A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance –

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THOUGHT FOR THE WEEK: *"Judas – He has lost his air as of a competent undergraduate organizing a mission service; he has matured into a very intelligent young man indeed. He can answer Jesus in His own allusive and parabolic style, and can understand without explanations. Let the actor get out of his head any notion that Judas is insincere. He is passionately sincere. He means to be faithful – and he will be faithful - to the light which he sees so brilliantly. What he sees is the true light – only he does not see it directly, but only its reflection in the mirror of his own brain; and in the end that mirror will twist and distort the reflection and send it dancing away over the bog like a will o' the wisp. He has all the gifts – both the practical and the imaginative; and his calculating friend the Zealot is quite right in saying that he will fall, like Adam, by the sin of spiritual pride. He could have been the greatest in the Kingdom of Heaven, but he will be the worst – the worst that is the corruption of the best."* – ***"The Man Born to be King"***, play by Dorothy L. Sayers, BBC, 1941-42

SELLING OFF THE LAST REMAINING ICONS by Jeremy Lee:

The Howard Government is now bent on selling the remaining 51 per cent of Telstra. It needs quick money to fund its programme if re-elected. The urgency has been increased with the first interest rate rise for a long while. Any more – and they're expected in the New Year – will impact heavily on the Coalition's election image.

A number of polls held over the last year show a big majority of Australians opposed to the sale. But that diesn't count with the Government, any more than the massive majority who opposed the introduction of the Goods-and-Services-Tax.

A large part of public opposition is due to fear that ownership and control will end up in foreign hands. The European Union has already publicly stated that the full sale of Telstra is a requirement to agreement of GATS (General Agreement on Trade and Services).

A Toowoomba resident wrote on this issue to Deputy Prime Minister John Anderson, receiving this reply: *"... Under the existing Telstra Corporation Act, foreign ownership of the company is limited to 35 per cent of total shareholding, and no one foreign investor can control more than 5 per cent of the shares. The company is also required to have an Australian chairman, and have its company headquarters in Australia. None of these provisions will be changed by the Telstra sale legislation. In other words, Telstra, which is already a company, will stay an Australian company ..."*

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Mr. Anderson is extremely naïve. As long ago as 1974 ***The Australian Financial Review*** (1/8/74) in a major survey of US corporations and multinationals, headed WHO CONTROLS WHAT, made this point: *".... Control of only one or two percent of the shares of a major widely-held corporation is usually enough to influence its decisions, and holding 5 per cent of its stock is usually enough to control the entire corporation ...."*

So 35 per cent? It would make Telstra the plaything of a handful of foreign giants, while the little Australian shareholders would continue to get burnt.

<u>LOCAL GOVERNMENT COULD SAVE TELSTRA</u>: With the above in mind, a proposition is being set before the imminent Provincial Cities Association in South Australia by the Mayor of Port Lincoln Peter Davies. It deserves the widest attention, and is set out verbatim:

<u>RECOMMENDATION</u>: THAT THE PROVINCIAL CITIES ASSOCIATION REQUEST THE SA LOCAL GOVERNMENT ASSOCIATION TO CAMPAIGN AGAINST THE INTENDED SALE OF THE COMMONWEALTH GOVERNMENT 50.1 SHAREHOLDING OF TELSTRA.

<u>REASONS</u>:
There are 12,866 million shares issued in Telstra of which the Government owns 6,466 million.
At $5.00 per share the Commonwealth Government share holding is worth approx. $32,230 million.
Last financial year TELSTRA:

1. paid out some $1,400 million of long and short term debt. ***<u>$1.4 billion</u>***
2. wrote off some $770 million in bad debts due to its failed Asian REACH offshore investment: ***<u>$770 million</u>***
3. PAID A DIVIDEND OF $1,740 MILLION TO THE COMMONWEALTH GOVERNMENT: ***<u>$1.740 billion</u>***
4. PAID INCOME TAX OF $1,536 MILLION TO THE COMMONWEALTH: ***<u>$1.536 billion</u>***

<u>THUS, TELSTRA REVENUE TO THE COMMONWEALTH is now some $3,250 million annually. It is obvious that if Telstra is sold total taxation MUST rise by at least $3,000 MILLION ANNUALLY to replace the current TELSTRA revenue stream to Government</u>.

Already, this financial year TELSTRA has announced it is funding a public share buyback worth $1,000 million from private investors. It has cash flow far beyond its needs. **<u>APART FROM BANKS, TELSTRA IS THE BIGGEST CASH COW THIS NATION HAS EVER SEEN</u>**.

<u>Various sectors of the community have argued that some $2,000 million should be committed to restoring the Murray-Darling system if TELSTRA is sold ... It is obvious that a commitment of say $500 million annually over 4 years from the current cash flow would restore the Murray-Darling ecosystem ... or, $200 million over ten years would achieve the same result without selling the shareholding</u>.

<u>The Government has indicated that some $150 million would be committed to upgrading remote isolated services if Telstra is sold</u>. Clearly, the Government should DEMAND revenue streams. It is also obvious that, given the next quantum leap in information technology, that a privatized TELSTRA will pay no attention to remote communities. A privatized TELSTRA will not recognize its service provider responsibility to non-profitable regions and users, despite Government regulation.. It is the nature of business to cut losses and maximize profit.

<u>National debt repayment has been quoted as reason to sell</u>. A long-term commitment from the current colossal revenue stream would achieve the same result whilst preserving the national asset, similar to the above environmental investment. We will never build another national asset that could return 10% annually, thus paying off National Debt.

