

if it had been entered into between private persons in the ordinary concerns of life, would have been regarded as an obligation not only of law but of honour which no self-respecting man could possibly have repudiated. I say, secondly, we are fighting to vindicate the principle which, in these days when force, material force, sometimes seems to be the dominant influence and factor in the development of mankind, we are fighting to vindicate the principle that small nationalities are not to be crushed, in defiance of international good faith, by the arbitrary will of a strong and overmastering power. I do not believe any nation ever entered into a great controversy—and this is one of the greatest history will ever know—with a clearer conscience and stronger conviction that it is fighting not for aggression, not for the maintenance of its own selfish interest, but that it is fighting in defence of principles, the maintenance of which is vital to the civilization of the world."

And Mr. Lloyd George said, "It is the interest of Prussia to-day to break the treaty, and she has done it. She avows it with cynical contempt for every principle of justice. She says, 'Treaties only bind you when your interest is to keep them.' 'What is a treaty,' says the German Chancellor, 'A scrap of paper.' Have you any £5 notes about you? I am not calling for them. Have you any of those neat little Treasury £1 notes? If you have, burn them; they are only scraps of paper. What are they made of? Rags. What are they worth? The whole credit of the British Empire. Scraps of paper! I have been dealing with scraps of paper within the last month. One suddenly found the commerce of the world coming to a standstill. The machine had stopped. Why? I will tell you. We discovered—many of us for the first time, for I do not pretend that I do not know much more about the machinery of commerce to-day than I did six weeks ago, and there are many others like me—we discovered that the machinery of commerce was moved by bills of exchange. I have seen some of them, wretched, crinkled, scrawled over, blotched, frowsy, and yet those wretched little scraps of paper move great ships laden with thousands of tons of precious cargo from one end of the world to the other. What is the motive power behind them? The honour of commercial men. Treaties are the currency of international statesmanship. Let us be fair: German merchants, German traders, have the reputation of being as upright and straightforward as any traders in the world, but if the currency of German commerce is to be debased to the level of that of her statesmanship, no trader from Shanghai to Valparaiso will ever look at a German signature again. This doctrine of the scrap of paper, this doctrine which is proclaimed by Bernhardt, that treaties only bind a nation as long as it is to its interest, goes under the root of all public law. It is the straight road to barbarism. It is as if you were to remove the Magnetic Pole because it was in the way of a German cruiser. The whole navigation of the seas would become dangerous, difficult, and impossible; and the whole machinery of civilization will break down if this doctrine wins in this way. We are fighting against barbarism, and there is one way of putting it right. If there are nations that say they will only respect treaties when it is to their interest to do so, we must make it to their interest to do so for the future."

Summary.

In the foregoing representations the following principal points have been made:—

From the Taxpayers' Point of View.—(1) That there is no present need for the Government to do any more than it is doing, so far as the Railways Superannuation Fund is concerned.

(2) That the Railways Superannuation Fund was actually in credit to the extent of £1,454,173 at the 31st March, 1932.

(3) That in case of necessity the Government could even decrease its present payments of £170,000 per annum to the Railways Superannuation Fund from the Working Railway revenue in order to meet present liabilities in other directions, provided that the State guarantee, as given and maintained up to the present time, is not withdrawn.

(4) That the theoretical actuarial deficiency of £9,000,000 alleged to exist in the Railways Superannuation Fund is a purely fictitious and panic estimate, which has been shown in our above representations to be quite unsound, having been based on factors which did not take a true account of present-day tendencies and conditions.

From the Present Superannuitants' Point of View.—(1) That the superannuitants joined the Fund under State guarantee of superannuation at certain rates, with an assurance that this served the purpose of insurance and other provident funds, and that the Government, having so given a guarantee, cannot now withdraw that guarantee any more than it can refuse to honour its obligations to its other creditors, namely—

- (a) The people from whom it has borrowed money;
- (b) The people who have invested in Government Life and Fire Insurance schemes;
- (c) The contributors and superannuitants of the National Provident Fund; and
- (d) The people who have entrusted their money to the Post Office Savings-bank.

(2) That if, in defiance of the State's solemn obligation, any alteration in superannuation benefits is made, it should be made without discrimination as between one set of superannuitants and another—that is, it should be on a percentage basis of the amount to which the respective superannuitants are at present entitled.

From the present Contributors' Point of View.—(1) He has fulfilled his obligations to the Fund, and it is the Government's duty, when the time arrives, to fulfil its share of the contract. Any present decision by the Government to legislate away rights legally conferred strikes at the very roots of civilization, because civilization is based upon faith as between man and man, as between State and State, and as between Government and people.