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Nothing to offer but fear?
Non-Labor Federal electioneering
in Australia, 1914-1954

Andrew Lee

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This thesis is all my own work except where otherwise acknowledged.

Andrew Lee

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for my parents, and for Lisa
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Abstract

Between 1914 and 1954 non-Labor federal politicians appealed for votes by claiming to guard property, the rule of law, and national loyalty, and denouncing the Labor Party as the enemy of these principles. Non-Labor electioneering comprised two aspects: 'limited,' and 'threat and loyalty.' The former was based on proposals for national development and supposed that Labor's attitude to them was misguided, but not fundamentally dangerous. The latter was based on accusations that Labor sympathised with radicals who were disloyal to the state; and that Labor, therefore, posed an existential threat to the community. These tendencies overlapped, and were combined in election propaganda in order that threat and loyalty rhetoric might dramatise limited issues.

In the 1914-18 war, the Nationalists demanded that national effort should be concentrated into support for British war aims, and defined the upholding of conscription as the criterion of loyalty. In the atmosphere of European war and Anglo-Irish violence, the Nationalists equated Labor's opposition to conscription with disloyalty, but promised to preserve a pre-war settlement that included the welfare and arbitration associated with Labor. From the early 1920s, the Anglo-Irish truce moderated the sectarianism of the non-Labor image. Nationalists promised to suppress the threat that union militancy allegedly posed to the development of Australia as an economy of
Imperial trade, investment and immigration. During the Depression crisis of 1930-31, non-Labor undertook to restore confidence by shunning unorthodoxy and adhering to policies idealised as traditionally British. Throughout the 1930s, the United Australia Party persisted with a rhetoric of financial orthodoxy, despite the abandonment of many elements of laissez faire. The Second World War was the trough of non-Labor's fortunes in this period. Robert Menzies' first government enjoyed little credibility as a war administration, and the United Australia Party became discredited, as the proliferation of independent non-Labor groups at the 1943 election testified. Re-grouping among extra-parliamentary supporters, however, together with the defeat of the postwar reconstruction referendum in 1944, created the conditions for Menzies to form a new party at the end of that year. The Liberal Party continued a traditional non-Labor politics of anti-socialism and anti-communism, but recognised the popularity of 1940s welfare and full employment policies, and attempted to promote a positive agenda of free enterprise, and alliance with the West. A heavy win over the Labor government in 1949 seemed to confirm the success of these tactics, but two years later the government failed to carry a referendum to ban the Communist Party. Nor did repetition of the anti-socialist and anti-Communist themes of 1949 arrest a decline in the government's popularity. The government was returned to power in 1954, however, in a campaign which combined the celebration of postwar prosperity with an emotive anti-Communist campaign, fuelled by a spy scandal. This association of themes was typical of the range of non-Labor's federal electioneering tactics in the forty years since 1914.
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"THERE IS NO MIDDLE COURSE" between the Nationalist party and Communist-influenced Labor, warned one Nationalist advertisement in the 1922 Federal election. In the 1953 Senate poll the Liberal Prime Minister, Robert Menzies, proclaimed:

[T]here is no middle course. Either the voters confirm us in a Senate majority, or they accept the imminent risk of having Dr Evatt in charge of our foreign relations, Mr Calwell in charge of our relations with South East Asia, Mr Ward in charge of our territories, and the Treasury conducted by a group of people whose policy is more expenditure, more inflation, and sheer irresponsibility.

It is an axiom of political party theory that defining the alternatives is an important source of power. In this thesis I ask why non-Labor chose to define political alternatives in particular ways at particular times. I argue that in the first half of the century the non-Labor parties endeavoured to persuade voters that non-Labor was the guardian of permanent values, and

1. 'Safety First', authorised by Archdale Parkhill, Smith's Weekly, 9 December 1922, p. 32; NLA MS 2823/1/2.
2. R.G. Menzies, Opening Speech in the Senate Campaign, Brisbane City Hall, 14 April 1953. NLA MS 5000/9/334.
4. I use 'non-Labor' as a generic term for the principal Australian federal non-Labor parties and their personnel - parliamentarians, officials and to a lesser extent, voluntary workers; and the name of the principal non-Labor party of the day (Liberal, Nationalist, United Australia Party [UAP], and Liberal Party of Australia [LPA, or Liberal], again) for particular references.
the only alternative to a Labor Party which was at best innocently misguided and at worst, traitorous. This thesis is an attempt to provide an overview of the positive and negative agendas which non-Labor politicians put before Australian voters. My subject is the content and style of the campaign arguments non-Labor used to generate and maintain popular support in Federal elections.\(^5\) Firstly, I seek to demonstrate the distinctiveness of non-Labor ideology in the relationship between the different elements of this world view\(^6\), especially in the combination of positive and technical arguments with emotive warnings about existential dangers. Secondly, I examine the ways in which non-Labor campaign politics changed and remained the same between 1914 and 1954 as non-Labor maintained traditional wisdoms but adapted them to experience.

