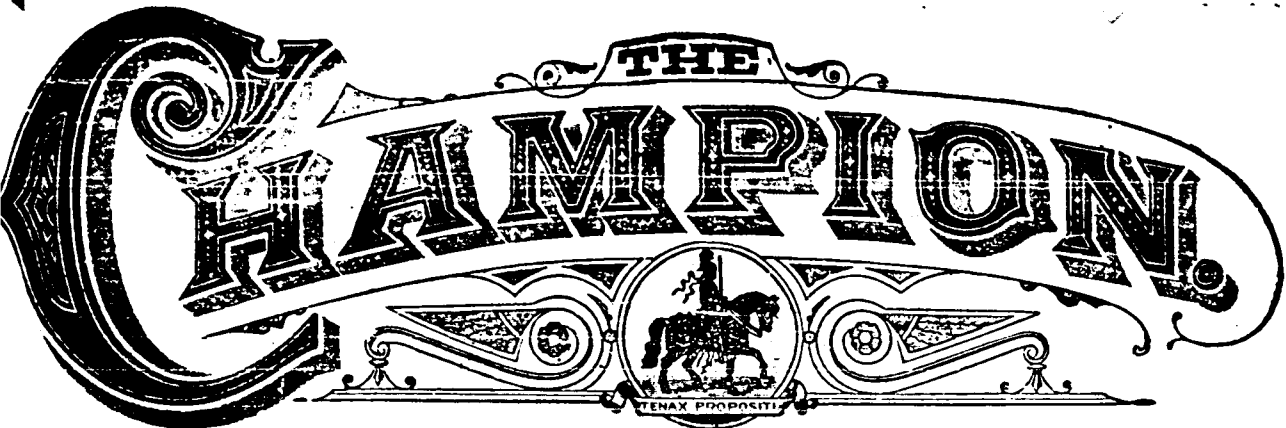


THE CHAMPION



VOL. I—No. 1

(Registered as a Newspaper.)

SATURDAY, JULY 6, 1895.

PRICE ONE PENNY.

PROTECTION AS WANTED.

MANIFESTO OF THE COUNCIL OF THE SOCIAL DEMOCRATIC FEDERATION OF VICTORIA.

The discussion on Tariff Reform in the Assembly makes it necessary for the Social Democrats of Victoria to clearly state the principles which guide the International working class in its attitude on fiscal questions. They believe that poverty is necessitated by an industrial system based upon individual ownership of the means of production, distribution and exchange, utilised for private profit. They fully understand that low wages, long hours, and scarcity of employment—that is, poverty—can only disappear with the disappearance of the capitalist system of which these things are the inevitable outcome. They have no hostility or jealous feeling with regard to the working classes of any other country, and disavow any intention of gaining advantage at their expense.

But the present system cannot at once, nor even very rapidly, be replaced by the new order, now slowly evolving, which will establish the collective ownership of the means of production, distribution and exchange utilized to meet the needs of the community. In this transition stage every political proposal makes for or against the coming change. On the one hand, it may modify existing institutions in the direction indicated by economic science; palliate the worst evils of the wage-system; and render easy and peaceful further change towards the goal pointed out by industrial evolution. On the other hand, it may tend to crystallize existing evils, buttress them with vested interests, or remove such ramparts as at present stand between the wage-earning population and the devastating effects of unrestricted competition. The Social-Democrats therefore, while not forgetting that the effects of any fiscal change upon the condition of the working classes must of necessity be trivial, have a distinct view upon any such proposal.

It is admitted that under Free Trade the prices of commodities are fixed by the world-market, in which competition must be faced from the products of coloured, pauper and even convict labour. In none of the compet-

ing nations can the standard of life among its producers for the world-market remain permanently much higher than that of the lowest country or race so competing. In past years the Victorian worker enjoyed a higher standard of life than his brethren in other lands. Protection, in preserving him from their competition and enabling him to take full advantage of the comparative scarcity of labour in this country, was an unalloyed benefit to him. The disadvantage fell entirely upon that class which had to pay a higher rate for its purchases while deriving no corresponding benefit from the higher wage rate—in other words, upon the non-producing consumer, the class which is purely parasitical, and whose misfortunes therefore, do not affect the welfare of the community as a whole. These have constantly urged the necessity for Free Trade, in the knowledge that unrestricted competition would enable them, the purchaser of labour, to buy it in the cheapest market."

