

The Referendum and the Socialist View

SOCIALIST COMMENT

SOCIALIST PARTIES OF
AUSTRALIA and NEW ZEALAND

Vol. 5 No. 9

MAY, 1948

One Penny.

Later this month we shall be asked to say "yes" or "no" to the question of the "Rents and Prices—including Charges" amendment to section 51 of the Constitution.

This is not because the Government has any respect for the opinion of the Working Class, (except on Polling Day!) but because no Government, Labor, Liberal, or Country Party, could make any alteration to the Constitution without the consent of the people by a direct democratic vote.

Since we, the Working Class, are the majority of the people, both sides in this contest are frantic in their efforts to convince us that our interests depend on supporting their case.

The question we must ask ourselves is, "What interests do these Parties really represent?"

The article on the Labor party, in this issue, shows clearly that this Party does NOT represent the Working Class. They represent the local manufacturers, that is to say, those depending on local capital, and to some extent, local markets.

The Liberal Party, on the other hand, represents international finance, combines with international capital and vast over-seas interests.

The Country Party, though it rides on the votes of the small farmers, actually represents the big pastoral groups with interests in the vast overseas markets.

Here we have the key to understanding the reasons for the stands they all make on this question. The Labor Party, fearing inflation should controls be lifted, knows that the local manufacturer would be caught up in the whirlpool. Having a limited scope for their resources and activities, they can only survive if the prices they must pay for their raw materials and wage labour, and the prices they can command for their commodities, fluctuate within predictable limits.

The big combines and pastoral interests are not in that position. They have the world for a stage, and the possibility of inflation in Australia does not hold the same threat.

The Liberal and Country Parties are unanimous in their distrust of Government Controls. The tendency in this direction is evident in all Capitalist countries, and at a period when the prospects for profits on the world markets are rosy for private Capital, they will oppose anything that smacks of it. At the moment those prospects are very rosy, and they see the proposed amendment simply as a power to control profits.

And yet—it was the Menzies Government that first introduced these controls. So they did, and so they

will again, if they happen to be in power when the world market becomes as bleak as it was then.

At that time the line up of warring nations depleted the world market by just so many nations as were on the other side of the fence, plus the fact that troop movements and war materials took precedent over consumer goods in shipping.

On top of those restrictions in resources and the scope of their activities, we must remember that the gigantic task of feeding, clothing, and arming thousands in the unproductive services had to be carried on with a depleted working class. It would have been an "open go" for demands for higher wages if wage controls had not been imposed.

A timely article in the January, 1948 issue of the Western Socialist shows how the Canadian Liberal Government, which was in power throughout, took the same somersault with practised ease.

So much for the Parties in the limelight, and the reasons for their support or opposition to the amendment. But since we have a vote on this matter, how will it effect us, the Working Class?

The aforementioned article, "The Price Control Fraud," which by the way, could almost be read as Australian instead of Canadian, points out that "Civilization is not new, and never has been, endangered by high prices. Price fluctuations, often in extreme degrees, are as old as the system itself. They are normal to the Capitalist mode of production, and serve as regulative rather than as destructive influences."

We shall probably hear a great deal, from both sides, about "our civilization" being endangered either by controls, or by lack of controls, but we are safe in assuming, that whenever this sort of clap-trap is used, somebody's profits are in danger,—or they think they are.

An argument is made for controls on the ground that high prices are tantamount to a cut in wages.

Against that, we have the demonstrable tendency of capital to leave the sphere of less profitable lines, and concentrate on the production of goods that are uncontrolled, and therefore more remunerative. This can result in shortage of necessities, and abundance of luxury lines.

But what is more important than any other consideration is the fact that the vagueness of the phrase, "Rents and Prices, including charges," could easily be interpreted to include the price of labour-power, that is, wages.

Opposition members have pointed this out more than once, and even in the official "For and Against" leaflet which every voter receives, the Labor Party does not deny this. They will use it to cut wages just as readily as the opposition parties, if the need arises.

Actually, wage control has been in force, for all practical purposes, ever since the Arbitration Court has functioned. It has had the support of Government and Opposition Parties, AND the Trade Unions. It is possibly the biggest hoax ever imposed on the Working Class, excluding Capitalism itself!

The choice before us boils down to this,—the possibility of inflation without controls, or the granting of constitutional powers to peg wages with controls tighter than those the Government has already.