Non-Labor parties formed the Commonwealth government for twenty eight of the forty one years from 1914 to 1954, and in a legal sense this was so because they won a majority of House of Representative seats in twelve of the sixteen general elections. Since at least 1956, writers have complained of the dearth of material on the Nationalist, United Australia Party & Liberal parties.\(^7\) There is now a scholarly biography of Menzies, and some valuable accounts of non-Labor leaders and organisations in unpublished theses. In addition, there is a considerable literature on the far-right secret societies

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which, we are told, might have done something other than plan and drill if
Lang had not lost office in 1932. There are studies of the junior non-Labor
group, the Country Party. We have, however, no published biography of
Lyons, who was prime minister for most of the 1930s; and no monograph on
the United Australia Party - nor on its predecessor, the Nationalist party,
which held office between 1917 and 1929.

Original studies of the ideology and rhetoric of the main non-Labor parties
are particularly scarce. There is a 'pragmatist' tradition in Australian
political studies, dating principally from W.K. Hancock's *Australia* (1930)
which stipulates that politics in Australia is essentially a competition
between economic interest groups to secure benefits from the state; that
parties are the vehicles of these interests; that their propaganda contains
little of sufficient coherency to warrant the term 'ideological'; and that
attitudinal differences between the parties are of slight importance because
each offers a marginally different version of a centrist politics designed to
appeal to swinging voters. Marxists have been more interested in the
development of a revolutionary consciousness in the working class and

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biographies: see in particular, Phillip R. Hart, *J.A. Lyons: A Political Biography*, PhD
thesis, ANU, 1967; and D.J. Potts, David Potts, 'A Study of Three Nationalists in the Bruce-
Page Government of 1923-29: Stanley Melbourne Bruce, John G. Latham, and George Arthur
Maxwell', M.A. thesis, University of Melbourne, 1972. The 'secret army' Right: Keith Amos,
*The New Guard Movement, 1931-35*, Melbourne, 1976; Michael Cathcart, *Defending the
National Tuckshop: Australia's Secret Army Intrigue of 1931*, Melbourne, 1988, pp. 29, 77, 181-
82; Andrew Moore, *The Secret Army and the Premier*, Kensington, NSW, 1989; Ibid., *The
Right Road? A History of Right-Wing Politics in Australia*, Melbourne, 1995; U. Ellis,

pp. 209-10; Ideology is given more emphasis in recent textbooks: see Dean Jaensch, *Power
have tended to regard non-Labor parties as agents of economic power rather than sources of political power. From Labor's early days, Party sympathisers have been fascinated by its history - but they have tended to focus on internal machinations and ideological conflicts; while their accounts of the ALP's relationships with its main party rivals emphasise resistance to Labor's reformist mission.\textsuperscript{10} Liberals have shown less interest in their history,\textsuperscript{11} perhaps because they have regarded themselves as the guardians of a self-evident normality and have tended to admire entrepreneurial above intellectual achievement. In sum, Australian non-Labor rhetoric and ideology has been neglected because of the prevalence of assumptions that political ideas are of little importance; that the Left is aligned with the dynamic forces of history and the Right's opposition is automatic, unthinking, and unchanging; and that the ideas expressed in party propaganda are not sufficiently cerebral to merit academic study. It seems that people committed to what they regard as a rational politics of the Left have underestimated the potency of apparently irrational ideas\textsuperscript{12}; while academics attached to putatively objective social science methods, such as quantification, have been dismayed by the unsystematic quality of party political expressions of ideology.

\textsuperscript{10} This is the 'initiative and resistance' theory criticised by Mayer, \textit{op. cit.}; and see Brian Fitzpatrick, \textit{A Short History of the Australian Labor Movement}, Melbourne, 1944 (1940); L.F. Crisp, \textit{Australian National Government}, Melbourne, 1965, ch. 9 - 'The Parties of Town and Country Capital'.


