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The price of Freedom is eternal vigilance—

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Thought for the Week: "Truly, I say to you, unless you turn and become like children, you will never enter the kingdom of heaven. Whoever humbles himself like this child, he is the greatest in the kingdom of heaven." - The Gospel of St. Matthew, Ch. 18 v.3-4

FRASER GOVERNMENT ERODES FAITH: Regular readers of this news-commentary will not need to be told of the material impact of the Fraser Government's Mini-Budget - the inflation rate, interest rates and unemployment will all move upwards; but much more damaging is the further erosion of the electors' faith in the credibility of their politicians. The credibility question goes beyond business organisations, for example, now expressing the view that the Government's budget estimates can no longer be trusted. The basic credibility issue is whether the promises of politicians can be accepted. In view of his long record of broken promises, Mr. Fraser has no reason for complaint when his political opponents remind him of the statement he made in the Commonwealth Parliament on November 11, 1975, when he charged the Whitlam Government with having been dishonest. Mr. Fraser said, "There is no excuse for not telling the truth, the truth and the whole truth, in the Parliament. There should be no place for verbal trickery in this Parliament." And yet the same Mr. Fraser last week, in a desperate attempt to defend a Mini-Budget which broke firm pre-election promises, attempted to resort to the same type of "verbal trickery" used by Mr. Gough Whitlam. Those listening to the Parliamentary broadcasts could not help but notice that Mr. Fraser was most uncomfortable as he blustered and attempted to avoid a series of questions concerning broken promises.

Aided by Federal Treasurer John Howard, Mr. Fraser has attempted to elevate the breaking of promises into a new type of political virtue. Ever since Mr. Fraser was forced to admit that his firm pre-election predictions about unemployment being steadily reduced had been proved wrong, he has been engaged in a psychological

campaign designed to convince electors that broken promises were made in "good faith" and that unforeseen events have made it impractical to keep these promises. Mr. Fraser is attempting a type of manly frankness, as witnessed by his statement, "we excuse nothing...what we said was in good faith... if there is a cross to bear we will bear it", in conjunction with irrelevant attacks on what the Labor Government did over four years ago. Mr. Fraser promised before the 1975 Federal elections that within his first three-year term his Government would correct all the major problems of the nation. At the end of 1977 he held an early election on the theme that he wanted a renewed mandate to continue with a "strategy" which was allegedly overcoming the depressed state of the economy. We pointed out that there was not one iota of evidence to support Mr. Fraser's contentions. He managed to have his Government re-elected, primarily because of the deep-seated fear of another Whitlam Government, but also with many trusting electors who were "conned" into believing that perhaps there might be some evidence of general improvement, and that Mr. Fraser should be given adequate time to prove that he could fulfil his promises. But Mr. Fraser now stands revealed as a man who either is hopelessly incompetent concerning finance-economic realities, or as a devious politician prepared to resort to every type of "verbal trickery" in order to hold on to power. Whatever the truth, the performance of the Fraser Government has increased the cynicism of large numbers of Australians, not only about politicians, but also about the parliamentary system. Erosion of faith in the nation's traditional system of representative government is the most serious aspect of what is happening. Such erosion prepares the way for the acceptance of "strong government". As the Roman Civilisation was disintegrating, the desperate Roman citizens called for a Caesar. Mr. Fraser is helping to prepare the Australian people for the acceptance of an International Caesar in the form of the New International Economic Order.

What is urgently required in Australia, and other countries of what is called the free world, is a manifestation of that type of integrity found in children before they are subjected to the brainwashing known as "education". Mr. Fraser and his colleagues would serve Australia, and themselves, if they could bring themselves to admit with proper humility that their policies have been a failure, and that they have not been able to keep their promises because of those policies. If Mr. Fraser and his colleagues cannot bring themselves to "become like children" they they can only preside over increasing convulsions. Australian electors must unite immediately and make it clear to their individual Members of Parliament, especially Government Members, that they require a reversal of the policy of high taxation. Such a reversal would be the first major step away from threatened disaster.

