective is the same." (Vide Melbourne Sun, March 29, 1948.)

Compare the statement by Mr. Lewis with the following item from the Canadian Socialist paper, *People's Weekly* of November, 1946: "Joseph Stalin, Prime Minister of the U.S.S.R. . . . in a two-hour conversation in the Kremlin told Morgan Phillips there were two roads to Socialism—the Russian way and the British way."

Communist Cell in G.P.O.?

Mr. J. Ward, a Postal Workers' Union delegate to the Australian Labour Party Easter Conference, said that he wanted to inform the Postmaster-General, Senator Cameron, that there was a Communist cell in his department. "In the event of war, Senator Cameron might find some of his communications not too good," he said.

(Vide Melbourne Age, March 30, 1948.)

We will await with interest the investigation promised subsequently by Senator Cameron.

The following leaflet on the Prices Referendum is being distributed by the Electoral Campaign, 142 Adelaide street, Brisbane. "Control of Rents, Prices, and Charges means an Absolute Dictatorship over your domestic affairs from Canberra. More power for the politician means less freedom for you" is displayed on the front of the leaflet: —

The Constitution Alteration, Rents, and Prices Act of 1947 provides for the insertion of "Rents and Prices (including charges)" in paragraph 14 of Section 51 of the Constitution. This proposed law awaits a Referendum to the people.

If the Referendum is carried the Federal Government will have absolute control of the fixing of all rents, prices, and charges, and consequently control over the whole of our domestic affairs. How will you like that?

There is one standard by which to judge individuals, associations, and Governments and that is by their actions. It is what is done, not what is promised, that matters.

Have the past actions of the Federal Government been such as to inspire confidence in the electors? Certainly not.

The Federal Government amended the Rules of the High Court of Australia and brought down legislation whereby State Magistrates—our lowest Court—were empowered to adjudicate on High Court matters. Under this arrangement the people were prevented, in certain cases, from appealing to the High Court against decisions of State Magistrates. This deprived the people of their time-honoured right to appeal to the Highest Court in our land.

Under the Unemployment and Sickness Benefit Act of 1944 no Regulations were made and the Act was administered under a Book of Rules, a copy of which would not be supplied to anyone outside the Department, Not even to a Member of the House of Representatives. This is how Hitler and Mussolini built up their slave States.

The ratification of the Bretton Woods Monetary Agreement placed us on the gold (dollar) standard. The price of gold before World War 2 was approximately 4 guineas an ounce, now it is over £10 15/ an ounce, which means an inflation of over 150 per cent and a consequent serious reduction in the purchasing power of our pound. Who benefits by this? Certainly not the people.

As soon as the nationalisation of the trading banks was passed an order was made prohibiting the issue of credit by any of the trading banks without permission. Who is the Dictator?

We have the raw materials in abundance from which all our motor fuel requirements can be produced at a cost of a few pence per gallon. This is a fact that cannot be refuted. Why then do we have to go on reduced rations? Simply because you, the electors, put up with it.

The Federal Government spent £1,700,000 in establishing four distilleries for production of power alcohol from wheat and at the same time paid

£1,134,348 to wheat growers not to produce wheat. Only one distillery operated, and produced 2,578,000 gallons of power alcohol at a cost of 30 pence per gallon, which was disposed of through the petrol pool at a cost of 20.6 pence per gallon, a loss of 9.4 pence per gallon, which we taxpayers had to pay. Who benefited from this action? Certainly not the people.

The Federal Government already has the power, full and complete, to do anything and everything necessary for the welfare of the people and the development of this country without any change

in the Constitution. That power lies in its prerogative over the creation and issue of money. Why does it not exercise that right? Simply because you, the electors, do not insist on it doing so. You permit, without protest, your Government—your elected representatives—your servants to be used by foreign financiers and monopolies to regiment you, tax you, ration you, and enslave you.

Man gets his right to live from God, not from the State, and when the State starts to dictate how man shall live, as your Federal Government is doing, well, man ceases to live as man and becomes just merely an ordinary domesticated animal bereft of all initiative and freedom. That is just exactly the devilish plan prepared for you. Wake up before it is too late, and realise how helpless and impotent you will become if you grant the Government this right to control all your domestic affairs. Judge the Federal Government by its actions as shown above and refuse to give it any further power over your lives.

POLICY BEHIND REFERENDUM

In a statement published by the Democratic Freedom Union in New South Wales, Professor F. A. Bland makes the following pertinent comment on the referendum proposals: —

For the third time within four years the Federal Labour Government is asking the people for additional powers. Twice the people have rejected the request. The present proposal is a cunning appeal to individual selfishness, and

Today, the so-called moderates in the Government have thrown off the mask of moderation, and have declared that they stand unreservedly for the 1921 socialisation plans of the Labour Party.

The 1947 legislation for the socialisation of banking removed any lingering doubts that anyone might have had about the objectives of the Party. But even the banking legislation is insufficient to attain the socialisation objectives unless the Government also has power to control prices, rents, profits, and charges of every kind.