Nevertheless there are a few studies based on the assumption that ideology has been a significant aspect of non-Labor power, in that it has provided a means by which politicians have told themselves, their supporters and their constituents who they were and what they stood for; and that this ideology has included positive values and policies. For example, Peter Loveday has contended that the notion of economic development has been used in non-Labor politics to justify a variety of policies, some interventionist in tendency, others in a laissez faire tradition. The attraction of the idea of development has been its unequivocally positive status and its flexibility.\textsuperscript{13} Marion Simms has discussed the combination of anti-socialist, interventionist, and laissez faire dispositions in the attitudes of the Liberal Party of Australia attitudes to economic development.\textsuperscript{14} Peter Tiver has argued similarly that non-Labor ideology, defined by him as a loose amalgam of ameliorative and individualist tendencies, has been an important aspect of LPA politics in providing "justification and legitimation" for party policies. Particular aspects of non-Labor doctrine have come to the fore in different situations and times. For example, interventionist reform has always been valuable in the politics of seeking the uncommitted voter, and the incorporation of welfare state and Keynesian ideas became an important factor in the creation of a new non-Labor identity in the 1940s.\textsuperscript{15} More recently, Judith Brett and Allan Martin have published studies of Menzies which, while varying radically in method and scope, share an assumption that Menzies was an effective leader of non-Labor because he understood


\textsuperscript{14} Simms, op. cit., Ch. 2 & 3.

and gave eloquent voice to middle class values.\textsuperscript{16} The approach taken by these writers has been that ideas have been important means by which non-Labor politicians have told themselves, their supporters and their constituents who they were and what they stood for. Liberal principles have not simply been a disguise for the power of capital: rather, non-Labor articulation of ideas about the good society has been a means by which power has been exercised. Not even the most sympathetic students of non-Labor deny that fear-mongering was an important method of seeking and exercising power.\textsuperscript{17} But there is a need to consider not only the more obviously extremist and scarifying aspects of non-Labor persuasion, but also its dependence on positive (in the double sense of 'substantive' and 'desirable') values; and to take account of the circumstances which shaped and lent credibility to the fearful, and hopeful aspects of the non-Labor world-view.\textsuperscript{18}

Given the scarcity of studies of non-Labor rhetoric and ideology, there is a need for a survey history. Much remains to be said about the variations in non-Labor politics as practised in different States, regions, and cities; by men and women; and by particular individuals and organisations. But the persistence of themes in non-Labor politics requires explanation, too. While Federal voters chose local representatives, their votes also determined which party would form a government with national responsibilities.


\textsuperscript{17} Martin, \textit{op. cit.}, Ch. 4; Robert Manne, \textit{The Petrov Affair: Politics and Espionage}, Sydney, 1987, p. 98.

\textsuperscript{18} Tiver, \textit{op. cit.}, p. 156.
Across the country, these imperatives were interpreted in similar ways by politicians and journalists who thought in terms of party traditions established in a single legislature. Retiring members had to defend positions taken by the party; new candidates would have been familiar with the parliamentary issues canvassed in the press, in extra-parliamentary organisations and pressure groups, and in the community. Politicians made speeches similar to those delivered by their colleagues in different areas; because the underlying purpose of election rhetoric was to justify an attitude to laws which applied nation-wide. Politicians assumed that Australian society was sufficiently homogenous for these party arguments - about what the state needed to do, or not do, to make life better - to bring out a non-Labor, or Labor vote in electorates varying in wealth, prevalent types of work, religion and ethnicity, proximity to the main centres of population, and State, regional and local traditions of politics. In each House of Representatives district, local influence remained important, and while personal and local considerations were less significant in Senate voting, votes were nonetheless cast locally and issues varied between States, regions, and electorates. Furthermore, the popularity or otherwise of State parties rubbed off on their Federal counterparts. There was a tradition of appealing to regional political loyalties. But despite all the forces making for variation, politicians worked on the assumption that there were party constituencies that could be brought out by speaking the kind of language which voters expected to hear. Liberal Commonwealth election speeches made in Queensland were similar to those heard in Victoria: each could be expected to contain the arguments which had, in the years since Federation, come to comprise a recognisably Liberal rhetoric.
We need, then, to know more in a general sense about the politics of image and persuasion associated with the continuous presence and frequent success of the Australian non-Labor parties. So little work has been done that there is a need for a study which traces the progress of non-Labor through times often treated as distinct periods: the First World War, the 1920s, the Depression, the Second World War, and the Cold War. This is the contribution to knowledge which I hope to make with this thesis. My framing of the problem has placed variations at the margin and concentrated on national themes. I take some account of variations, particularly those caused by State politics, but always in relation to the evident consistencies in non-Labor politics at each election.

I attempt to elucidate the positive elements in non-Labor doctrine. What little material there is on the principal parties has concentrated more on negativity than on the preservation of values. It is often assumed that non-Labor had no ideas worth mentioning. Certainly, the Nationalist, United Australia, and Liberal parties were no more doctrinaire than Labor, and their amalgam of liberalism and conservatism is as difficult to capture as Labor Party socialism. But we can find evidence in election propaganda of the type of society which non-Labor politicians advocated, and of their conception of the ideal role of the state. These ideas were often crude and derivative, sometimes eloquently expressed, and never developed into systematic
theory, and in this respect right and leftwing campaign arguments were similar.

