



ON TARGET

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The price of Freedom is eternal vigilance—

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Thought for the Week: "Free men can vote themselves into slavery, but slaves cannot vote themselves free".
- Dr. J. R. Hunter.

THE FEDERAL OPPOSITION'S NEW FEDERALISM: "The new Opposition federalism policy, particularly the promise to allow each state to levy an income-tax surcharge or grant tax rebates, is certainly a radical departure. It would end uniform taxation, introduced as an emergency during World War 2 and since returned by both Liberal and Labor governments".

- Canberra correspondent Laurie Oakes in The Sun Melbourne, September 27th.

Australians opposed to the progressive centralisation of all power at Canberra will welcome the view expressed by Opposition leader Malcolm Fraser in announcing the Federal Opposition's new policy on federalism. Mr. Fraser said the policy was "tangible evidence of the Opposition's emphatic rejection of the centralist policies of the Federal Government. We want a policy based on financial-independence - not on financial subservience".

Mr. Fraser's expressed intentions are, in general, an indication that the Opposition may genuinely wish to re-generate the Federal system. The underlying principle of the Opposition's policy is that the States would receive a percentage of income tax revenue based on the revenue grants they now get from the Federal Government, this hopefully ending the perpetual wrangle between the States and Canberra over tax revenues. The proposed new policy also includes Local Government.

But, if Mr. Fraser's intentions are to be fulfilled, some fundamental realities will have to be faced by Mr. Fraser and his colleagues when they come to office. These realities are highlighted by Mr. Fraser's claim that the type of taxing system he advocates has "worked well for the past ten years in Canada" and has given that country's Provinces "much more independence and ended their subservience to the Federal Government". As our Canadian readers know only too well, Mr. Fraser has been badly advised about the situation in Canada. Provincial and Local Government debt and taxation continue to escalate. And the latest available inflation figures for all industrialised nations show that Canada is among the nine nations which experienced big inflation jumps for the year ending July 31. No effective programme of de-centralisation is possible in the face of continuing inflation. Every informed Fabian Socialist knows this and will probably be smiling to himself about Mr. Fraser's intentions.

Even though the States levied their own income tax before the Second World War, giving them a degree of sovereignty and flexibility they lost with the introduction of Uniform Taxation, they were unable to defend themselves against the policy of centralised financial control imposed by Canberra. As the

Attorney-General of the day, a man called R. G. Menzies, said after the Financial Agreement was made, the Loan Council had become the real Government of Australia.

As Mr. Fraser has also committed himself to personal income tax indexation, this would mean that with the States receiving a fixed share of an indexed personal tax, the growth revenue from that source would be less than under the present formula. And with continuing inflation adding to the States' financial costs, there would be greater friction between the Federal and States than there is now. Which brings us to the central problem which Mr. Fraser must solve if he is to be successful in reversing the centralisation of power: he must first reverse inflation. If he cannot, or will not, deal constructively with this question, he is doomed to preside over upheavals such that Australians have never seen. This would not only be a tragedy for Mr. Fraser, who has come out boldly on the side of freedom of choice for the individual, but also for a nation which is better situated than most to show a desperately sick non-Communist world the path to health and resistance against the Marxist disease.

DON MARTIN FOR SOUTH AUSTRALIAN DINNER AND SEMINAR

All South Australian supporters are requested to make every effort to participate in the League of Rights' Annual State Seminar, Dinner and Action Conference. Visiting British lecturer, Mr. Don Martin, will be the guest of honour at the Annual Dinner on Saturday evening, October 18th, where he will deliver a special message to guests. Mr. Martin will also be one of the speakers at the League Annual Seminar, the theme being "Centralism versus Responsible Government". Mr. Eric Butler will also present a Paper at the Seminar and speak at the Dinner.

The Seminar will be held at Room 4, Y.M.C.A., 76 Flinders Street, Adelaide, starting at 1.30 p.m. The theme concerns the most important issue before Australians today. The charge is \$2.00

It is the duty of all supporters to be present with their families and friends at the Annual State Dinner. There will be an excellent Dinner served in the perfect atmosphere for this important function. Bookings should be made immediately to Mr. Frank Bawden, Box 1297, G.P.O. Adelaide. Charge: \$7.00

The Annual Action Conference will be held on Sunday, October 19th, from 10.30 a.m. to 4 p.m. also at Room 4, Y.M.C.A. This Conference will be concerned with the major expansion programme now under way in South Australia.

A FURTHER COMMENT ON THE WORKERS' PARTY: by Eric D. Butler

I have received a letter from Mr. John Stoker, Secretary of the Workers' Party, "Victorian Operations", claiming that there are fundamental differences between the Workers' Party and those I described as "non-Socialist" in my comment in On Target on September 12th,. The letter merely confirms my major points: that the Workers' Party demonstrates an appalling ignorance of the realities of the finance-economic system; and is a victim of self-deception by claiming that the highly desirable objective of Limited Government can be obtained through the formation of yet another political party.

Mr. Stoker states that "The Workers' Party is the only party without the doctrine that Government does

its best" (Mr. Stoker's emphasis). If Mr. Stoker will obtain a copy of the original principles upon which the Liberal Party was founded, he will find that the founders of the Liberal Party also said that they believed in Limited Government. At the 1949 Federal Elections, the Liberal Party specifically promised to "reduce the burden of Government". Many of my Liberal Party friends were very sincere about this. But, unable to "put the shillings back into the pound", the Menzies-Fadden Government did the opposite of what they promised. I am reasonably certain that Liberal Party leader Mr. Malcolm Fraser, who, like some Workers Party supporters, has been influenced by Ayn Rand, is sincere when he claims that he also proposes to reduce the burden of Government. But I am as certain as the sunrise that in the absence of a change of the finance-economic policies which cause inflation, Mr. Fraser's Government will not be able to reverse the process of centralisation. The necessary change of finance-economic policy will only be implemented when sufficient electors unite to support politicians, irrespective of their labels, who will tackle the problem.

