



# ON TARGET

- NEWS HIGHLIGHTS
- BACKGROUND INFORMATION
- COMMONWEALTH AFFAIRS

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*The price of Freedom is eternal vigilance—*

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Thought for the Week: "Another (campaign) problem was the \$205,000 loan made to Richard Nixon's mother, Hannah, in 1951, by the Hughes Tool Company. Every time the subject was brought up, Nixon would say how happy he was that someone had asked him that question. You can imagine how happy he was. Nixon always prefaces his 'answer' to a tough question by telling you how ecstatic he is that you are trying to nail him. Next, he says that he wants to make himself 'perfectly clear', and then you know the double-talk is about to begin - but it will be the most sincere double-talk you have ever heard. -- Gary Allen, in "Richard Nixon : The Man Behind the Mask."

DRIVE TO DESTROY CONCEPT OF COMMONWEALTH STEPS UP: In spite of the lip-service which has been given by the Prime Minister, and other prominent figures in the "Labor" Party to the concept of the Commonwealth, there are real grounds for believing that such is not the real intention at all. Mr. Whitlam and Senator Murphy could not conceal their frantic haste to urge Britain to enact legislation which would break all Constitutional links between Britain and Australia: the publicised point which has emerged is the right of Appeal to the Privy Council.

Some points of Appeal have already been whittled away; this was done under the previous Liberal-Country Party coalition Government, but, for example, the States still have this right of Appeal. The Canberra socialists are burning with eagerness to have this right nullified, lest their projected socialistic legislation to still further centralise political and economic power at Canberra runs the risk of invalidation by Appeal to the Privy Council by the States.

To their credit some State Premiers have pointed out that the Canberra socialists are "steamrolling" them: this measure should not have been embarked upon without prior consultation with the States; especially as the Commonwealth-States Constitutional Conferences are now imminent. A little formality such as this would not worry such idealogues (another 'in' word) as Mr. Whitlam and Senator Murphy.

Now our attention has been drawn to a circular which has been distributed to Commonwealth Public Servants in Melbourne, and, we assume, to all Commonwealth Public Servants, which advises that all Commonwealth Offices are now to be renamed Australian Government Centres. The word "Commonwealth" is now officially dropped. This "advice" proceeded from the Department of the Interior now renamed Department of Services and Property: the new Minister is Mr. Frederick Michael Daly.

It would be interesting and informative to know just how and why this "advice" was issued by this Department. Whatever the double-talk which may be issued by the Socialists (we have seen no mention of this most significant move in the organs of our mass media; which, as we all know,

blaze with democratic fire) the real and obvious reason is the ideologically inspired attack on the concept of Commonwealth, as a precursor to the attacks to be stepped up against our whole British Heritage; Flag, Crown, Anthem, Constitution. The Australian Heritage Society, a Division of the Australian League of Rights, is now leading the field in a full-scale campaign to expose the origins of the attacks upon our British Heritage, and also to disseminate knowledge and appreciation of the real significance of the fruits of this same Heritage; Flag, Crown etc.

MR. BJELKE-PETERSEN FIRES A BROADSIDE: "Mr. Johannes Bjelke-Petersen admitted yesterday that when he wakes up in the morning on his farm near Queensland's peanut capital of Kingaroy nowadays, he wonders 'is this still Australia?'"

-- The Australian, May 7th.

Mr. Bjelke-Petersen says that he cannot understand why Mr. Whitlam wants to abolish the Privy Council and make the Queen no longer Defender of the Faith. Be this as it may, League of Rights supporters are not obstructed by any lack of understanding as to the real intentions of the leaders of the new Canberra Government.

The Queensland Premier is to leave very shortly for a tour of Britain, Western Europe, and the U.S.A., where he intends to "counteract the false image of Australia caused by the Federal Labor Government". This provoked a sharp response from Mr. Tom Burns, Federal President of the A.L.P., who said that he would write to Labor leaders throughout Europe, Asia, and the U.S.A. to inform them that Mr. Bjelke-Petersen has no right to do so.