Non-Labor candidates presented themselves as the champions of common sense conceptions of government and were limited and empowered by the conventional wisdoms of their times. They were opportunistic, but their rhetoric was constrained by the often contradictory imperatives of appealing to core supporters while wooing the uncommitted. Belief about public opinion influenced politician's appeals to that opinion. Non-Labor politicians were constrained by their perceptions of the mood of the people and the type of politics which they would endorse. Politicians also had to maintain the support of their colleagues in Parliament and their financial backers (the extent to which they had to conciliate lay party opinion is uncertain, but this was probably a less important consideration for the right than for Labor). Furthermore, they could only think in the ways which were available to them. Experience and conviction had combined to predispose them to see the world in particular ways. When we examine private commentary on politics, we discover that while non-Labor politicians exaggerated their warnings of danger from the left in order to exploit tendencies in public opinion, they themselves believed that the left really was dangerous. Non-Labor politicians amplified popular beliefs, and

19. "It seems that the place of thought in the record rarely amounts to that of an engine driving politicians forward...More convincing is a conception of thought as a reservoir of political possibility." Michael Bentley, ‘Party, Doctrine and Thought’, in Michael Bentley and John Stevenson (eds), *High and Low Politics in Modern Britain: Ten Studies*, Oxford, 1983, p. 143.
the most effective of them understood these beliefs because they shared them.  

Non-Labor ideology was often based on opposition to leftwing proposals, but was never entirely negative, and we add another dimension to our understanding of Australian Federal politics if we consider the positive arguments put by its dominant parties to the electorate. Several positive values stand out in the politics of this period: that national allegiance must be take precedence over loyalty to party, class and section; that Australia is linked by cultural affinity and strategic and economic self-interest to Britain and, from the early 1940s, to the United States; that it is better to stay with the time-proven ways of tradition than to experiment with new forms of social organisation; that self-reliance is preferable to state-dependence; that private property brings material benefits and political liberties which would be extinguished in a communitarian system; that property and liberty are preserved by a web of contractual obligations, which must be maintained even at the cost of hardship. Defence was always important in non-Labor politics as a national interest, trascending class; while individualist, 'sound money' values were ethical as well as economic, and were distinctively but not exclusively middle class; their emphasis on safety, responsibility and discipline also resembled the self-improving values of the respectable working class.  

20. Martin, op. cit.  
The arguments of non-Labor politicians in support of these principles combined the contingent with the traditionally-determined, and also rested on a connection between what I call 'limited' and 'threat and loyalty' styles of politics. By 'limited' I mean debates over choosing the best state policy for the national interest, in which non-Labor did not accuse Labor of betraying that interest to a foreign power. These debates were limited in that non-Labor agreed that Labor remained within the boundaries of a range of opinion suggested, ambiguously, by assumptions shared by each side. Non-Labor acknowledged that Labor's dissent was nevertheless consistent with a legitimate attitude to the nation state. The effect of such thinking was to limit aggression: non-Labor believed that the harm caused by Labor victory would be partial and reparable.

While this pattern of controversy was common in Australian Federal politics in the first half the century, the 'limited' style of politics co-existed with a mode of extremist argument which I call threat and loyalty politics. When non-Labor politicians argued in this manner they insisted that Labor was unacceptably close, both organisationally and ideologically, to the Communist Party of Australia, or its syndicalist and Irish republican predecessors in beyond-the-pale dissent. This aspect of party controversy

involved the argument that the extremist party was combined with a foreign power against the national interest, and that this misplaced loyalty produced an extraordinary threat to the community. The extremists had placed themselves outside the spectrum of legitimate dissent expressed in the formula 'Her [or His] Majesty's Loyal Opposition'. Citizens mindful of the national interest should recognise that the danger resulting from this party's extremist ideology and foreign associations necessitated the use of state powers normally offensive to liberal principles. An important part of non-Labor election argument from around 1917 was that while non-Labor could be trusted to use Commonwealth powers to suppress sedition, Labor was suspiciously tolerant of the Communists. The evidence for this was that the two parties had a common heritage in a socialist tradition, and that both were parties of the union movement. Labor's ideological and organisational proximity to the CPA explained its ambivalent attitude to the repressive measures which non-Labor proposed.