Mr. Stoker writes: "You are correct in that the Australian dollar (in theory only, however) be based on it's productive capacity. By Australia's productive capacity I am assuming you mean extra dollars in production for extra goods produced. You will note I hope that many extra dollars are in circulation, with a reduction in the number of goods being produced". (Mr. Stoker's emphasis).

The dollar, or any other type of monetary symbol, has no productive capacity of itself. We are often exhorted to "put your money to work", but this is at best a figure of speech which is most misleading. Monetary symbols can no more work than can the symbol H2O make water.

Australia's real credit, its productive capacity, is based broadly upon three major factors: Basic capital in the form of soil, minerals, water, solar energy, etc.; the cultural heritage, in essence the vast knowledge of how to apply natural law truths to the use of basic capital, together with inherited capital equipment; and the division of labor. Money in the form of financial credit is issued for the purpose of drawing upon the community's real credit.

The question of who owns the community credit, obviously an inheritance, how it should be used, and what financial rules are essential for the correct measurement of real costs of production, must be answered before inflation can be reversed and the growing totalitarian threat defeated. Those who genuinely desire to examine a precise but comprehensive explanation of basic finance-economic realities should read J. S. Malan's Natural Cost And The Ownership of Money, followed by the same author's Money - Fact And Fiction. (90 cents posted for the two). It would be an interesting exercise for representatives of the Workers' Party to take up Mr. Malan's invitation to all his readers, to point out any errors of fact in his exposition.

But even if a group of politicians, irrespective of their party, could be elected with some understanding of the basic finance-economic (some present MPs already have understanding in a general way) they would find it extremely difficult to move against the centralised power structure, in which many Socialists and other power-lusters are deeply imbedded, without the backing of a united and determined electorate. The League of Rights must therefore continue to dedicate itself to the task of encouraging the development of such a united electorate. No political party as such can do this, whatever its merits may be, and irrespective of the excellence of individuals in that party.

MORE REVELATIONS ON BEEF INDUSTRY: Consumers in the Soviet Union not only benefitted from a

Price Discount on Beef - paid for by Australian Cattlemen themselves - but the conditions surrounding payment are almost past belief. Firstly, the pittance for which the Communists are liable is subject to the arrival of the meat in the Soviet Union in good condition. The Russians will provide their own inspectors! Secondly, the original sale agreement included a clause which ensured that, in the event of any shortfall in the supply of the meat on Australia's part, the Soviet Union would purchase the meat elsewhere, and send the bill for any price differential to Australia! Due to stoppages in the Meat Works in Victoria, there has been a shortfall of 5,000 tonnes, for which Australia - or Australian cattlemen at any rate - will no doubt receive a sizeable bill.

Mr. Don Martin, the National Director of the British League of Rights, has revealed at a number of his recent Australian public meetings, that quality beef is an almost unknown luxury in the United Kingdom. The Queensland Country Life (September 18th) carried the remarks of a Moree stud breeder, Mr. Richard Morgan-Jones said that steak was \$3.00 per lb. in Britain. He told people in England that "if Australia could get only half that, cattlemen would have a living, and people in Britain would have their food at half the present cost". As Mr. Morgan-Jones was judging at two of Britain's top agricultural shows, he had plenty of opportunity to get his commonsense views across. He went on: "The average person in Britain would far sooner deal with Australia than with Common Market countries".

What stands between the Australian Beef Producer and the British Market? The answer is that nothing stands in between save a group of politicians who have so far successfully wrecked the old Commonwealth Trade Preferences which did much to ensure peaceful and mutually beneficial trade between countries in the English speaking world. Those trade preferences were wrecked in an attempt to impose global 'regionalism' on the Western world as a prelude to global world government. In Britain's case, the E.E.C. was the region in which she was to "pool" her sovereignty, and in Australia's case, a S.E. Asian Region was and is the artificial concept to be imposed.

The only hope for Australia's beef producers is to force their industry leaders to by-pass the politicians whether in Britain or Australia. They should go straight to the consumer - whether in Australia or overseas. Could the British housewife but receive the news that Cattle are being slaughtered on properties in Australia for lack of a market, Mr. Harold Wilson would receive short-shrift!

Typical of the ostrich-like attitude of politicians is the recent advocacy of the Queensland Minister for Primary Industries, Mr. Vic. Sullivan, of a Consumer Tax to help the producer. The only way this could help the producer would be in reducing the size of the already inadequate market for beef. Mr. Sullivan was one of those who paid lip service to the Petersen Plan in the Queensland elections last December. Another was Mr. Bob Katter Jnr. State member for Flinders, who was quoted in The Queensland Country Life (18/9/75) as seeking an increase in the price of beef of 15 cents a lb. Mr. Katter said: "It is logical to assume that an increase of 15¢ would decrease consumption no more than 30 percent". Apart from reducing beef consumption in Australia, the proposal to force Australian consumers to pay a higher price for beef could only result in yet another impetus to soaring inflation, thus playing into the hands of the Marxists who are exploiting inflation and associated problems to wreck Australian society.

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