Mr. Bjelke-Petersen told the Press at Sydney Airport that Mr. Whitlam had ridden roughshod over the rights of the States; had cost Queensland many millions of dollars by his decision on devaluation. The rights of the States were being assailed in the areas of off-shore controls, Aborigines, abolition of Appeal to the Privy Council, breaking of ties with the Motherland; the cooling of relations with the U.S.A., and embracing friendships with communist countries. Mr. Bjelke-Petersen made the sharp observation that Mr. Whitlam "didn't win a whole lot of referendums; he only won the elections". Australian League of Rights supporters will be pleased to give full support to the Queensland Premier in those areas of policy which coincide with the Objectives of the League.

SHOCK-WAVE OF INFLATION BLASTING TOWARDS AUSTRALIAN ECONOMY: "The Deputy Leader of the Australian Country Party, Mr. Sinclair, claimed yesterday that Australia faced its greatest bout of inflation in history."

-- The Australian, May 5th.

We predicted in these pages at the time of the Snedden Budget last year (August) that the deficit of some sixty million dollars would lead to a burst of inflation. Since that time the socialist "Labor" Government has assumed office, and the spending spree has continued: some observers have placed the deficit at almost double that of Mr. Snedden's 1972 Budget. Under the rules of the Money Game, deficit budgets are highly inflationary, and it is all too obvious that Mr. Whitlam and Mr. Crean and others, understand this.

Dr. Jim Cairns, the Minister for Overseas Trade and Secondary Industry, has already stated that the new Government will be unable to implement all its Election promises. Mr. Crean, the Treasurer, wasted no time in closing tax loopholes; e.g. the life insurance tax deduction dodge, which he said was costing the Commonwealth millions each year. The Collins St. farmers are coming in for their share of Treasury attention and the mining shareholders are to lose their tax concessions.

It is almost certain that the Government is to clamp down on every avenue of tax concession

that is politically possible at the present time in order to stave off the inevitable taxation increases which will hit hard at the small to medium salary earners, presumably the basis of A.L.P. electoral support. With the absolutely vital Senate Elections looming into view, and the possibility of a Double Dissolution in the balance; it goes without saying that Canberra is more than keen to avoid taxation increases on personal income, cigarettes, spirits, etc. in the August Budget this year. This is the explanation for the current "attack" on taxation concessions by Mr. Crean, and his colleagues, which overall are enjoyed by the higher income earners in the community.

A typical example of the erosive social aspects of inflation is given in a remark by the Minister of Labour, Mr. Clyde Cameron:- "the Government should attack price rises, not wage rises."

We are fearful that Mr. Cameron has negligible understanding of the realities of finance-economics as evidence by his statements:- "By discouraging price increases we automatically discourage employers from granting increases in wages and salaries, since they cannot easily pass them on in prices."

We might ask the question - what is Mr. Hawke doing whilst Mr. Cameron thinks he is discouraging employers from granting increases in wages and salaries? Mr. Hawke, and the union leaders are pressing hard, all the time, for higher wages and salaries, to keep up with inflation. These are passed on by the manufacturer into prices: there is a sharp limit to the wage increases which can be absorbed by the manufacturer.

Mr. Cameron also said:- "Also, by persuading employees that price rises will not accelerate indefinitely, a prices policy may restrain claims for large increases."

Mr. Cameron is a more optimistic man than we had imagined - we would not dare to assert that price rises will not accelerate indefinitely; rather the reverse. Under the orthodox rules of finance-economics we assert that prices will accelerate indefinitely; that is, until the finance-economic systems of the West collapse. Inflation is "built in" to the orthodox finance-economic system, and its rate is accelerating with time. Even such an orthodox economist of repute as Professor Paul Samuelson, recently in Australia, is in agreement with this contention, which also happens to be a fact.