In other words, between scarlet fever and diphtheria!

The Socialist will decide to have none of them, but will leave the master class sections of which think they have something at stake, to fight it out with the help of those of the working class they can continue to fool.

Those of us who recognize the contest for what it is will seize the opportunity to write across our ticket, once again, the change we WANT, and will go on working for until we get it, SOCIALISM.

—Melbourne Branch, Socialist Party of Australia.

"We hold that the working class, whose skill and energy is now used for the purpose of providing wealth and luxury for a small section of society and whose physical courage is exploited to defend the material interests of that small section, is quite capable of using its skill, energy, and courage for the solution of its own problems, when it understands the social base from which these problems, spring."

—W.J.C.

The Labor Party

A History of Working Class Oppression

The laws that govern industrial outbreaks are the work of the parliamentary machine. That the Houses of Parliament are but a machine, and at present only exist for the purpose of regulating the ways of capitalist production, and to ensure the production runs its course as smoothly as possible under the conditions of the moment, always taking care of the master's profits, can be clearly seen in the way the workers' efforts are frustrated, and often brought to naught, because of the action taken and the laws passed by the politicians in Parliament.

In Labor in Politics" by G. M. Prendergast, M.L.A., one time leader of the Victorian State Labor Party, issued by the Central Executive of the Victorian A.L.P., Mr. Prendergast says: "The power of Parliament is supreme. If you have a majority you can send the policeman to the other fellow or you can send the Labor Party use that power when it has the opportunity! In 1924 when the Prendergast Government was in office it sent the police to protect the scabs on the wharves when the Waterside Workers struck against the Holyman Line. In 1928 the Hogan Government, with the same Mr. Prendergast as Chief Secretary, sent the police to protect the scabs who were taking the places of the cooks and the Waterside Workers.

The Verran Labor Government of South Australia, in 1911, sent mounted police against the striking Renmark Fruit Pickers and protected the loyalists.

The N.S.W. McGowan Government sought workers under the "Wade Industrial Control Act" of 1910, after they had been returned to repeal it, and subsequently, when they did repeal it, a more drastic measure, viz. the Industrial Arbitration Bill was passed. McGowan's famous call for scabs in 1913 to assist the Gas Company to defeat the workers will be recalled by workers in their forties.

The Ryan, Theodore and McCormack Queensland Labor Governments have records of which any worker in the Capitalist Government would be proud.

During the Meatworkers' Strike in 1913 police fired into an un-armed crowd, searched workers' houses and questioned women and children. Suspended railway workers who refused to scab, and thus assisted the meat barons to defeat the strikers. Theodore's record was so bad that he lost the number one seat of Herbert through the number of formal votes cast in the industrial centers.

McCormack allowed the farmers to arm themselves and intimidate the Waterside Workers at Cairns and Bowen in 1925, and in 1927 he locked out ten thousand Railway Workers, because they supported their fellow unionists.

In 1919 the Ryan Government made a protest in the Arbitration Court against Mr. Justice McCawley's decision to fix the basic minimum wage for Railway Employees at £3 7/6, because an increase of 3/- per week would cost the State an additional £123,000 per year.

Look at the record of the Labor Governments where you will, West Australia, South Australia, Victoria. The right is always behind the employers. In Victoria the Hogan Labor Government gave Police Commissioners Blamey a free hand, condoned the killing of a worker, who was shot at Port Melbourne. Pigeon Jack Hynes was shot dead while on picket duty, during the reign of a Labor Government in Queensland.

Much more could be written of acts hostile to the workers. Such Governments are always hostile to the workers, and by the same token, these Governments are always hostile to the employer class, the Liberal Party, or any other party of like nature.

Most Labor politicians are from the working class, they have climbed on your backs to their high places in the last few years. How wonderful you are of the past actions of your alleged friends; they are expert salesmen in the eyewash line. They know you are still blind to your own interests.

The interests of the workers as a class are totally opposed to those of the employer class and the rest of the parasites that live and enjoy life. The workers only exist, when the Waterside Workers struck against the Holyman Line. In 1928 the Hogan Government, with the same Mr. Prendergast as Chief Secretary, sent the police to protect the scabs who were taking the places of the cooks and the Waterside Workers.

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Aid to Britain? Or Aid to Profit?

