A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"A disturbing malaise has gripped the leading lights of world politics. 'Today we are living in the midst of a world-wide revolution,' former UN Secretary-General Boutros Boutros-Ghali hammers away in his addresses. 'The planet is in the grip of two vast opposing forces: globalisation and fragmentation.'*

"Boutros-Ghali adds with deep uncertainty: 'History reveals that those caught up in revolutionary change rarely understand its ultimate significance.'"

– ***"The Global Trap"*** by Hans-Peter Martin, 1997

THE IRON HAND IN THE GST GLOVE by Jeremy Lee:

Although millions of businesses still have to apply for an ABN number (D-Day is May 31st) the Australian Tax Office has already excluded 40,000 small businesses from eligibility for an ABN.

What sort of businesses might they be? They are those too small or diverse to fit easily into the nice, regulated mould required by the ATO, which wants quarterly assessments which it can 'profile' for the future. Thus at one stroke a host of little enterprises, perhaps selling toys from a home workshop, a few vegetables from a garden, items from a stall at a market, people who are retired but still doing a few things part time, will be cast into the outer darkness outside the glare of the GST searchlight.

Yes, they're Australians like the rest of us. They may have been carrying out their modest trade for decades. But they don't fit easily into 'computer-categorisation', or have, as the ATO so nicely puts it, a "track record"

The Australian Financial Review (22/3/2000) said:

"The Australian Tax Office has already excluded 40,000 businesses from registration for an Australian Business Number – thereby imposing a punitive 48.5 percent tax on all earnings – and plans to use the new compliance weapon to deregister entities that fail an 'enterprise test'.

"Another 200,000 new businesses will face intense scrutiny after July 1 because they were unable to demonstrate a track record before registration ..... the 40,000 businesses had been excluded because there was insufficient evidence they were carrying on an enterprise. They still had the option of

applying for an ABN and avoiding the penalty tax, but they would be subject to a detailed questioning about their activities ..... A new rule introduced under the Ralph reforms will deny company status to businesses that earn more than 80 percent of their incomes from one source ....'

Sounds like the Red Queen in Alice in Wonderland to us. The ATO will not only give each one the order to jump, but will measure how high. Woe betide you if you're not a high-jumper!

Meanwhile, the Australian Tax Office itself is being crippled by industrial action. The Community and Public Sector Union – which includes about two-thirds of the ATO's staff of 16,000 – is demanding a 5 percent wage increase. Apparently the Government doesn't know what to do. If they cave in to the wage increase, it will spread to all sectors of the Public Service. If they don't, they may be faced with crippling strikes that makes the lagging work for the GST totally impossible.

Naturally, our hearts are bleeding for the ATO!

GLOBAL TAX REFORM: Speaking of tax, Australia's Treasury is now looking at the virtues of global tax reform. ***The AFR*** (14/3/2000) reported:

"The threat to Australia's revenue base from e-commerce, transfer pricing and global capital flows has prompted the Federal Treasury to examine options for global tax reform .... The executive director of Treasury's economic group, Dr. Ken Henry, confirmed for the first time that Treasury is not opposed to radical taxes like the Tobin tax on global financial flows in response to the pressures of globalisation....."

The Tobin tax has already been endorsed by the Canadian Government. It is an idea for taxing transfers of finance anywhere, from one country to another.

The volatility of the trillion or so dollars washing round the world each day can wreck national economies, cause panics and generate recessions. It is ample proof that Dr. Mahathir was right. He simply imposed national controls in Malaysia, and stopped the rot. He was criticised by Prime Minister Howard for his actions, NOT because they were wrong, but because he made the decision on his own, instead of waiting for 'global consensus'. The big crime these days is personal initiative. The chances of Howard stepping one inch outside the bounds set by the international banks and the global corporations is less than Buckleys.

TASMANIA AGAINST GLOBALISM: Once again, Tasmania, Australia's smallest State, is taking a lone stand, which just may save the federal system. It is spitting in the face of the World Trade Organisation by saying it won't allow Canadian fish imports inside its borders. The Constitution gives Tasmania authority to do so. But another international treaty is set to strike the Constitution down. The matter will probably end up before the High Court, which has a poor record when it comes to such issues. By 4 to 3 in the Tasmanian Dams case, Section 100 of the Constitution was rendered meaningless.

Still, even High Courts have occasionally got it right. So Tasmania has a chance, which would be a big blow to the globalist Howard Government.

ANOTHER EXAMPLE OF CHEAP IMPORTS: We're as sick as our readers must be of hearing another story of Australian industries knocked over by cheap imports. Queensland's ***Courier-Mail*** (20/3/2000) reported:

"Queensland's heavy engineering companies are set to lose million-dollar contracts which could have provided more than 25,000 jobs because of cheap, low quality imports.

