

Profiteering, Not Wage Rises, Behind Growing Inflation

Outrageous profiteering by big business, not wage rises or shorter hours, is the real cause of the present rapidly rising prices.

This is proved by a survey of the latest profit and production figures.

Capitalist economic "experts," Labor Right Wingers and Catholic Actionists are all howling that wage rises and declining productivity by the workers are responsible.

The Catholic Action weekly has the nice to repeat the old capitalist slogan "a fair day's work for a fair day's wage." Government economic adviser, Mr. Colin Clark, talks insistently about "the vicious spiral of wages and prices."

All this is just a smokescreen for the exploiters. The real upward spiral is that of profits and prices. Profits of companies supplying the basic needs of the people show big increases over 1947 levels. Many of them, to avoid the high war-time taxation on dividends, put a large part of profits aside into reserves and undivided profits to be issued later as tax-free bonus shares.

Clothing Profits

PROFITS.	TOTAL RES.
Dradford Cotton (NSW)	
1939	£29,000
1946	£100,659
Australian Knitting Mills	
1939	£220,140
1946	£262,645
Colonial Sugar	

Food Profits

1939	£1,005,670	£5,393,883
1947	£1,153,473	£3,012,164
Rosella Preserving		
1939	£59,266	£122,406
1946	£4,505	£221,381
Peters Ice Cream		
1939	£22,524	£28,990
1946	£145,607	£145,594

Miscellaneous

British Tobacco		
1939	£910,814	£1,200,708
1946	£855,220	£1,496,712
ACI (Glass)		
1939	£224,512	£2,680,429
1947	£474,930	£4,310,882
A. G. Healing (Electrical)		
1939	£81,068	£111,068
1946	£63,801	£159,356

An examination of 1947 profits by the Queensland TRC Research Department shows that rising prices boosted profits to record levels.

In 1945-46 the net profits of 68 representative Australian companies totalled £12,191,525. In 1946-47 their profits amounted to £15,336,792—a rise of over 25 million, or 25 per cent.

The three textile companies listed averaged a 28 per cent profit rise in the same period. Wholesale prices of textiles rose by 25 per cent, but the average wages in cotton mills rose by only five per cent.

Mr. Isa Mines Ltd. showed a profits increase of 224 per cent.

Lie Brazenly

The large-scale profiteering evident in these, and other figures, is only made possible by the high prices allowed by the Commonwealth Prices Commission. And the real responsibility for its rests upon the Federal Labor Government as long as it allows the present undemocratic set-up of the Prices Commission to continue.

The source of these increased profits is to be found in the greatly increased exploitation of the workers.

The latest Quarterly Summary of Australian Statistics shows that production per head of population rose from £29/7/3 in 1938-39 to £49/8/0 in 1944-45. This is a rise of 69 per cent.

Wholesale prices rose only 39 per cent in this period, so that the increase in real value of production per head rose by 30 per cent.

Total production and production per head have increased further since 1945. Production of coal, pig iron and steel all exceed the pre-war level.

Here are the figures:

BLACK COAL	
1938-39	1,018,000 tons
1946-47	1,169,000 tons

PIG IRON	
1938-39	92,100 tons
1946-47	94,900 tons

INGOT STEEL	
1938-39	92,500 tons
1946-47	102,500 tons

Fewer Miners

As there are about 3,000 fewer miners in the coal industry than in 1938-39, fewer miners are producing more coal. Production of most building materials except bricks, now greatly exceeds pre-war figures according to Commonwealth Statistics:

CEMENT	
1938-39	72,300 tons
1946-47	75,000 tons

CEMENT SHEETS	
1938-39	790,000 tons
1946-47	1,740,000 tons

SAWN TIMBER	
1938-39	59,800,000 super ft.
1946-47	81,100,000 super ft.

Shortages of certain commodities are being caused not by slacking on the part of the workers, but by the high demand of the present capitalist boom period and by unprecedented Australian exports to high-priced markets overseas. The shortage of Australian clothing and textiles is an artificial one created by the export of materials and apparel urgently needed on the home market.

The value of apparel, textiles and manufactured fabrics exported in 1946-47 was £10,800,000 compared with only £446,000 in 1939. Allowing for the rise of export prices from two to three times, this means that ten times the previous quantity of Australian clothing materials are being exported.

The export of metals and machinery has increased from £19,500,000 to £29,250,000 (Melbourne Herald 8/7/48).

Australia has become a big exporting country. The resultant scarcity on the home market enables the capitalists and blackmarketeers to push prices continually upwards—with Prices Commission approval.

CIVIL LIBERTIES COUNCIL CONDEMNS HOLLWAY'S ACT

Hollway's Essential Services Act has been sharply condemned in a statement issued by the Emergency Committee of the Council for Civil Liberties.

The Committee suggests that the best thing Premier Hollway can do with the Act is to repeal it.

Dealing with the Act's provisions for compulsory strike ballots, the Committee says that the past history of similar legislation shows that it cannot be enforced and that the Act therefore can only encourage disrespect for the law.

The punitive sections of the Act, it says, are similar to those included in the Commonwealth Arbitration Act by the Bruce-Page Government in 1926 and repealed by the Commonwealth Parliament two years later (when there was a Labour majority in the House of Representatives).

Won't Work

In 1929 the Bruce-Page Government attempted to enforce the secret strike ballot on 20,000 members of the Timber Workers' Union. Only 6,000 ever voted—5,800 for the strike—and many ballot papers were publicly burned. The Timber Workers and later the Waterside Workers were fined 21,000 each.