The source of wealth in society is the application of human labor power to nature-given materials. The only class in society which applies its labour power to the aforesaid nature-given materials, is the working class.

It must be obvious then that the quantity of wealth produced depends entirely on the efforts of the workers. It is the workers then who produce what Socialists call "surplus value," which is that portion of wealth produced, over and above the amount which the worker receives in the form of wages. For illustration we could use the N.Z. official Year Book. Therein we find figures for factory production which show the average degree of exploitation to be one hundred per cent. Simply put this means that in N.Z. factory production, for every pound the worker receives in wages he has produced one pound in surplus value.

The immediate employer extracts this surplus value for the sake of the worker but does not retain the lot. From it is paid rent, interest, and the employer's taxes.

"The tax-gathering," i.e. the state department set up for that purpose is appropriating an ever increasing amount of the surplus value created. WHY? The reason for this is that the anomalies and contradictions of Capitalism give rise to demands for more state departments and repressive machinery, such as armed forces, police, etc.

Wars for possession of raw materials, trade routes and markets in which the surplus produce is sold, require very expensive means of destruction and refinements of modern warfare e.g. atomic weapons.

Because there is a limit to the wealth produced, we find the tax gathering department seriously encroaching upon the surplus value of the employing class.

The source of wealth being what it is, the methods of increasing the surplus value the workers produce are few. One important way is to get the worker to accept less wages; another is to get them to apply their energies more vigorously to the "nature-given materials." The first method is always the most difficult as, if pressed too hard by the master it causes disruption, through strikes, or the value producing process. To put the second method into effect many and varied devices are used such as piece-work, bonus payments etc. Where these cannot be applied appeals are made to the emotions

of the working class position in the present social system. The workers become aware of the only means whereby the present system of struggle and strife shall be abolished, knowing as you must learn to know the present extremes of wealth and poverty, and all its miseries, and necessary, and would have no place in a sane social setup.

and morals of the workers.

National politicians, Labor officials, and alleged worker representatives all apply the workers with slogans, appeals and threats. For instance, to justify the rationing of meat and butter in N.Z. a country that exports huge quantities of these commodities the slogans "Help our Kith and Kin in the old country" and the "starving millions in Europe" were put forward. That this appeals to the workers sympathies was effective is proven by the fact that there was very little protest at the encroachments of rationing on their living standards. Under present conditions slogans soon outlive their usefulness and invariably become the object of ridicule and derision. They are quickly replaced by new ones. The latest is, "Aid to Britain." An organisation has been set up calling itself the "Aid for Britain National Council." This concern must spend huge sums of money on advertising space in daily papers and weekly journals. Under the heading "Little tips for Spivs" sketches of workers doing things in working hours such as knocking off a few minutes too early, watching the clock, generally wasting the time which is his masters by right of purchase. A jingle is included with these sketches carrying the preachment not to work for money and to refrain from indulging in the "immoral" practices depicted.

Let us now examine the project from the angle of the owning class and their representatives, who, through their ownership of the means of living have no need to apply their energies to the aforesaid "nature given materials." We discover that their outlooks not encroached upon by national or moral considerations but purely "business" that is, that any project must return a profit or have a view to profit.

Present markets must be maintained and extended, new ones developed. The help our "Kith and Kin" slogan suffered a blow when the Waterside workers refused to load the first consignment of 16,000 boxes of a 16,000,000 lb. (pound) butter order from the U.S. Government on to the Matson Liner Mariposa in July, 1946. This gave prominence to the fact that, "Under the terms of the existing contract with the U.S. Government surplus domestic requirements were already effectively sold to the British Government. Supplies could be diverted only on the direction of the Government and to meet the price paid by the United States (44 cent per lb. about 2/8 N.Z.) and the price which New Zealand normally receives for butter is 1/6 (one shilling and sixpence) the property of the United Kingdom." ("Southern Cross," 14th July, 1946).

The New Zealand Government receives 1/81 per lb. from the British Government. With the 25% ex-

change in their favour this price must be considerably enhanced in terms of New Zealand currency. The New Zealand consumers pay only 1/6 per lb.

According to the New Zealand official year book 1945, it was anticipated that rationing would make available for export an additional 15,000 tons of butter and 35,000 tons of meat per year.

