



ON TARGET

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The price of Freedom is eternal vigilance—

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Thought for the Week: Anybody who defends the legal existence of Communism in a democratic country is defending the legality of high treason. The Left-wing Labor defenders of Communism are the worst enemies of their countries, worse than the Communists themselves. These Left-wing defenders of Communism conceal all the facts about Lenin's teaching and claim that in a democratic country no political opinion must be suppressed. Their pretended love for pure democracy is bluff and fraud, for they were, and still are, ready to suppress by force the political opinion of anybody who, in their opinion, is or may be a fascist. But by defending Communism under the pretext of protecting democracy they are confusing masses of well-meaning people who would never listen to Communists, but are ready to accept the opinion of Left-wing defenders of Communism".

- V.L.Borin, ex Czech Communist leader, in How to Betray Your Country (1956)

A GENUINE USEFUL INNOCENT: Mr. Eric Butler reports from New Zealand:

Prime Minister Lange of New Zealand is that type of genuine liberal do-gooder who delights the Marxist totalitarians. There is no evidence to suggest that Mr. Lange has at any time been a Communist, but as a young lawyer he was refused a visa to the United States at a time when he was working for an Auckland law firm employed by the Communist Party. Although Mr. Lange says that he is not a pacifist, he also says that he has been greatly influenced by his close friend, the British pacifist Lord Soper. Mr. Lange has been a Methodist lay-preacher and his general attitude creates the impression of a naive man divorced from reality. Mr. Lange says he believes in defence for New Zealand, but presumably if the USA found it necessary to help with the defence of New Zealand, nuclear weapons would not be permitted.

Prime Minister Lange belongs to that group of people who believe that by declaring an area or a nation nuclear-free, this will ensure that there is no threat of any possible nuclear attacks.

Writing to one of the New Zealand papers, a lady said that she had declared her car to be accident free and had taken out no insurance, only to find that someone had ignored her declaration and had run into her car, badly damaging it. She felt this was extremely "unfair". The Marxist totalitarians are not impressed by appeals to fairness, which they regard as a manifestation of "capitalist decadence".

Needless to say, Prime Minister Lange is strongly opposed to "racism" and "discrimination". But one of his first foreign policy decisions was to have a New Zealand Embassy opened in India, which he regards as a great moral leader among the nations of the world. Mr. Lange conveniently overlooks that India has spent vast sums in an attempt to become a nuclear power and that there are constant violence and deaths in a nation which still imposes its inhuman caste system.

Now Prime Minister Lange is to seek closer links with five nations in "liberated" Africa. Mr. Lange is pleading with New Zealand Rugby officials not to make a final decision about visiting South Africa just yet. He would not like this decision to be made before his African safari which will not, of course, include South Africa. The South Africans are so evil they must be ostracised in every possible way. Mr. Lange is not prepared to go so far as to ban New Zealand Rugby players and spectators from visiting South Africa, but he is doing everything possible to prevent the proposed tour from going ahead. The moral Mr. Lange has even insisted that the New Zealand Government tourist bureau must not accept bookings for those wishing to follow the New Zealand Rugby team to South Africa.

In spite of the massive injections of foreign aid, with few exceptions, the whole of "liberated" Africa is sinking back into a new type of barbarism. There has been a widespread decline in food production with the withdrawal of European expertise and energy. But like an innocent abroad, Prime Minister Lange will believe all that he is told by the flamboyant but corrupt African leaders like Mugabe of Zimbabwe and Nyerere of Tanzania. There will be the usual attacks upon South Africa and almost certainly promises of generous New Zealand aid, at the expense of the hardpressed New Zealand taxpayers. It will be a major miracle if Mr. Lange has anything critical to say about the criminal activities of Africans like Comrade Mugabe of Zimbabwe, who hold innocent people in prison where they have been tortured.

The unrealism of Mr. Lange was graphically demonstrated when, following the Soviet's enthusiastic support for his government's anti-nuclear policy, he sent for the Soviet Ambassador in Wellington and, according to press reports, said that "My message to him was very simply that the policy of this country is not for consumption, endorsement, applause or whatever by the Soviet Union." No doubt the criminals of the Kremlin laughed into their vodkas as they read this

type of nonsense from Mr. Lange, possibly recalling Lenin's famous words about the great value of useful innocents to their strategy.