ANOTHER DEFICIT "BLOW OUT": If the subject of the Federal deficit were not so serious, Treasurer John Howard's explanation of how his projected budget deficit for the current financial year will exceed estimates by \$745 million, would be hilarious. The massive error last year was described as a "blow out". But Mr. Howard assured Australians that he would do better this year. Once again he has demonstrated that he and his Treasury "experts" could not be trusted to run even a tuck shop. Mr. Howard admits what a school boy could have told him: that by imposing massive tax increases on spirits and beer, sales would decline, resulting in less revenue than estimated by the "experts". The estimates announced at last year's Budget were also astray concerning unemployment. Company tax declined for the good reason that the economic recovery Mr. Howard and Mr. Fraser have long talked about, is not taking place. Mr. Howard complains about the loss of estimated revenue because of tax evasion. Does Mr. Howard really believe that taxpayers are going to sit down passively as he imposes greater tax burdens? That they are not going to use every possible device to defend themselves against the taxation monster?

It may be true that Mr. Howard has deliberately exaggerated the size of the mistake in the budget predictions, so that he can claim that a lesser mistake looks reasonably good. But as we have indicated in the past, all the evidence indicated that the deficit was going to be, once again, much greater than the Howard projection. If the August Budget is used to attempt to impose still greater tax imposts in a desperate attempt to reduce the deficit next financial year, we can predict with absolute certainty that the results will be greater disasters for the Australian people. If Mr. Howard would instruct the Reserve Bank to write credits instead of debts, and stop all the nonsense about deficits, he would establish himself as a sound Treasurer.

BRIEF COMMENTS: Mr. MacKellar, the Minister for Immigration, is talking some nonsense again: perhaps if we say - "repeating it" - our reference would not be as barbed; as we have heard this particular nonsense aired by others. The nonsense is the entry into Australia of immigrants with special skills will accelerate economic recovery. Mr. MacKellar, according to The Sun (Melbourne) May 22nd, says.....
...."new skills would ease problems caused by shortages, increase opportunities for workers, and increase demand for goods and services. This would then stimulate the economy." Hey Presto! MacKellar Magic. All the skilled artisans in the world won't make a scrap of difference to the stimulation of the economy if the MONEY is not available for the production of goods and services; except perhaps to force down the wages of skilled artisans, when there

would be "too many artisans chasing too few jobs". Only more purchasing power in the hands of consumers will stimulate the economy. There are several ways of doing this:-

- a. reduction of taxation
- b. higher wages (which of course will be passed straight into future prices)
- c. reduction of prices of goods and services through consumer subsidies.

The Government won't consider any of these measures, so the economy will not be stimulated in the foreseeable future. Furthermore, what, specifically, are these "shortages" mentioned by Mr. MacKellar.

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The Young Liberals have tossed a straw into the wind in their call for the Federal Parliamentary Liberal Party to jettison the National Party, and govern in their own right. Many Liberal Members at Canberra think the same way.

The recent Victorian State election gave solid evidence that the National Party is on the way out. All the "sound and fury" (signifying nothing!) surrounding the change in name (from Country Party), and hopefully image (unsuccessful) has been energy wastefully expended. There have been other irritations, such as Mr. Ian Sinclair's property investments, and Mr. Doug Anthony's confrontations with Sir Charles Court, Premier of Western Australia, on export marketing guidelines. Mr. Peter Nixon has not inspired great confidence in his negotiations in the field of air transport. Australia's domestic air fares, outrageously high, have only recently been pruned. Why could not this have been done before? The possible return of a Labor Government in Canberra in 1980 could see the beginning of the end for the National Party.

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Teddy Kennedy is still jockeying for position in the opening skirmishes for the 1980 Presidential Election campaign. We have reported in these pages recently that Kennedy is most likely the choice of the Eastern Establishment of the U.S.A. Teddy Kennedy has already criticised Jimmy Carter's energy policy - a shrewd tactic, as every American is vitally interested in petrol to run cars and heat homes.

There is reason to believe that Jimmy Carter, something of an unknown quantity, nationally, was the "choice" of the Eastern Establishment to water down Watergate, after Nixon's disgrace and the consequent damage to the status of the Presidency. A Southernor was required to give a change of image to the White House. Carter has served his purpose, and there is no doubt that Teddy Kennedy has powerful backers and the Kennedy mystique.