These aspects did not work together in a neat and schematic way, for the distinction between the positive and limited, and the threat-and-loyalty modes of politics was cloudy; they were tendencies rather than categories. It can be difficult to identify 'threat and loyalty' politics, for an obsession with conspiracy is not a singular phenomenon but an extreme case of the common desire to understand politics by concentrating on the personalities and intentions of individuals and particular groups. Nevertheless, we can discern a loose pattern. One theme of this thesis is that non-Labor

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politicians sought to combine limited and threat and loyalty rhetoric so as to
mobilise public opinion. The combination came from the need to generate
interest in a conflict between two parties which shared a commitment to
constitutionalism and the development of a mixed-capitalist economy. No
matter how much Labor and non-Labor politicians might compromise and
bargain in their legislative work, electoral contests necessitated a theatre of
conflict. When non-Labor politicians appealed for support they chose issues
which provided a chance to persuade citizens to prefer their party to Labor.
A policy which Labor supported would be unsuitable. It was in non-Labor's
interest to make the choice between the parties seem as stark as possible; to
represent the left as the transgressor and the right as the custodian of
communal standards. So non-Labor politicians invoked extreme issues:
threats not merely to degrade but to extinguish such institutions as private
property, the home, the rule of law, religion, the nation-state.24 This was
how limited and threat and loyalty politics converged. Non-Labor leaders
claimed that ordinary benefits (the subject of limited politics) were
threatened by extraordinary dangers (the subject of threat and loyalty
politics). It is apparent that politicians inferred from the low level of public
involvement in political life that citizens were mostly interested in
pursuing personal benefits, but did not see the need to pursue self-interest
in the public world of politics, even to the limited extent of voting for one

24. O'Sullivan finds "the reduction of all experience to a world of absolutes" in which "the
alternatives confronting men are presented in the form of a grossly over-simplified choice
between pure harmony and pure anarchy" to be essential to extreme conservatism. Ibid., p. 38.
I consider that this polarisation is most characteristic of left and rightwing political
extremism, but is integral to the general political task of differentiating oneself from one's
opponents, and binding one's supporters together.
party in particular, unless their interests were dramatised by politicians as a struggle to preserve the existence of a way of life against its enemies.25

Like their opponents, non-Labor politicians used the language of good and evil, for while administration was often predicated on compromise, the mobilisation of public opinion required melodrama. Non-Labor politicians in government often adopted centrist policies and extremist rhetoric. The necessity to preserve state authority by avoiding serious offence to any significant section of public opinion has militated towards centrist policies.26 On the other hand, the attraction of scarifying rhetoric was that it offered a way of identifying non-Labor as the guardian of essential institutions: here was a way of driving voters away from Labor, rallying one's own supporters and, by linking Labor to the extremist left, dividing the Labor coalition of left and centrist opinion.

My main primary sources for this study of propaganda are newspaper advertisements and reports, pamphlets, and politicians' correspondence. The newspaper coverage of politics changed between 1914 and 1954. In the early part of this period, approximately 1914-1930, there were few feature-style party advertisements with pictures and slogans. (These began to appear in the 1930s and were common in the postwar years as advertising agencies added gloss to the party message.) Instead, it was usual for newspapers to

provide extremely detailed accounts of public meetings, based on verbatim reporting and extended paraphrasing. This style of reporting, designed to evoke the atmosphere as well as the formal content of the political meeting, receded in the 1930s perhaps because radio was taking over the role of 'on the spot' reporting. Unfortunately I have found few transcripts of radio broadcasts. There is, however, abundant pamphlet material from throughout this period. Speakers' notes - summaries of party arguments on likely subjects - were also a constant feature of electioneering. The parties evidently considered these manuals to be worth a considerable amount of money, as they could run to hundreds of pages. In that speakers' notes were intended to provide material for public debate but were to be seen only by candidates and trusted activists, these tracts were in some ways public and in others private. For private commentary I have used the correspondence and, in two cases, diaries, of parliamentarians and others who were involved in political life. This material has been useful in suggesting the confidential opinions of non-Labor politicians, although private correspondence is not, of course, free from artifice. Some collections include letters from activists and constituents, and I have used this material as evidence of the climate of opinion in which professional politicians operated. There are no substantial extant records of the non-Labor extra-parliamentary parties prior to 1945, but from that date the papers of the Liberal Party Federal Secretariat, particularly the Federal Public Relations ('Staff') Planning Committee, offer insights into Liberal perceptions of the political scene.
The analysis of this material centres on election campaign arguments rather than other aspects of politics which have interested historians, such as policy-making, party organisation, and voting behaviour. This thesis concentrates on election campaigns because in a democracy these are the main occasions on which politicians seek support for their programs by articulating to the public the values which they hope to advance by using the power of the state. Although it would be naive to suggest that policy derived directly from campaign promises, government action was influenced by commitments made in campaigns: a mandate provided both incentive and justification. Conversely, policy provided some of the material of campaign argument. Election campaigns influenced - and were influenced by - politics at other times. They were periods of intense efforts at persuasion which coloured political life between elections, and were shaped by the environment of the time.