Given those powers, the Chifley Government will be able to exercise a detailed and inquisitorial control over all the activities of every individual in the Commonwealth.

That means that it will be in a position to dictate every aspect of our way of life.

If, therefore, we wish to regain our liberties which we pawned to help the Government win the war, and if we wish to be free to choose our own way of life, we must throw all our energies into defeating this new effort to substitute socialisation for individual enterprise.

LOCAL GOVERNMENT

"The habit of local self-government is the best training for democratic government in a nation. Practice is needed to vivify knowledge."

—Lord Bryce in *Modern Democracies*.

a cloak over the real purpose of the Chifley Government in asking for these new powers.

The referendum cannot be taken at its face value.

It must be looked at in the light of previous attempts to get further powers, and especially in the light of the 1945 Banking legislation, and of the 1947 plans for the socialisation of Banking. Given power to control prices, rents, profits, and charges of every kind, in addition to the 1945 Banking powers, the Chifley Government will be in possession of all that was substantial in the powers sought in 1944 and 1946.

Viewed in this context, the present referendum proposals are quite as momentous as, and even more fateful for the future of the Australian people than were, the fourteen powers of referendum of 1944. Then they were still under the influence of war emotions, and might have been excused for failing to realise the actual designs of the Government.

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YOU NEED EARTHWORMS FOR A HEALTHY SOIL

One of the major requirements in a healthy soil is a plentiful supply of earthworms, and there is now available abundant evidence that earthworms disappear in soils treated with chemical fertiliser while thriving in soils rich in humus.

The following is a Canadian item:
"SOILUTION

"Or Domesticated Earthworms

"This lowly form of animal life is one of man's best friends. Down the ages of history, where man has found fertile land, a great deal of it is due to the earthworm. The black loamy Manitoba soil is very largely the work of this fellow, likewise, the fertility of Iowa, Kentucky, and the Nile Valley.

"Since the time of Darwin, the worm's place in man's growth of foodstuffs has been extensively studied to find his value to agriculture. Leading agriculturists throughout the world have conclusively proved the valuable effect of a large earthworm population on the fertility of the land. Prof. Heiberg, of the New York College of Forestry, states . . . "If your soil is suitable there may be one million to two and a half million worms per acre, weighing 1,400/b.

"Investigations carried on by the British Government in the Valley of the White Nile indicate that the great fertility of this valley is due in a large part to the work of earthworms. *Observations recorded that the casts of earthworms on these soils during six months active growing season amounts to 119.79 tons per acre.* Imagine this being spread over your farm or garden and the result you would get in the growth and crop."

In his book, *The Earthmaster System*, Dr. Thomas J. Barrett deals with the increase in crop yields as the result of earthworm activities.

Dr. E. W. Hilgard writes in his book *Soils*:

"Wolney has shown by direct experimental culture in boxes, with and without earthworms, surprising differences between the cultural results obtained. . . . In Wolney's experiments, the ratio of higher production in the presence of worms varied all the way from 2.6 per cent, in the case of oats, 63.9 percent, in that of rye, 135.9 percent, in that of potatoes, 140 percent, in vetch, and 300 percent, in that of the field pea, to 733 percent in the case of rape."

There is no doubt that earthworms thrive and multiply in soils rich in humus. This is a matter of common observation, although with the increasing use of chemical fertilisers and chemical sprays, the earthworm is being killed out. In his book, *Soil Conditions and*

Plant Growth, Sir E. J. Russell writes that in soil in which there was no organic manure about 13,000 earthworms per acre were found, while over 1,000,000 were counted in an acre in which liberal supplies of animal manure had been applied.

One of the most extensively used chemical fertilisers is ammonium sulphate. This fertiliser is particularly harmful to the earthworm. The following is from the *American Farmer's Bulletin* No. 1569:

"The results of three years' application of ammonium sulphate to sod on the experimental farm of the Department of Agriculture at Arlington, Va., for fertilising purposes, have shown incidentally that earthworms were eliminated from the plots where this chemical was used. When applied to soils which are naturally neutral or slightly acid in character, this fertiliser creates a strong acid condition that is distasteful to the worms and they disappear."

Experiments at the Research Laboratory at Dornach, Switzerland, showed that soils fertilised with artificial chemicals were rejected by the earthworms in favour of soils treated with organic manures. It was also shown that the

THE NEW TIMES AND THE SOIL QUESTION

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earthworm preferred soil treated with composts in preference to soil not treated with anything.

It has been proved that all insect sprays containing lead, arsenic, copper, lime-sulphurs, and tar oils will kill earthworms. It is not surprising that there are so few earthworms in most orchards today.

The Public Memory

"Modern education, press, and propaganda have almost eradicated memory. If the public memory could last ten years, few Ministers would hold office twice. If the public memory could last six weeks, how many newspapers would be read for the accuracy of their news or the consistency of their opinions? So, to the world at large, history begins with the repeal of the Corn Laws, and tradition goes no further than the silent screen; the countryside reeks of serfdom, and the patient servant of the soil is a picturesque survival waiting finally to be swept away by the mechanised collective farm."

