



A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"'Myth' history is the product of men's minds, whereby 'reality' is overlaid by fancies, imaginings and suppositions... True history is rooted in two factors – the common man and finance. The orthodox historian knows neither... History to be effective must be 'realistic'. To be effective it must start with the individual. 'Myth' history never does this, but deals in useless abstractions and accepts illusions which obscure the truth. It leaves out of account the factors which alone produce events, which are chiefly man operating through his mental mechanism and that pressure which derives from financial domination."*

– Human Ecology: The Science of Social Adjustment by Thomas Robertson, 1948

IMPROPAGANDA by Jeremy Lee:

Sensible Australians will tender their deepest sympathies to the good people in the federal seat of Aston, who will go to the polls on Saturday, July 14. Media coverage has been never-ending and the polling spin-doctors have examined the political entrails ad nauseum. Candidates have kissed babies, door-knocked, handed out pamphlets and practised their smiles as though such stunts had not already stuck in the craw of a long-suffering public.

In the run-down to the federal election one factor stands out – the enormous increase in advertising by the Howard Government.

Leading the Opposition in the run-up to the 1996 election where Keating was defeated, John Howard was quoted in September 1995 as saying: *"This soiled government is to spend a massive \$14m. of taxpayers' money over the next two months as part of its pre-election panic Keating is about to boost government promotion to a massive new high and it's time a brake was put on this fraud..... This propaganda blitz will make the electorate feel even more angry."*

Well, it's Kim Beazley's turn to dust off and trot out the same rhetoric. Last month he said: *"The government is trying to buy this election with your money – \$500,000 a night some nights being spent on the re-election of this government. This is wholesale looting of the public purse for the benefit of a political party it is actually a disgrace...."* (quotes from **The Bulletin**, 10/7/01)

The Bulletin article went on to say: *"....Labor huffs that the Howard government is outspending major advertisers such as McDonalds and Coca-Cola. They underestimate. In fact, the detractors*

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could have aimed much higher. McDonald's media budget, at around \$65m – \$70m in 2000 – according to estimates compiled by recognized industry monitor, ACNielsen AdEx – was around half what the government will outlay on its programs from now until the end of the year. Coca-Cola annually outlays a relative pittance of up to \$25 million.

"Last September, the Joint Standing Committee on Parliament Accounts and Audit unanimously issued draft guidelines for government advertising. Labor adopted them for Kim Beazley's private members' Bill which was reintroduced into the House of Representatives just weeks ago. The government used its numbers to prevent debate. Small wonder...."

Isn't it nice to know our money is in such safe and honest hands?

POLITICIANS WORTH MORE? Almost unnoticed in the current lavish spending spree was the latest pay-rise for federal politicians. Backbenchers' pay will move from \$92,000 to \$95,600 a year, before allowances. John Howard's salary will rise from \$239,000 to just over \$248,000 a year; Kim Beazley's from \$170,000 to \$176,000 a year. Peter Costello earns about as much as the Opposition leader. And worth every penny! Don't you agree?

PRIVATE COMPANY WITH STATUTORY POWERS: Australia is currently the second-largest wheat exporter in the world. Export of the crop is about to be vested in the hands of a private company, which cleverly has kept the same name as its predecessor, although the former was a semi-government statutory authority. The new company is about to list on the Stock Exchange, expecting to raise over \$800 million in the float.

So far, those who have done best out of the deal have been the brokers. A UBS Warburg team of advisers have reaped a \$703,000 fee for their work in the past two year in changing the shape of the old Wheat Board into the new. They will gain another \$300,000 once the float is completed, plus about \$2 million for underwriting the float.

Board directors fees have ranged as high as \$400,000.

Under Australia's competition rules, how can a private company acquire statutory-monopoly-status over an export market?

Will any of the expected advantages of this arrangement get as far as Australia's beset wheat farmers?

SNIPING AT FREE SPEECH: Executive director of the Australia/Israel & Jewish Affairs Council Colin Rubenstein included another stereo-typing snipe at the Australian League of Rights in an article in *The Australian* (11/7/01). Under the heading WHY WE NEED RACE HATRED LEGISLATION, Rubenstein included this comment: ".... Extremist and anti-Semitic groups at work in Australia vary greatly in their memberships, activities and target audiences. The Australian League of Rights continues to hold meetings, conduct action campaigns and seek publicity for its anti-semitic assessments of domestic and international affairs"

Pardon me, Colin Rubenstein, but is it not the right of all Australians to hold meetings and conduct action campaigns so long as it is done lawfully? The League has been doing so for over half-a-century, as well as hosting a wide and distinguished variety of guest speakers. The literature it offers for sale is not anti-semitic, although often strongly critical of Zionism – as are a considerable number of Jews. Rubenstien should note that the League has, more than once, defended Israel's right to exist. It is the right to disagree with and argue against *policy* matters that he should be defending rather than attacking.

PHONY TAX BACKDOWN: Following our lengthy report last week on the draconian new tax measures, the Government has moved hastily to diffuse the issue. It's wonderful how an impending election smartens the political mind! But the changes are cosmetic, and have hardly dented the room for injustices.