The restriction in the demand for labour caused by the stoppage of the inflow of foreign capital, by the frauds of the capitalist classes, by the corruption of Government and by the financial collapse, has temporarily produced such an artificial surplus in the labor market of this almost unpopulated area, that internal competition amongst the workers has reduced the wage rate in Victoria to the level of that obtaining in most of the competing countries. In proof of this it may be stated that men can be got to do agricultural work for from 1s. 6d. to 4s. per week in addition to their board (which costs 2s. 8d. per head, on the scale of subsistence given to the men in the Permanent Artillery). Until recently a man employed under the Municipality of Bendigo was receiving from the contractor 15s. per week to keep himself, wife and five children. These instances might be multiplied indefinitely.

It is therefore clear that protected industries cannot plead that they have succeeded in providing well-paid employment for the wage earner. Yet, under present circumstances, any serious reduction of the import duties upon the competing products from other countries would result to the detriment of the working class. Instead of getting employment at a low wage they would get none at all, and, swelling the ranks of the unemployed, must either increase the competition

amongst the workers in other trades, or leave the country and so increase the burdens of those who remain.

The working class is opposed to indirect taxation. With revenue duties it can have no sympathy. These mean merely that the general consumer is made to bear a portion of the cost of governing the country, which should be met by diverting to the National Exchequer the economic rent of land, and by a tax upon the incomes of the wealthy, supplemented by heavy death-duties which would prevent vast accumulations of money in a few hands. But it is in favour of a Protection which really and directly protects the working class.

Any industry in Victoria which at this moment needs Protection must do so for one of the four following reasons:—

(1) Because it cannot produce so cheaply as competing countries which have advantages over it in soil, climate, geographical position, density of population, or other natural features beyond the power of man to alter. Protection in such a case involves great economic waste by diverting capital and labour to employments which are unsuited to the country.

(2) Because the Victorian employers or workmen have not so much enterprise or skill as those of competing nations. Protection in this case means the subsidising of inferior enterprise or skill, and is fatal to the best interests of the country.

(3) Because, with equal natural advantages, enterprise and skill, the Victorian employer is beaten solely by the cheaper cost of labour in the competing countries. In this case, Protection means the preservation of the community from the evils inseparable from a low standard of life, intelligence and morals, amongst the majority of its population.

(4) Because, in a new country, an industry does not offer any inducement to capitalists to establish or to workmen to master it, with the certainty of their nascent enterprise being choked in its cradle by the competition of huge, well-equipped, and long-established firms in older countries. In this case Protection means developing the natural resources of the country, providing variety of employment for its people, and securing the nation from being dependent upon the export of agricultural produce to markets which may at any moment be closed against them by a fall in prices, by hostile tariffs, or by war.

The working class is opposed to Protection in cases 1 and 2. In case 3 it is also opposed to Protection unless it be accompanied with the provision that the employer who has the benefit of the protective duty is compelled to give the work people a living wage for a normal maximum working day of eight hours. In case 4 the working class favours Protection (again coupled with the above condition); in the shape of bonuses gradually decreasing to the vanishing point at a period which would allow reasonable time for the establishment of the industry.

It will be seen, therefore, that general recommendations for or against Protection are entirely out of place. The case of each industry must be considered upon its merits by impartial men qualified to weigh the evidence upon technical points. The Social-Democrats of Victoria are not in a position to sift the masses of interested statements for and against the duty existing or proposed on any particular class of goods. They regret that there is not, inside or outside the Assembly, any body of men whose summary of the evidence can be accepted unreservedly by men without the leisure or training to investigate facts for themselves. They recommend the above principles to the attention of workmen as those upon which Social Democracy in all countries will settle the vexed question of the Tariff.

Signed, by order of the S.D.F. Council,
 W. J. LORMER, CHAIRMAN.
 J. COOK, SENR., TREASURER.
 H. H. CHAMPION, SECRETARY.

an
 po
 in:
 tra
 ma
 fla
 po
 the
 bu:
 hol
 an
 "V
 Mc
 feel
 the
 bre
 fro
 Mc
 Sul
 Th
 C
 wor
 had
 me
 ma