THE LOOMING BATTLE OVER TAXATION: Only sixteen weeks ago, Australians were being told they were lucky enough to live in "the fastest-growing economy in the world." Treasurer Keating was nominated "Treasurer-of-the-year" and the "top-of-the-political-pops" was the A.L.P.'s "Recovery".

Those who pointed to the real facts and figures were "prophets of doom". A few socio-economic psychologists suggested that warnings of caution might of themselves stunt the recovery.

It was all too reminiscent of those who claimed a few years ago that Enoch Powell's warnings of racial violence in Britain would create the very thing he was concerned about.

To take Australia's mind off the obvious fact that "the recovery" was simply an election mirage, the proposed tax summit in July is the next piece of theatre.

It is unlikely, however, that the Hawke Government will get its act together for a successful summit. The faction-fighting in the ALP is set to explode.

Despite orders to remain silent, the Social Security Minister in the Victorian Government, Mr. Howe, - a leading spokesman for the Left - has attacked the Hawke Government's proposals for a major shift from direct to indirect taxation. He also called for a Capital Gains Tax. The Left-wing and Union theory is that indirect taxation will shift the tax burden from high-income earners to the lower-income groups. They fail to realise that all taxes - whether direct or indirect - are loaded into the price structure which consumers have to pay. Taxes as a whole are a vital part of the cost-structure, and arguments about how to extract them are really immaterial. What is important - and wholly ignored by politicians - is the size of the total tax package, and the proportion of gross domestic product (GDP) annexed in the taxation process.

Even socialist theorists in earlier times warned that a tax package which took more than 25% of national income hampered economic growth and equity. Australia's three tiers of government between them are just on the 50% mark. Taxation is now totally destructive, and a Tax Summit which simply seeks to alter the method of extraction, without reducing the overall impact, will solve nothing.

Australia can expect little opposition from the Lib-Nats. Shadow Treasurer Howard has long been an advocate for a shift from direct to indirect taxation. So he really agrees with Hawke's proposals. They will probably stand united in opposition to the Left.

Editor Julian Cribb, writing in The National Farmer (Nov. 29 - Dec. 12, '85) summed it up well:

"In all the political lather and debate over the taxation system in Australia, there appears to have been one central factor which

has been largely overlooked - or ignored - by the politicians of all parties. They are arguing furiously among themselves about whether we should have income taxes, VAT, sales-tax increases, capital gains or capital taxes. They have obviously heeded one clear message from the electorate - that the Australian public is becoming fed up with taxation. But so far no single politician or party has had the courage or the integrity to address the real issue; that we should all pay less tax. At most they have promised (and what are promises worth during an election campaign, one wonders?) to restrain the rate of government growth. This is simply not the same as cutting it. A wise man once observed: "If governments make a bad law - even honest men will break it..."

So what do Australians currently pay? The following figures tell the story:

TAXATION PER HEAD	MAN	WOMAN	AND CHILD,	AUSTRALIA, 1985	(Direct and Indirect)
Commonwealth	\$3,800.00	
States	660.00	
Local Govt.	150.00	
				<u>\$4,610.00</u>	

This represents a total tax-bill of \$18,440 for the average Australian family of father, mother and two children.

The real question is whether the proposed Tax Summit will reduce this total figure or not? Anything else is political sleight-of-hand!

PREMIER WARNS ON RETAIL TAX: (David Thompson reports from W.A.): During his recent visit to Australia, Dr. Geoffrey Dobbs, of Wales, made the point that eventually the failure of orthodox policies would force an examination of other policies. Premier Brian Burke, although accepting the possibility of some form of capital gains tax, has started to apply the pressure to Messrs. Hawke and Keating. Mr. Burke warned that a retail tax of 10% would increase inflation and unemployment, have a "vivid" impact on demand and the level of economic activity, and cut the spending power of people on fixed incomes. Mr. Burke's most significant comment, as reported to The West Australian, was that the W.A. Government's submission to the Tax Summit would stress that the tax system should be simpler, fairer, without increasing overall tax collections.

BASIC FUND: The 1984-85 Basic Fund has now been filled. We do not have precise figures at this stage, and it may be a few days before we do have them. We can now go ahead with our projections for the immediate period ahead of us, unstable as it is. The National Director will comment upon the Basic Fund in On Target shortly. All donations above the \$50,000 will be allocated to the 1985-85 Basic Fund.

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