—Viscount Lynton in *Alternative to Death*.

THE ABUSE OF ORGANISATION

"It is one of the consequences of the obscure and uncomprehended state of helplessness to which the individual has been reduced by prevalent conditions that most people, when they think about putting into practice any idealistic conception, think of the problem in terms of organisation.

"People even speak seriously of the 'organisation of prosperity,' as if prosperity were something reducible to formulae, and as if all would be well if only the right organisation could be brought about. That is bad enough, but it becomes worse when the bringing about of the right organisation is not distinguished from the imposition by some kind of authority of a sufficient degree of organisation.

"The worship of organisation has gained such strength that it has among its adherents a large number of comparatively intelligent or at least intellectual people. Its chief advocates often exhibit a conscious intellectual superiority, which is evidence of nothing more than their own lack of humility. It is impossible for anyone seriously to regard organisation, planning, and the like as the proper foundation for human society unless in his heart he despises the mass of mankind."

—Lord Northbourne in *Look to the Land*.

"New Times," April 9, 1948 — Page 11

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S.A. Rent Control

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cently from the secretary to the Premier
of South Australia:

"Immediately war broke out, the
South Australian Government introduced
legislation to control rents, and this has
been in operation during and since the
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satisfactory, and no Commonwealth rent
control was exercised in this State dur-
ing or since the war.

"There is also a Fair Prices Act on the
Statute book of South Australia entitled
Fair Prices Act, 1924-1935."

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Publishing Co., 95 Brunswick St., Fitzroy,
for New Times Ltd., McEwan House, Mel-
bourne, on whose authority these articles
appear.

Communism In Melb. University

After Mr. F. L. Edmunds, M.L.A., recently caused a stir at the Melbourne University by naming several of the lecturers at that institution as being pro-Communist, there was an official statement issued on behalf of the University by Mr. Medley, who claimed that he had the greatest confidence in the lecturers.

One of those mentioned by Mr. Edmunds was Mr. J. F. Cairns, lecturer on economic history. The Sydney Bulletin of April 9, 1947, reports this gentleman as making a "sweeping attack" on all critics of Russia and Communists, and as asking the question: "Is there any acceptable evidence that Communists are acting as agents for the U.S.S.R.?" Apparently there was plenty of acceptable evidence in Canada, when Communists were convicted for treasonable activities.

The Melbourne Communist *Guardian* of August 8, 1947, also contains a very interesting report in which Mr. Cairns is mentioned. He is quoted as having spoken at a meeting convened by the Communist-sponsored Australia-Indonesia Association.

Yes, there is no doubt that there must be some very interesting economic "history" taught at the Melbourne University. It is similar to the brand peddled by Brian Fitzpatrick, another Leftist associated with the University.

Trade Unionists Please Note

Within the capitalist economy the Trade Union and the employer can fight out their battles with the State as referee, but, when the State—or some gentlemen calling themselves the State—are themselves the employers, it is far from certain what action against them Trade Unions will be allowed to take.

Wherever Socialist experiments have been tried, as in Russia and Germany, the first action of the Socialists has been to smash free Trade Unions.

"A trade union policy of the working class is a bourgeois policy of the working class," said Lenin with his customary habit of calling a spade a spade.

—Christopher Hollis, British M.P., in his book. *The Rise and Fall of the Ex-Socialist Government.*

HOW TO VOTE NO
Place the number 1 in the
square opposite the word
NO on the ballot paper, and
the number 2 in the square
opposite the word **YES.**

Restriction of Production

Labour politicians are very reluctant to admit that Price Control is seriously holding up production. But here is what the Labour Member for Riverina, Mr. J. Langtry, had to say at Canberra on June 19, 1946 (there was no suggestion of a Prices Referendum then!):

"Is the Minister representing the Minister representing the Minister for Supply and Shipping aware that Aladdin' lamp parts are practically unobtainable? Consequently there is a big demand for size B lamp glasses, which are in short supply. I am told that the supply is short BECAUSE THE PRICES COMMISSIONER HAS FIXED A PRICE AT WHICH THE MANUFACTURERS CANNOT SUPPLY THE GLASSES. Will the Minister have inquiries made with a view to ensuring a supply equal to the demand?"

Mr. Dedman: "This matter is related to the administration of the Minister for Supply and Shipping, but it also affects prices control under the Minister for Trade and Customs. I shall direct the attention of both Ministers to the matter raised by the honourable gentleman, and ask them to confer to see if something can be done to ease the shortage."

THE FEDERAL SYSTEM

Another profound statement by the wise Lord Acton:

"Of all checks on democracy, federation has been the most efficacious and the most congenial. . . . the federal system limits and restrains the sovereign power by dividing it, and by assigning to Government only certain definite rights. It is the only method of curbing not only the majority but the power of the whole people."

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[Regd.]

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