

Citizens Electoral Council of Australia

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Independent Political Party

12th of December 2013

ALP and Libs are winning their campaign to destroy Australian manufacturing— fight back!

Iconic Australian car maker GM Holden's announcement this week that it will end car production in Australia by 2017 is exactly what Paul Keating intended when he floated the dollar and slashed tariffs in the 1980s.

And he's been cheered ever since by the same Labor and Liberal politicians, media pundits, and union leaders who today are wringing their hands over the loss of 3,000 Holden jobs.

Australians must fight back—by rejecting the consensus line that the Hawke-Keating reforms were somehow great for Australia, when in fact they ripped apart our agro-industrial base and turned the economy into a financial casino and colonial raw materials quarry.

If it is hard to accept that the destruction of manufacturing jobs is intentional, hear it from the architect. The following exchange between Paul Keating and Kerry O'Brien, broadcast on ABC TV on 26 November 2013, the third episode in a four-part interview series, reveals the deep disdain Keating had—and has—for the "blue collar" factory jobs his tariff cuts started to destroy in 1986.

O'Brien asked, "Looking now at the state of manufacturing today: the rustbelts around the major cities; industries like cars and steel and shipbuilding still in trouble; so many skills lost, jobs exported to Asia; are you still sure it was the right thing to do the way you did it?"

Without hesitation, Keating replied, "Oh, absolutely! I mean, it advanced us donkey's years..."

Pointing to the human toll, O'Brien countered, "But many of those working people were now staring at lost jobs. Many of those working people in factories, in various jobs, skilled, semi-skilled, unskilled—gone."

"Yeah—gone," Keating responded defiantly. "You know what they found? A better job a week later, in a growing economy, with employment growth."

Rising to his theme, Keating continued, "We got them off the factory floor. The aim was not to leave them doing repetitive jobs on the factory floor, but to get them off the factory floor doing better professional jobs in the big service economy of Australia. I mean, all these people got picked up." [Emphasis added.]

Keating's brazenness left O'Brien gobsmacked. This period was the beginning of the rise in unemployment that eventually peaked at over 11 per cent, and only came down through statistical manipulation and the permanent shift from full-time unionised jobs to part-time and casual jobs. O'Brien said, "You make it sound so simple: 'a week later they had another job'! Do you really think that's how it worked out?"

"No, no, the labour market in Australia had grown by 25 per cent," Keating defended. "We'd created 1.7 million jobs."

O'Brien: "A lot of those jobs were in totally different sectors of the economy. A lot of those jobs were in the service sector."

"Exactly!" Keating exclaimed, happy that O'Brien was making his point. "So what would you want to be? *Line up at 7.30 in a blue collar*, or work in the service sector? And people said, 'Thank you, I'll take the service sector.'" [Emphasis added.] Keating then described a woman he met with health problems from working in a textile factory, and said, "This is what *slave labour* [sic!!!] was all about, under the tariffs and under the quotas." [Emphasis added] (He made no mention of the conditions of the Asian factory workers on cents per day who took over the jobs of Australian unionised factory workers.)

Solution: Glass-Steagall, a National Bank, and tariff protection

Citizens Electoral Council leader Craig Isherwood today laid out the pathway to reviving Australian manufacturing.

"Keating is arrogant enough to boast of what most others try to disguise behind economic theory," he said. "Once you understand that everyone in the major parties, the media, and the leadership of the unions who support free trade actually *want* to destroy manufacturing, and that it isn't an 'unintended consequence', then it is clear how to save it—dump their policies!"

"Australia must return to being an economy in which production is more valuable than finance. To do that, we need to split up our banking system according to the Glass-Steagall principle, so that banking that services the daily economy is protected from investment banking that gambles on derivatives and makes more money from shutting down factories than from investing in them.

"Australia needs to go back to a National Bank, as the old Commonwealth Bank was under Ben Chifley. It was the Commonwealth Bank in 1947 which provided the credit for General Motors Holden to start manufacturing Australia's first mass-produced car. Even GM in Detroit wasn't willing to invest. Australia developed a car industry, not to service a 'market', but because Chifley had the vision of Australia having an advanced manufacturing capability, and he had the Commonwealth Bank to invest in it. To restore that advanced manufacturing capability, we must return to the vision and policies that developed it.

"Australia must dump free trade and return to tariffs. All of the free trade theory that the present generation of Australia's political leadership have been indoctrinated with is garbage. Chifley initiated advanced manufacturing in Australia, but it only lasted and flourished as long as it did because the great Country Party leader John 'Black Jack' McEwen fought for 'protection all round'."