It is claimed Government should not be the majority shareholder of TELSTRA. This smokescreen can be removed by the sale of 20 million Commonwealth Government shares (or .3 per cent of the current total shares) reducing its holding to 49.9% of the total share stock. Alternatively, TELSTRA could buy back $100 million of the Commonwealth holding and achieve minority government status without seriously prejucicing the future huge government revenue stream.

IN RECOGNITION OF THE 10% INVESTMENT RETURN TELSTRA CURRENTLY PAYS THE COMMONWEALTH GOVERNMENT AND IN RECOGNITION OF GOVERNMENT RESPONSIBILITY TO PROVIDE COMMUNITY INFRASTRUCTURE SERVICES, TELSTRA SHOULD NEVER BE PRIVATISED.

SUGGESTED ACTIONS:
1. **The above information be conveyed to all SA politicians.**
2. **Press Release containing the above details to all media.**
3. **Seek ALGA support.**
4. **Attempt national campaign.** *(end of statement)*

THE USE OF THE NATIONAL CREDIT: A few further thoughts on TELSTRA. During the three decades from 1970 the amount of taxation revenue poured into the capital development of TELSTRA was prodigious. The result is a huge monopoly that sits astride Australia's telecommunications. A few private companies have been allowed to compete, but are forced to rent TELSTRA's lines. This has resulted in a reduction in charges. But we are still left with a tax-built giant now providing the Commonwealth with a 10 per cent return which can continue in perpetuity. To sell it seems suicidal.

The reduction in the Commonwealth debt, about which Treasurer Costello so often boasts, has been achieved by asset sales – in other words, selling bits of Australia to foreigners to pay money owed to foreigners. The long-term result of such a policy must be to create for future Australians a land in which they have no equity.

During the financial twelve months June 2002 t0 June 2003 Australia's money supply grew by $50 billion.

All this increase was created by the banks and lent at interest into existence. It now lies on the backs of ordinary Australian men and women in household debt, which is over 130 per cent of income – twice the percentage of ten years ago. Much of it is foreign debt.

There was a time when the Government understood that it was not a good idea to have a large foreign debt. The Government at least had a share in money-creation, thus keeping ownership and control in Australian hands.

This can be seen in the difference between the Transcontinental East-West railway, built between 1912 and 1917, and the recently-completed Alice to Darwin railway.

The first was built with Australian-issued money, gradually written off over a number of years. It was an Australian railway from Day One.

The Alice to Darwin railway, built in a fraction of the time, will be foreign-owned for half a century; and then the infrastructure developed during its life will have to be paid for before it becomes Australian.

The use of the National Credit in the form of cheap loans for essential works is, according to our politically-correct times, not to be discussed. It is a monopoly claimed and operated by a foreign cartel which is grabbing power and changing our world. It wants a border-free world in which to operate, with a "free market" not only in goods and services, but wages and salaries. The lowest wins. The idea of sovereign national states owning their own industries and assets is anathema to such globalists. They are offended that they do not yet control TELSTRA. They will apply pressure to both Coalition and Labor politicians until they do.

The real question is at what point Australians are prepared to say "enough". Could TELSTRA become the catalyst? There is considerable feeling in Australia about this issue. If Local Government took it up, it just might change things.

COMMONWEALTH BANK'S OUTRAGEOUS 'NAME': Monarchists throughout Australia have been expressing their outrage to the Commonwealth Bank at its naming of its Customer Relationship Marketing System as the "Republic Customer Relationship Marketing System" or the 'Republic CRM'.

Many, who are shareholders or customers of the Bank, are so incensed that they are threatening to take their business elsewhere. Correspondence to Mr David Murray, the Bank's CEO remains, as yet, unanswered.

Philip Benwell, National Chairman of the Australian Monarchist League and author of the U S published text book *'In Defence of Australia's Constitutional Monarchy'* has said "The Debate on the Constitution has divided Australia as nothing else has in recent times and whatever reasons and excuses the Bank may give, the naming of its system as the 'Republic CRM', is as inappropriate as if it had named it the 'Monarchist CRM'!

"Obviously the Board of the Bank has failed to take into account that not one State voted to accept a Republic and with just under 63% of people in Queensland, 59% in Western Australia, 57% in South Australia, 60% in Tasmania and over 50% in Victoria and New South Wales, voting to retain our Constitutional Monarchy, it really makes no marketing sense to use such a divisive term, particularly for a marketing exercise!"

PRINCE CHARLES NAMED HIMSELF AS THE ONE AT CENTRE OF STORM: Prince Charles has taken the unusual step of intervening in a media censorship row, naming himself as the senior royal who is at the centre of rumours of an allegedly scandalous incident and has denied that it ever took place.

A Clarence House statement said that it was not the first time that the servant who made the allegations had made unsubstantiated charges about the royal family.

"In recent days, there have been media reports concerning an allegation that a former Royal Household employee witnessed an incident some years ago involving a senior member of the Royal Family," the statement said. "The speculation needs to be brought to an end. The allegation was that The Prince of of Wales was involved in the incident. This allegation is untrue." "The incident which the former employee claims to have witnessed did not take place," it added.

"There is a particular sadness about this allegation because it was made by a former Royal Household employee who, unfortunately, has suffered from post-traumatic stress disorder and has previously suffered from alcoholism following active service in the Falklands," the statement said. "He has, in the past, made other unrelated allegations, which the police have fully investigated and found to be unsubstantiated."

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