"Research by the State Government-subsidised industry Supplies Office also forecasts that more than 700 manufacturing workers will join the jobless queue by June, as imports replace local products in major projects. If the trend continues, Australia's steel fabrication industry would shrink by 25 percent by the end of the year, the study has found.. Australian Manufacturing Workers Union state secretary David Harrison said yesterday that owners of heavy engineering and fabrication plants round the State have warned of imminent job losses. The union estimates that more than 170,000 tonnes of steel could be imported into the State in the next few months for several major projects, including power stations and the Comalco Alumina refinery at Gladstone ...."

What can you say? Australia has suffered a quarter-of-a-century of this sort of insanity, wrecking industry, losing jobs and getting further and further into debt as a result. Yet both Government and Opposition are mindless puppets of the globalist mantra.

THE CHILD ABUSE INDUSTRY: Hovering like a time-bomb over the Queensland Government is a one-man petition increasingly known as "The Lindeberg Petition" by a former government officer who presents evidence that the Goss Government shredded the evidence about an inquiry into abuse of children at a Government centre that implicated members of the Labor Party.

The issue was recently raised at the trial of Scott Balson, former web-master for the One Nation Party (who, incidently, was expelled from the party for publicising on his website the fact that the Party had been illegally registered).

Mr. Balson, charged with illegally publishing on his site the name of Labor member Bill D'Arcy on 49 sex charges, including rape, even though the major media had already placed the news in the public domain, was acquitted after a third, dramatic hearing. The media and the politicians had egg on their faces after an hour-long self-defence by Balson. His testimony is, we've heard, to be the subject of a forthcoming book. It should be fascinating reading.

The latest report from the Queensland front comes from The Taskforce on Women and the Criminal Code. Among other things, it recommends legalised abortion, that women should be allowed to be surrogate mothers, and that the age of consent for underage couples should be lowered to 12 – provided the partner is no more than two years older. Legal sex between kids who have not even entered their teens!

"Those whom the gods wish to destroy ...."

HOW WE LOVE THE 'GANG-OF-FOUR': The March issue of ***Choice*** (published by the Australian Consumers Association) shows that the public perception of the major banks has not improved.

Despite making, between them, $29 billion in profits over the last five years, only 10 percent of customers feel that service has improved. While the big four were at the bottom of the heap, the best banks were the Bank of Queensland and Bendigo – the only two which haven't been affected by mergers.

A major survey in ***The Australian*** (14/3/2000) suggests that we are on the verge of another series of bank takeovers and mergers. So far we've had the following:

*1994: State Bank of NSW acquired by Colonial Mutual
*1995: Primary Industry Bank acquired by Rabobank Nederland.
*1995: Bank of Western Australia acquired by Bank of Scotland.
*1995: Bank of South Australia acquired by Advance Bank.
*1996: Challenge Bank acquired by Westpac.
*1996: Metway Bank, Suncorp and the QIDC merged into Suncorp-Metway
*1996: Advance Bank Australia acquired by St George Bank.
*1997: Bank of Melbourne acquired by Westpac.
*1999: Colonial acquires Trust Bank of Tasmania.
*2000: Colonial and the Commonwealth Bank of Australia plan to merge.

And, of course, the service gets better and better all the time!

ALL THE BURDENS, NEVER ANY BENEFITS by Betty Luks:

In the furore over the GST and related tax changes we are losing sight of the fact that all major parties are committed to progressive taxation in one form or another. Just as Mr. Howard learned from the international bankers that the price he would have to pay for more funds was, "...micro-initiatives such as commitment to privatisation, subsidy reduction, **progressive tax policies**, reduced public payrolls (and) pension reform" (***Australian Financial Review***, 7/6/1996); so we can be sure the other parties also got the message.

But what about some progressive *policies* for the people? What about looking at what the Government of Alaska did for the people? In the 1980s, an Alaskan Permanent Fund was set up with the task of determining the best way to spend funds beginning to flow from oil royalties. While the ideas were further developed, the *benefits* that now accrue to the people are worth noting: **they pay no income or sales tax and every Alaskan citizen receives an annual *dividend*.**

By the mid 1990s ***The Courier Mail***, 16/6/1995, reported that the State of Alaska still made its living from the riches it pulled from the ground and the people *receive* money from the Government. As at Christmas 1998, every family of four received a cheque equivalent to $A8,600.

Those who have taken the trouble to study Social Credit know that one proposal is a national dividend paid to the people. Under the present system we have all the burdens – never any benefits.

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