

TYPEWRITTEN COPY OF HANDWRITTEN SUBMISSION

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Productivity Commission

Re: Public Hearings on Impact of Competition Policy Reforms on Rural and Regional Australia

This is a summary of the points I would like to raise at the public hearings in Launceston on July 5th at which I am scheduled to appear at 11.00am.

1. The statement on page 70 of the Draft Report (Hilmer et.al. 1993 P.1) which supposedly encapsulates the rationals for NCP is, I believe, based on false premise and is in many ways contradictory. This therefore throws into doubt the accuracy of the rationale for NCP. The quote suggests that Australian Firms must improve productivity and international competitiveness so that the living standards of Australians can be maintained or improved. I don't believe that to be so.

The quote also suggests that by improving performance and lowering prices we actually give consumers greater access to products and by so doing create more employment opportunities. This seems to me to be a contradictory statement.

2. I believe that greater efficiencies always creates unemployment, thereby allowing the people less access to the goods being produced in abundance. So do we then have to produce more goods so that the people can gain access to the goods they really require?
3. I believe our main problem is not one of production but rather one of distribution ie. Purchasing power (money) in the hands of the consuming public, or lack thereof to be more precise.

This lack of money in the hands of the consumer can without doubt be attributed to the flaws within the economic system that most developed nations now work by, ie. Fractional Reserve, Central Banking.

There are three major flaws within this economic system, they are:

- the creation of virtually all money is in the hands of a private monopoly, ie. Bankers, particularly International Bankers;
- Governments have no money of their own. (Government only gets money by way of taxes or borrowings);
- The money to pay the interest on debt money, (borrowed in to existence) has never been created. I think this is fraudulent.

These flaws within the economic system are little understood by a great deal of the general public, many Treasury officials and Bank Managers and Directors and also most politicians.

4. To speak of Competition suggests a fair contest where all participants play by the same rules or in other words “on a level playing field”. I believe there is no such thing as a level playing field when small business is forced to compete with large business and multi-national corporations, when these big businesses (if not owned by or controlled by bankers) are at least given preferential treatment by their financiers.

The word competition also suggests there will be only one winner at the end of the track. Its not hard to work out who that winner will be if this system is allowed to continue.

5. Clear evidence that Fractional Reserve Banking was designed for a particular purpose can be found in a study of such authors and famous speakers as Thomas Jefferson, Benjamin Franklin, Lord Acton, Thomas Edison, Robert Hemphill, Abraham Lincoln, Prof Carroll Quigley, Henry Ford snr, Major C.H. Douglas and many others. That purpose I believe, was to bring all nations on Earth into such a irredeemable debt situation that they would accept centralised control over all aspects of life, financial, social, environmental and even religious. Now days it is quite common to hear such phrases as Globalisation, New World Order, I.M.F. World Government etc in the media. According to the Committee on Global Governance ((COGG) “Global Governance does not mean World Government”, but according to every dictionary I can find that’s exactly what it means, and I am not in favour of it.
6. Major C.H. Douglas discovered additional flaws in the present monetary system such as the fact that “industry generates prices at a greater rate than it generates incomes, meaning that, in any given production period there is never enough purchasing power put into the hands of the consumers to purchase the goods that were produced in the same period. The reason being, there are other costs, included in the costs of production than are put into the hands of the consumers, by way of wages, salaries and dividends, as purchasing power. The other costs include such things as, interest on loans, research and development funds, taxes, depreciation etc.” These shortfalls of purchasing power need to be made up for in other ways,

such as development programs or an injection of debt Free National Credit. These are decisions that should be made by the Parliament.

7. The Australian Parliaments of today seem to have forgotten, or never been informed, just what money is and that it is supposed to represent the Credit of the Nation and more importantly that the credit of this Nation belongs to the people of Australia. Also that it is within the power of the Parliament to issue the credit of the Nation on whatever terms it sees fit, as has been done in the past by the then Governor of the Commonwealth Government Bank, Sir Denison Miller, during the period 1912-1924. The First World War was financed to the tune of 350,000,000 pounds. The Indian Pacific Railway was also build debt free. Until 1924 when the Government bank was strangled it had also conferred other great benefits upon the Australian people. Some examples were the 1,500,000 pounds provided to the jam and fruit industries, 4,000,000 pounds for Australian homes, the loans on 4,360,000 pounds to local governments for extensive capital works. It paid to the Commonwealth Government 3,097,000 pounds as profits from its Note Issue Department between December 1920 and June 1923. It provided 4,500,000 pounds profit to 1924 for the redemption of debt. Denison Miller once said “Whatever is physically possible, is financially possible”.

In June 1924 the Bruce-Page Government brought in a bill to amend the Commonwealth Bank Act by taking control of the Commonwealth Government Bank out of the hands of the then Governor and placing it in the hands of a directorate which was to include certain “prominent” people chosen by the Governor General. These men could be friends of the private banks who resented the debt-free note issues and the extended cheap credit extended to a variety of public and private enterprises.

8. Once one gains a grasp of the present fatally flawed monetary system, and along with that an understanding of how an honest monetary system should work, in accordance with God’s Laws, which forbids the charging of usury (interest), then it becomes very difficult to come to grips with the rationale of the architects of National Competition Policy. Rather they remind me of a dog chasing it’s own tail, I don’t think they’ll know what to do if they catch it! Maybe NCP should be re-named National Co-operation Policy.

Some further information will be presented at the public hearing.

Yours sincerely

Rod Linger