The range of the thesis is restricted in a number of ways. Examining the combination of limited and threat and loyalty politics involves a study of the problems of national allegiance, and the domestic implications of foreign affairs. These were national issues, so the Commonwealth is the focus of my study, and I examine State politics only when (for example, during the second Lang government) State issues had a marked effect on Federal affairs. For reasons of space I concentrate on the principal non-Labor parties - the Nationalists, United Australia Party, and Liberals - rather than the junior partner, the Country Party. I have concentrated on leaders' policy speeches and on speakers' notes because these were the most comprehensive
statements of the non-Labor agenda. I examine Labor electoral politics to provide a context for non-Labor: about one fifth of the space is devoted to the former. New South Wales and Victoria receive more attention than the less populated States. I am interested in the reasons which contemporaries gave for election results, and note the results briefly. This is not a psephological study: persuasion of voters rather than voting is my main subject. Nor is it a history of policy-making: I treat policy as the context for electoral politics. The narrative sections which link the accounts of election campaigns concentrate the prominent issues of those issues campaigns of the period, and those which seem to have influenced election rhetoric.

The chronological scope of this study precludes an exhaustive discussion of every election between 1914 and 1954. Such an approach would be repetitive in any case as the material often varied only slightly from one campaign to the next. On the other hand, a narrative account of a long period provides the opportunity to discern the main themes as they emerge and recede: political attitudes tend to change slowly, and can best be studied over a long period; and the persistence of attitudes despite changes in circumstances is also most readily discerned over a long duration. This study concerns, in part, the domestic politics of external threats, and so the 1914-18 war is an appropriate point to begin. 1914-18 was a period of intense excitement and political conflict over the human and economic costs of the war. The evidence presented in this thesis supports the argument that the war experience exacerbated social and political division and intensified left

and rightwing extremism; and that the optimism inherent in early Commonwealth liberalism gave way to a more fearful and authoritarian style of non-Labor politics. These effects on political thinking make the war an appropriate starting point for a study of non-Labor electioneering in the first half of the century. The mid 1950s provide a convenient point of conclusion. Firstly, there is a continuity of media and campaign method in the previous four decades: the public meeting, the pamphlet, the Press and, more elusively, door-to-door canvassing were the principal media of these years. The only significant technological innovation was radio: Bruce's 1925 policy speech was the first to be broadcast, and radio became an increasingly influential medium from there on. Broadcasting allowed politicians to bypass the Press, and gradually accustomed people to a more remote style of communication than that exemplified by the rowdiness and showmanship of the public meeting. The introduction of television in 1956 intensified this transition from public to private, home-based forms of entertainment and communication. Secondly, by the mid 1950s it was apparent that the postwar prosperity evident in rising personal consumption was not, after all, going to disappear in a new slump. The shortages of the Curtin and Chifley years, and the inflation and sudden deflation experienced in the first four years of Liberal government, had eased. Full male employment (that is, less than two percent) low interest rates (under five percent) and price stability contributed to a rising standard of living based on the pursuit of suburban home ownership and consumer goods. These new conditions of wellbeing, celebrated in the contemporary phrase, 'the Australian way of life', seem in retrospect more American than British.

While immigration, the atomic weapons trials, and the popular 1954 Royal tour demonstrated the continued strength of British attachments, the United States was displacing Britain as a focus of cultural aspirations, a source of capital, and as Australia's principal great power ally. So, very approximately, the mid 1950s mark the end of a period of pervasive 'Britishness' and relative economic insecurity. More precisely, the 1954 election confirmed that the new government had recovered from the troubles of the early 1950s and consolidated its ascendancy over a divided Labor Party.

Chapter 1. Commonwealth Liberal politics at the outbreak of the 1914-18 war

The issues, leaders and organisations of the 1914 election were those of the early Commonwealth, and before we turn to the Liberal campaign it will be useful to survey the image of Liberalism in previous years, to introduce the party leader along with two of his - arguably representative - followers, and to sketch the organisations responsible for electioneering.

Historians have seen in this period the origins of the contemporary party system. Some have argued that by 1914, traditions of parliamentary faction and local patronage had been supplemented by a pattern in which voting was influenced by identification with party labels which represented consistent attitudes to national questions.1 In studies of the transition from three parties to two which took place in the first decade of federation, historians have identified two important strands in non-Labor: the New South Wales-based free trade, later anti-socialist party led by George Reid, and Joseph Cook, and the predominantly Victorian protectionist followers of Alfred Deakin.2