There has been mention as to who is getting the benefit of the higher prices received for this considerable amount of produce. In spite of the expressed concern for our "Kith and Kin," dairy interests still show a keen eye for future new markets. In the "Evening Post," Wellington, 15th November, 1947, we were informed that about a week's output of butter, almost 1,000 boxes, is being packed in specially prepared containers at the Kaitia Oia Dairy Company's factory in Gisborne for export to Euracoo in the Netherlands West Indies.

"It is understood that the order had been accepted with a view to opening up a new trade for the future, but primarily to earn dollars to assist Britain in the purchase of essential raw materials."

The "primary" reason is added seemingly to offset the glare. The "Dominion," Wellington, 24th May, 1945 gives us more examples of "primary" reasons for exporting much butter as possible. The article was prompted by "The news that Denmark has managed to keep her dairy herds intact in spite of the occupation of her country by the Germans." It was thought at that time that Denmark would become a powerful competitor for the British butter market. However, the article points out that "Well informed opinion in produce circles here would welcome a return of Danish butter to the British market, and they see in that competition with New Zealand butter but a valuable ally in competition with margarine for public favour."

Owing to the disappearance of suppliers and the necessity to continue rationing it is feared that "the Public may gradually become 'MARGARINE MINDED' and prefer it to butter." (Their emphasis). Those "produce" circles who are in a position to judge, think it inadvisable for New Zealand to take advantage of "lack of competition from other imported butters and gain advantage of higher prices." They "feel that in the long run this would react unfavourably against butter compared with margarine, for with the end to high wartime wages the public, by satisfying its jaded palate, would return again with emphasis to the lower priced article." The last few lines of the article are a preview of what we can expect to see in "produce circles" most. It certainly is not that our "Kith and Kin" or that the people of Europe are starving—

"A great proportion of the United population was now eating more meat and fats than before the war" also "People before the war were too poor to get food from the shops and so could not afford to eat what was not really enough." The fore-

going statements of Mr. Strachey, British Food Minister, were published in the "Southern Cross," Wellington, on the 29th October, 1946.

Their lack of MONEY would be the reason for the absence of appeals for aid for our starving "Kith and Kin" before the war.

Whether the means of production, i.e. lands, mines, factories, means of communication, etc. are owned by the State or private persons, when put into motion the commodities produced must be sold at a profit or production ceases, or is severely curtailed. This is the circumstance which brings about the condition wherein we find workers with energies for sale but no buyers—in a word unemployed.

In turn, the unemployed are used as a weapon to menace the employed, forcing them to accept lower wages and poor conditions of work. These are reasons why such large numbers of the working class suffered miserable living standards before the war. While Capitalism lasts the same thing forces workers to "return again with emphasis to the lower priced article," or in plain and simple terms, cheap un-nourishing food, shoddy clothes, and miserable housing conditions.

Just as long as the mental and physical energies of the workers retain their commodity nature, to be sold like bread and meat, just so long will the conditions and effects of Capitalism remain, i.e. wars, poverty, and wage slavery.

There is only one way to end the system which demands so much sacrifice from the cradle to the grave, on the part of the wealth producers (workers), and that is the establishment of common ownership in the means of production. To accomplish this, slogans are of little use. To fulfil this urgent task there is needed a majority of workers with SOCIALIST UNDERSTANDING.

The Socialist Party of New Zealand and its companion Parties are organised for the achievement of this object. Socialist education is our method.

How about joining us NOW fellow worker?

—"Ron," S.P.N.Z.

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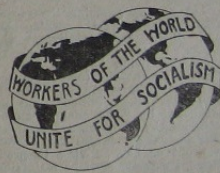
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(All responsibility for referendum matter in this issue taken by J. Topp, 29 Drummond St., Carlton, Victoria).

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S.P.A.

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

The Socialist Parties of Australia and New Zealand hold:

1. That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

2. That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle between those who possess, but do not produce, and those who produce but do not possess.

3. That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

4. That as in the order of social evolution the working class is the class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.

5. That this emancipation must be the work of the working class itself.

6. That as the machinery of government, including the armed forces of the nation, exists only to conserve the

S.P.N.Z.

monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.

7. That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interest of all sections of the master class, the party seeking working class emancipation must be hostile to every other party.

8. THE SOCIALIST PARTIES OF AUSTRALIA AND NEW ZEALAND therefore enter the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and call upon the members of the working class of this country to muster under their banner, to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

Those agreeing with the above principles and desiring enrolment, apply to nearest address.