SAVING AND SPENDING.

SOME INTERESTING FACTS.

LECTURE BY PROFESSOR GONNER.

No part of the great theme of economies could appeal to the masses more strongly than that dealing with saving and spending, and no one is more qualified to express authoritative views on the subject than Professor E. C. K. Gonner, M.A., president of the Economics and Statistics Section of the British Association, and professor of political economy in the University of Liverpool. The Town Hall was crowded on Sunday evening to hear Professor Gonner give his promised lecture, which was delivered under the auspices of the Workers' Educational Association, recently formed in the city. While the hall was filling Mr. W. R. Knox (city organist) played patriotic and other music. The building presented an attractive appearance, the walls being hung with flags and decorated with wattle. Mr. T. Ryan (president of the South Australian council of the Workers' Educational Association) presided, and the audience included the Governor, Lady Galway, and Miss D'Erlanger, Sir Oliver Lodge (the retiring president), Professor Bateson (president-elect), Lady Lodge, Mrs. Bateson, the Hon. G. J. Mulholland (the Governor's private secretary), and Miss Macaulay.

Professor Gonner said he never anticipated that one would be confronted in South Australia with the grave financial problems which beset the use of wealth. It was usual to draw contrasts between those who saved and those who spent, sometimes to the disadvantage of both. It did not always follow that a man who spent freely did good to the community. They could not inure a better balance of unprofitable expenditure than they had at the present time in war. (Cheers.) It was wasteful, quite independent of the suffering produced by war itself. In praising the habit man sometimes overlooked the nature of the expenditure, and failed to discriminate between productive and non-productive expenditure. A saving person deserved the title of prudent, but they need not go further and call him virtuous. The person, who practised thrift did so for his
The Origin of Saving.

The origin of saving was so far back in prehistoric times that it was impossible to speak of it with authority. How did primitive men come to save for the future which would hold needs which would demand gratification? Tribe after tribe had learned to make provision against the time that food could not be obtained immediately or with ease. There were various forms and conditions in early times—the production of reserve of food, and the improving of animals, and the saving in kind and the other in quality. In modern times three different forms were absolutely distinct—one was a saving in kind and the other in quality. In modern times the saving was accomplished by lending. People who placed their money in a bank or loaned it to others saw the power of their savings increase. Why was saving profitable to the community? Because people who placed their money in a bank or loaned it to others were more likely to obtain employment and machinery by the use of the savings on the whole community. And it was recognized that those savings were made in money, and that complicated mechanism on which the well-being and satisfaction of the existing community was built. The realization of the facts, needs, desires, and possibilities of the future. As economic instincts became anxious as to the future and its needs, though it was possible to produce a great many wants and needs which could never occur. It is to be understood that the community of the future was to be placed in a better position to produce things.

Modern Saving.

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Capital and Labor.

The capital of a country did not consist only of that human capital represented by skill and intellect—in ships, railways, factories, and so on, and the distribution was greatly facilitated. Some people spoke of saving as over-production accompanied by a low wage. Capital was essential to labor, and labor was essential to capital (Cheers). Differences were due to the small number of people while labor had much more.
might be owing to the people were able to produce, and the more they produced, they would always be wise in the interest of their country, and the more they produced, the better would be their position in the world. If they said that it was very to work, because he was to receive wages that were not enough to live on, and he was willing to work on smaller wages, but that he was in a position to get higher wages, and that there was no conflict of interest. The person who had saved could stick out longer. (Applause.)

Benefits of Insurance.

People could not save enough to provide for their old age, and the emergency, and that was the reason why insurance was advocated instead of saving. In all communities the movement had developed systems of insurance, and it was the State that had to undertake that development. The State could compel people to insure whether they wanted to or not. (Applause.) He did not advocate compulsory insurance in every respect, but there were many occasions when compulsion was desirable.

The Economic Aspect and War.

Let them think of the effect of their present position by the saving in the past. If the industries of the Empire were stable, they would all be wise in the present, it was because of the saving in the past. (Applause.) If the Empire could stand the great strain imposed upon it, it would be because of the attention paid to that problem in the past. When they considered the economic losses, which were great, could be repaired, but they could not be repaired if they were not repaired. The economic losses could only be repaired if they were to make up their minds to live a simple, a moral life and trade, and it might not be possible if they did not wish to.

Then, could they, as it were, rejoice at the progress and development in the past, which they had trusted to develop, and which had developed in the past, which they trusted would develop and develop in the future. (Applause.)

Choir: All the children they are on the way for a higher education all round. They in Australia had had a high standard of comfort, and they were pleased with it. A high standard of comfort requires a lot of money. It gave them an opportunity for the soul to develop. There was a wholesome poverty in their homes. It was the decreasing poverty which they had in the past. They were few months in the old land, which was increasing and the richness of life everywhere. It was a great possession, and they resolved to live of more value than their character, what is what they really could save in a permanent way. Other things they did not take with them, but their character determined their destiny. (Cheers.)