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2. George Reid, Free Trade MHR for East Sydney (NSW), 1901-09; Prime Minister, 1904-05; Leader of the Opposition, 1901-04, 1905-08. Joseph Cook: see below; Alfred Deakin, Liberal Protectionist MHR for Ballarat (Vic), 1901-13; Prime Minister, 1903-04, 1905-08, 1909-10; Leader of the Opposition, 1909, 1910-13.
In the first parliament, the free traders were committed to a low revenue tariff and therefore to a limited role for the Commonwealth, and were sceptical also, of compulsory arbitration. From 1904 Reid attempted to build a free trade-protectionist coalition against Labor, and in doing so he placed less emphasis on tariffs and more on the dangers of state intervention. Anti-socialism was intended to embarrass the Deakin party over its reliance on Labor. The Anti-Socialist party, so-called from the 1906 election when the publicity of this movement reached a peak, detected collectivism not only in Labor enthusiasms for state enterprise, but also in the New Protection policies of the Deakin government. Reid argued, for example, that provisions in the Trade Marks Act (1905) for a label certifying that the parliament was satisfied that goods had been made in Australia under fair working conditions, might encourage boycotts of goods and coercion of workers into unions.3 His creed was never entirely negative: Reid made much of threats to capitalism but also emphasised its benefits: for example, that workers, as consumers, could obtain goods at competitive prices. Anti-Socialists attempted to persuade voters to put aside fiscal loyalties and discriminate instead between individualist and collectivist programs, a distinction which offered the opportunity of detaching conservative protectionists from the Deakin camp.

For the time being, Deakin and his followers resisted this re-orientation: they continued to insist that tariffs were integral to their purpose, and endeavoured to attract voters with a milder, centrist version of the interventionist policies increasingly associated with Labor. At the 1906 election, Deakin warned that Reid's anti-socialism "...was a futile and meaningless cry...[which offered]...only destruction to protection and progressive legislation." Deakin confessed his unease at the subordination of Labor parliamentarians to the unions, but denied that socialism was alarming. He was confident that Labor's moderate leaders would contain the extremists, and distinguished between the practice of Labor and Liberal legislation, and the "visionary" ideal of a communitarian future: the latter was not a plan which anyone with power in the Labor party could implement. The question of contemporary socialism, by which Deakin meant state ownership of capital, should, he insisted, be considered empirically, with regard to the peculiarities of each industry or resource, and on these criteria even anti-socialists conceded, the benefits of public ownership of railways, postal services and schools. While Liberals remained wary of constitutional amendment, their "...experience [has] justified certain forms of State socialism". To readers familiar with the anti-socialism which has been such a prominent feature of non-Labor politics in this century, the notion of a non-Labor prime minister, in the midst of an election campaign, giving limited praise to socialism, must seem extraordinary. Deakin's attitude is evidence of the strength in the Federation period of the liberal identification with a collectivist tendency in politics, and of the fluidity of party attitudes.

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At the 1906 election, Deakin's Liberal Protectionists were again unable to gain a majority. They lost seats both to the Anti-Socialists and to Labor, and formed government with the support of the latter. The second Deakin government was the final phase in the Liberal-Labor association, with the Old Age Pensions Act (1908) the last substantial measure on which the parties cooperated in government. This parliament was also responsible for enacting the New Protection, a name given to laws which were generated by different circumstances but had common tactical and intellectual sources. In the first place, these measures promised an extension of the 1890s Victorian alliance of working and middle-class protectionist opinion to a new constituency which included Labor's non-Victorian free trade sceptics. Conceptually, the laws derived from the new liberal assumption, current in Britain and the United States, that state power need not degrade, and could enhance individual liberty. The New Protection was typical of new liberal responses to the problem of poverty. In place of the classic liberal emphasis on self-help and the inviolability of business action, new liberals stressed state assistance and regulation. The mechanism of the New Protection was a connection between wage regulation and the Commonwealth's tariff powers, and its most important manifestation was the Excise Tariff (Agricultural Machinery) Act (1906), which placed an excise on manufacturers receiving tariff protection, and removed it provided that the arbitration court was satisfied that the employer was paying 'fair and reasonable' wages. When the manufacturer H.V. McKay applied for an exemption, Justice Higgins made his famous ruling that wages could not be
fair and reasonable unless they allowed a man and his family to live in a manner suitable for members of a civilised community. Higgins ruled that seven shillings a day was needed for this purpose, and added later that a fair wage was one which allowed a man to marry. In 1908 the High Court declared the Excise Tariff Act and the Commonwealth trade mark invalid, and the male basic wage did not reach the Harvester rate until 1921. Nonetheless the ideal of the New Protection, that the Commonwealth's duty to men, women and children was to guarantee a decent household standard of living by regulating male wages, became a public faith, which demanded homage even from sceptics.5

Labor was at once attracted to and dissatisfied with this variety of reformism. Liberals took a benign view of arbitration, but baulked at proposals for a land tax and a Commonwealth bank, and now that Labor had more members than its governing partner its position had become anomalous. In 1908 the leader of the parliamentary party, Andrew Fisher6, announced that Labor was withdrawing support from Deakin and forming a minority government. During the parliamentary recess the Deakinite Liberals and the Anti-Socialists, now led by Joseph Cook, arranged a union to turn Labor out. The Fusion, as it was called, was difficult to make. Apart from the personal