"In other words", continues Mr. Cameron, "any action which restrains price increases, restrains wage and salary increases." This is correct as far as it goes; the difficulty is, as pointed out, that the rate of inflation will continue to accelerate. Deflationary policies, the "standard" treatment, will "curb" it for a time, with the "side-effect" of mounting unemployment, as evidenced by Mr. Snedden's 1971 "rough" Budget, a principal cause of the electoral defeat of the McMahon-Anthony coalition Government in December 1972.

There is one effect of the wages-prices friction which is fastening itself on industry, and that is the growth of automation: Mr. Cameron possibly hasn't considered this. The hundreds upon hundreds of manufacturing enterprises of all sizes, which are installing automated machinery are doing so for one reason only: to slash costs; especially wages costs. There is some priceless garbage bandied about that "automation will make work"; but common sense should convince any intelligent person that managements of industry do not install expensive machinery with the view to "making work" for the manufacturers of automated machinery. The whole purpose of automation is to replace labour; and if one new factory turning out a particular type of automated machine employs one hundred skilled and semi-skilled people, one can be sure that these machines will replace

several thousand semi-skilled and unskilled workers.

Mr. Cameron then asserts that "a prices policy effectually becomes an incomes policy". It doesn't, because the prices policy doesn't work; it hasn't worked anywhere; and it won't work; in the orthodox framework of finance-economics.

We, unfortunately, have to endorse the prediction of Mr. Sinclair, that Australia faces its greatest bout of inflation in history; and it will buffet the Australian economy towards the close of this year. We are also apprehensive that this shock-wave of inflation could precede an economic collapse, which could be suffered by all Western nations.

CANBERRA KNOWS BEST: "Neither Papua New Guinea nor Victoria is far enough away from our national capital to escape the spreading dogma that 'Canberra knows best'."

-- Editorial, The Age, (Melbourne) May 4th.

The wrangle over the national airline for Papua New Guinea is symptomatic of the dread miasma of ideology (Fabian) which penetrates most "Labor" Government thinking. "The Age" rightly points out that the Canberra Socialists are so hell-bent on "shedding a colonial image", according to ideology, that the reality, that of helping Papua New Guinea get the best airline to fill its needs, takes second place.

We have no especial brief for Ansett's enterprises or any other enterprises; but the facts are that this enterprise has had long and great experience under the peculiar flying conditions in this part of the globe. This, apparently, is recognized by Mr. Somare, the Chief Minister of Papua New Guinea, who charges the Federal Civil Aviation Minister, Mr. Jones, of approaching talks with him "with a closed mind": a mind closed by ideology. Mr. Somare is quite agreeable to allow Ansett enterprises a 24% share in the projected new P.N.G. airline.

This same attitude now extends to the issue of the fourth University in Victoria. The Victorian education authorities have plans for a decentralised type of structure - with branches at three provincial centres in Victoria: Geelong, Ballarat and Bendigo. This move will be popular with most Victorians, as it will provide proper tertiary educational facilities for young men and women who live in or near these three large provincial centres.

But our centralist socialists at Canberra will have none of this decentralization (we haven't heard any protests as yet from the Victorian Minister for Decentralization, Mr. Murray Byrne) and are pushing hard for the fourth Victorian university to be placed just more or less "up the road" from Melbourne's Monash University. The Age's comment is quite apt on this occasion:- "True independence for P.N.G. must include autonomy of decision in the vital transport area. Victorians must be left to decide how and where their children are to be educated."

BASIC FUND: In order to conclude the Basic Fund appeal for \$25,000 as quickly as possible, a young South Australian supporter has made an inspiring financial offer to donate \$1.00 for every \$2.00 donated by other supporters towards approximately the \$1000 now required to fill the Fund. This means that he will donate approx. \$330. Now is the time for all those who have not contributed to the Fund to take up this inspiring challenge.

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