Tony Walker (*AFR*, 10/7/01) made this clear: *"Treasurer Peter Costello would have you believe that yesterday's concessions on the implementation of new tax laws, aimed at quietening agitation among independent contractors, is simply another relatively minor example of fine tuning."*

"Don't believe him, and also don't believe that this is the end of the matter. It is an area that remains riddled with ambiguities— and open to all sorts of abuses. Accountants and tax lawyers should be salivating over opportunities that will present themselves in due course as a result of battles between the Tax Office and those whose status as independent contractors has been challenged."

"Costello would also have you believe that the alienation of personal services income measures are a separate issue, somehow shielded from the bad odour attached to the GST."

"Again, don't believe him"

There is no doubt that the Australian Tax Office is increasingly being transformed into the most feared and hated institution in the land. It has a massive armoury of powers which it can change and interpret itself. Its 19,000 staff are a mini-army. Tax reform we may have had, but it has not been reform for the better.

Before anything else, there should now be firm barriers erected against ANY retrospectivity in tax matters. If the Tax Office has made a mistake, or been lax in making determinations so that people know where they stand, it should be forced to live with the results rather than penalizing people for matters once deemed legal.

GST AND 'THE RECOVERY': The claim, parroted by election-anxious politicians that Australia has turned the corner and is on the way to a recovery is drawing a very long bow. For hundreds of thousands of Australians the debt-burdened misery of existence, even for those in employment at the lower wage levels, means nothing has changed.

During the last quarter of the financial year, according to the Insolvency and Trustee Service, bankruptcies blew out by 177 percent over the equivalent period a year ago. The GST was the chief reason for this explosion.

For those small businesses who have hit the wall, talk about recovery is simply a chimera.

Meanwhile, the Australian Tax Office itself has come under heavy fire from the Auditor General and the Australian National Audit Office. Apart from abysmal investigation in a number of tax-fraud cases, the department's records were so patchy that it could not even keep an accurate tally on GST revenue.

PETROL-PRICING RORTS: With yet another petrol price inquiry under way – part of the election campaign no doubt – the comments of the Editorial in *The Australian Financial Review* (9/7/01) are worth consideration: *"If there are three certainties in Australian political life they must be complaints about the ever-increasing size of the Tax Act, political mavericks dreaming of third parties, and petrol price inquiries"*

"Indeed, it was the Prime Minister, Mr John Howard, who set up the system of import parity pricing for petrol in the late 1970s and the Hawke Government which created the revenue refinery of excise indexation to inflation. Depending on where the volatile world oil price is, the existing excise rate in Australia of 45c. a litre is more than a 100 per cent tax on the underlying product Australian"

governments have become particularly dependent on fuel price excise. Before the decision to freeze excise, the tax was expected to raise about \$13 billion, which is more than half the revenue expected from the GST"

AN EYE FOR AN EYE: Iris recognition is the latest 'human ID card' and is expected to be in use in Australian airports within a year, as a result of an alliance between two technology firms, Unisys and EyeTicket. The system will be used for ticketing, check-in, baggage check, baggage identification and boarding for commercial aircraft passengers.

Iris recognition examines more than 240 points in the human iris to create the patented IrisCode record, a 512-byte data template used to identify individuals and authenticate user privileges.

Once the airports programme is in operation the idea is to move the system into other areas of government and industry.

TRUTH ABOUT 'THE INDEPENDENT NATION OF PALESTINE' by Antonia Feitz:

1. According to www.cactus48.com, a Christian site which supports the anti-Zionist group, "Jews for Justice in the Middle East", the British Government's Balfour Declaration of November 1917 which promised the Jews a homeland in Palestine was made:

- a) by a European power,
- b) about a non-European territory,
- c) in flat disregard of both the presence and wishes of the native majority resident in that territory.

They're right. It's beyond dispute that the Declaration totally disregarded the views of the resident semitic Jews who lived amicably with their Arab neighbours and overwhelmingly opposed the establishment of a Jewish state on religious grounds. The European Zionists were, are, mainly atheists.

In 1919, Balfour himself acknowledged that while the 1918 Anglo-French Declaration had promised the Arabs of the former Ottoman colonies independence as a reward for supporting the Allies, he admitted that "in Palestine we do not propose even to go through the form of consulting the wishes of the present inhabitants of the country... The four powers are committed to Zionism and Zionism, be it right or wrong, good or bad, is rooted in age-long tradition, in present needs, in future hopes, of far profounder import than the desire and prejudices of the 700,000 Arabs who now inhabit that ancient land." (Edward Said, *The Question of Palestine*)

Though having promised independence for Arab support Her Majesty's Government didn't even plan to go through the form of consulting the wishes of the Palestinian people. "The desire and prejudices of the 700,000 Arabs" – isn't that incredible! For Balfour, the rights of almost a quarter of a million people who had continuously lived in Palestine for millennia counted for nothing against the wishes of a small cabal of Europeans. Talk about clout!

2. The British crackdown "In 1936-9, the Palestinian Arabs attempted a nationalist revolt. David Ben-Gurion, eminently a realist, recognized its nature. In internal discussion, he noted that 'in our political argument abroad, we minimize Arab opposition to us,' but he urged, 'let us not ignore the truth among ourselves.' The truth was that 'politically we are the aggressors and they defend themselves... The country is theirs, because they inhabit it, whereas we want to come here and settle down, and in their view we want to take away from them their country, while we are still outside'.... The revolt was crushed by the British, with considerable brutality." Noam Chomsky, *The Fateful Triangle*.