Isherwood concluded, "This is not an economic debate, it is a political fight, over the future of our nation. It is time for Australians to break their traditional alliances with the parties that are betraying us, and join in the fight with the CEC."

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Independent Political Party

10th of December 2013

'Glass-Steagall' amendment narrowly defeated in U.K. Parliament; What are Australian MPs doing?

A long debate on Glass-Steagall in the U.K.'s House of Lords November 26-27 saw David Cameron's government battling on behalf of City of London banks, to avoid the prospect that a full Glass-Steagall bank separation could be set up as the near-term successor to Britain's so-called "ring-fencing" bank policy.

The Cameron government and its supporters fought efforts by Labour and Conservative Lords to amend legislation so that if the faux-separation option of "electrified ring-fencing" is found to not work, i.e. if a review finds that it isn't stopping speculation with bank deposits or "too-big-to-fail" banking, then the British banks should move to a "full Glass-Steagall separation", in which commercial banks with deposits will be split off entirely from the risky investment banking sector.

Supporters of Andrew Tyrie, the pro-Glass-Steagall chairman of the House of Commons Treasury Committee, argued for a full Glass-Steagall separation; they included Lord Barnett, Lord Eatwell, Baroness Cohen of Pimlico, Lord Nigel Lawson, Lord Hamilton of Epsom, and the Archbishop of Canterbury.

Lord Hamilton demanded a full separation, because, he said, "I know that many people in the City today are, as we speak, working on ways to get round the ring-fence and to make sure that money held in clearing [commercial] banks can be used in investment banks."

A U.K. Treasury official admitted the singular significance of Glass-Steagall. Defeating the Glass-Steagall amendment by only nine votes, 226-217, the government demanded that such a Glass-Steagall separation could not be embedded as a "reserve power" in the Financial Services Bill being enacted, but would require completely new legislation. "Glass-Steagall is not a supplement to ring-fencing, it is a separate alternative which would replace it; *it is a game-changer*," insisted Treasury Commercial Secretary Lord Deighton in the debate. [emphasis added] To defeat the amendment, the government gave

some ground by agreeing to a review of ring-fencing in three years.

CEC Leader Craig Isherwood welcomed the support for Glass-Steagall in the U.K. and asked: "Who is going to stand up in our Parliament and start moving for Glass-Steagall to be enacted in Australia?"

"Our banks are not fundamentally sound. The CEC has asked the question whether the banks' profits are actually real, given they hold \$23 trillion in derivatives obligations. The Treasury and APRA are working on bail-in legislation, to seize the deposits of the Australian people, under orders from the Bank for International Settlements and the G20's Financial Stability Board. They intend to steal the deposits of ordinary people, to prop up the derivatives gambling of banks that are 'too-big-to-fail'. Glass-Steagall is the answer: it protects deposits and cancels the derivatives holdings.

"Over 450 Australian community leaders endorsed a call to the Australian Parliament to enact Glass-Steagall, published in *The Australian* on 3 December². It's time for the Parliament to act. The Australian people need to ask their representatives in the House and Senate 'what are you doing about this? You should initiate a bill for Glass-Steagall for Australia'.

"The CEC has the template for Glass-Steagall legislation in our new pamphlet, *Australia needs Glass-Steagall*. I urge all Australians to contact us, get the necessary background material to arm yourself with, and call your House and Senate representatives for a meeting."

Footnotes:

- 1) http://cecaust.com.au/main.asp?id=free_GS-NB-pmpts.html
- 2) http://cecaust.com.au/releases/2013_11_13_Bank_Profits.html
- 3) <http://cecaust.com.au/main.asp?id=bail-in-ad.html>

Call your federal representatives from the Federal Parliament.:

- http://www.aph.gov.au/Senators_and_Members/Parliamentarian_Search_Results?q=

Call state MPs from your state or territory's Parliament:

- VIC: <http://www.parliament.vic.gov.au/members>
- NSW: <http://www.parliament.nsw.gov.au/prod/parlment/members.nsf/V3Home>
- QLD: <http://www.parliament.qld.gov.au/members/current/list>
- TAS: <http://www.parliament.tas.gov.au/>
- ACT: <http://www.parliament.act.gov.au/members/find-your-members>
- SA: <http://www.parliament.sa.gov.au/Members/Pages/List%20of%20All%20Members.aspx>
- WA: <http://www.parliament.wa.gov.au/parliament/memblist.nsf/WAllMembers>
- NT: <http://notes.nt.gov.au/lant/members/Members1.nsf/Members/By%20Name?OpenView>