In neither case did the fine bring about a change in union policy.

Mr. E. J. Hollway, then Melbourne TRC Secretary and present Federal Minister for Labor and National Service, was fined heavily for his part in the strike, but after conviction he proceeded as before. Thus the punitive ballot provisions of the Hollway Government's Act have all been tried and failed.

Commenting on the powers contained in the Act for the compulsory labor, the general secretary of the Council, Mr. Brian Fitzpatrick, said:

"So far as the Council is aware there is no precedent for a post-war act of this kind against workers. Anything amounting to industrial conscription is post-war time is offensive to every democratic-minded person."



"Meet My Big Brother."

J. D. BLAKE'S NEWS REVIEW

Big Splash Given U.S.—Inspired Propaganda

It is becoming increasingly evident that our daily newspapers are being used to spread the prepared propaganda of the American State Department.

This was particularly striking in the series of articles on Russia published a week ago in the Melbourne Age. These articles were sent to the Age from Washington, U.S., which leads to the first rather obvious question: Why go to Washington for articles on Russia? After all, Washington is about five thousand miles from Russia.

The articles gave a fantastic account of alleged Russian aims to dominate France, Italy and the whole of Western Europe. Even more fantastic, these alleged aims were presented in the articles as being part of an alleged agreement with the mad leader von Ribbentrop. In other words, we are expected to accept the sheer absurdity that von Ribbentrop signed an agreement giving Russia control of France and Italy.

It is clear to anyone carefully reading these articles that they were simply fabricated by the paid propagandists of the U.S. State Department, working in the same way as Goebbels' anti-Soviet staff before the war. The Age is thus making itself a tool for disseminating the inspired propaganda of Wall Street.

"Experts" At Work

The so-called experts on these newspaper stunts reveal complete ineptitude whenever they are put to the test. We had a rather obvious proof of this from the financial editor of the Melbourne Herald in connection with the commodity price drop in the U.S.A.

To anyone with elementary knowledge of political economy, the drop in commodity prices and the associated fall on the Wall Street stock exchange are an indication of capitalist over-production in the U.S.A. presaging a new economic crisis.

But the Herald financial editor, joining the rest of the soothsayers, declared that there was no reason to be concerned about the fall in prices; he then went on to say that this price drop served to emphasize the need to increase production.

All of which goes to show that this expert is completely unaware of the laws governing the capitalist economic system. The U.S. price drop is a clear pointer to capitalist over-production, and the "solution" offered by this expert is more production.

Much the same thing could be said

MUSIC ON THE AIR

Music-lovers must now be prepared for some time to have their chosen programs displaced, without notice or apology, by the silver tongues of Canberra.

Perhaps it is as well for our blood-pressure that programs in sight, after the week-end, are no likely to raise any special rapture. But these from 3.0 should be more or less worth hearing, when the honorable members permit—

TONIGHT (Friday): 6.30, the Melbourne Orchestra in "Music of the Masters"—this time, the rather moderate masters Roger Quilter and Charles Stanford; 8, an unspecified string quartet; 9.15, Valda Johnston, pianist, in an attractive program of Debussy, Ravel and Poulenc; 9.55, the third act of "Aida" (some of Verdi's finest music) broadcast from the Princess Theatre.

SATURDAY: 12.30, a quartet arrangement of Elgar's great organ passage, in C minor—probably not a good idea, but it may be interesting to hear how it works out—followed by Schumann's very satisfying performance of the 4 major Schubert sonata; 2 to 3.30, important records—a Handel concerto grosso (Goyd Neel) and Beethoven's ninth symphony (Hamburg Philharmonie)—rather solid and traditional, but in some respects far superior to the Eto-Kovacki recording which is more often played; 3, the Brisbane Orchestra in a work by Alfred Hill, and Marcel Kery in a sonatina for harpsichord by Margaret Sutherland; 5.30, Neville Cardus on Schubert's Winter Quartet; 8, a song-cycle; 9, music by Bela Bartok, one of the most significant of modern composers; still too little known.

SUNDAY: 10.15, Dvorak's first symphony; 12.30, Bachhaus in half an hour of Brahms; 2, fine records (Mozart, Beethoven); 4.15, Dr. Floyd's "Lovers' Hour" (Smetana's "Moldau") and a delightful concerto grosso by Vivaldi; 5, Queensland State String Quartet; 8, music by Alfred Hill, and Marcel Kery in a sonatina for harpsichord by Margaret Sutherland; 8.30, Neville Cardus on Schubert's Winter Quartet; 9, song-cycle; 9, music by Bela Bartok, one of the most significant of modern composers; still too little known.

TUESDAY: 6.30, the same, and other music broadcast from northern Queensland; 8, music by Alfred Hill, and Marcel Kery in a sonatina for harpsichord by Margaret Sutherland; 8.30, Neville Cardus on Schubert's Winter Quartet; 9, song-cycle; 9, music by Bela Bartok, one of the most significant of modern composers; still too little known.

SA YOUTH RALLY PLANNED

ADELAIDE—Plans for an Adelaide youth rally some time in May, were discussed last week. The plans include a town hall meeting, factory-gate talks and a jazz concert.

Delegates to the world conference of Christian Youth in Oslo and the World Federation of Democratic Youth in Prague will probably attend the rally.

A provisional committee has been set up to call a meeting of youth organizations in February to plan the rally. The committee includes the Adelaide Young People's Democratic Club, the Christian Socialist Youth Club, the Young League and the Trades and Labor Council Youth Committee.