6. Labor MHR for Wide Bay (Qld), 1901-15; Prime Minister, 1908-09, 1910-13; Leader of the Opposition, 1909-10, 1913-14.
antagonisms between the parliamentarians of each camp, particularly the leaders, each to some extent owed his place in parliament to the support of voters accustomed to choosing a candidate identified with one or other of the old parties. The Liberal Protectionists were used to deriding their non-Labor opponents as 'conservatives', a label which, for reasons I will discuss in the conclusion, has been a swear-word in Australian politics. Anti-socialists were in the habit of denigrating the protectionists as 'wobblers', who lacked the moral fibre to resist collectivism. But the motives for Fusion were compelling, particularly for the Protectionists, many of whom had good reason to believe that without Labor immunity they would lose their seats in any three-way contest. The anti-socialists had for some time argued that the danger of socialism made Labor and non-Labor the logical division of politics. Most importantly, perhaps, the passing of the tariff in 1908 established the apparently permanent arrival of a protectionist orthodoxy. With the fiscal issue sunk the way was clear. But a problem remained in the determination of Deakin and his followers to retain what they regarded as the distinctive elements of Victorian-style progressivism. The anti-socialists, however, could not be expected to countenance any program which seemed too radical. The platform which Cook and Deakin agreed to was drawn up by the latter, and its New Protection clause, crucial to the Fusion accommodation, contained a dilution of that. The new Liberal Party determined that it would eliminate any interstate differences in wages which constituted unfair competition. The implication from past policy was that differences would be levelled up, but there was no guarantee of this. The ability of employers to compete on fair terms with their peers replaced
as a first principle the key tenet of the old New Protection, the fair wage. In this sense the Fusion was a shift to the right.⁷

This was evident during the 1910 election, in Deakin's campaign as leader of the new Liberal party. He devoted much of his time to warning voters that Labor would curtail their liberties; his position resembled the negative anti-socialism for which he had criticised Reid's campaign of 1906.⁸ Labor was elected with a majority in both houses, and proceeded to implement its mildly radical policies. The attitudes of the opposition to the Fisher government, 1910-13, anticipated those of the 1914 election. Liberals welcomed the purpose of the Fabian-inspired Maternity Allowance, but were uneasy about encouraging motherhood out of wedlock, and paying public funds without requiring individual contributions. The strongest resistance to the new Commonwealth Bank was aroused by its savings bank section, on the grounds that this encroached on State revenues. The extension of arbitration to rural and domestic workers was opposed, as was the introduction of union preference in government employment, and the abolition of postal voting, which Labor alleged had been corrupted. Labor regarded the rising cost of living as one the main problems facing its constituents, and was convinced that deliberate restriction of supply by monopoly capitalists was the cause. In constitutional amendments the Government sought powers to prohibit and to nationalise monopolies, and to exert complete control over employment conditions. Liberals campaigned

⁷ La Nauze, op. cit., p. 560; Rickard, op. cit., p. 211.
⁸ La Nauze, op. cit., p. 599.
successfully against the referenda, claiming that the proposals were potentially tyrannical.

The rejection of these amendments in 1911 and again in 1913 when the Liberals regained government signalled, perhaps, a popular reaction to the Labor. Certainly the attitude of Liberal politicians had shifted to the right since 1906. Liberals were disturbed by the collectivist and interventionist trend in Labor legislation, and by the growth of the trade unions. The Labor record of 1910-13 may have been moderate, but now that Labor had broken with the middle class progressives, there was no telling how far to the left the party would go. Liberal politicians believed that experimental Commonwealth legislation had been taken far enough for the time being, and it was on this basis that they sought popular support. Before we consider the organisations which Liberals used to promote these and other arguments in 1914, a review of the careers of three politicians may offer some illumination of the formation of Liberal politics.

Since 1913 the party had been led by Joseph Cook. He was born in 1860 into a coal mining family in Staffordshire, and worked in the pits from the age of nine. He emigrated to New South Wales as a young man, and was employed at Lithgow in the responsible position of check-weighman. Active in the union, Cook was elected on the Labor ticket to the Legislative Assembly in 1891, and became leader of the parliamentary party two years later. The next year, however, he led a group which resigned from the party
rather than pledge to vote in parliament as a caucus majority determined. Cook became a minister in the Reid government and winning Parramatta at the 1901 election, followed Reid in Commonwealth politics. As an independent member of the New South Wales Parliament he had been responsible for laws addressing miners' grievances, but in Federal politics he became increasingly identified with conservative causes. Once he had supported compulsory arbitration as a means of raising wages, but now he insisted that arbitration was socialistic, artificial, and inefficient. Cook was prominent in the anti-socialist campaign of 1906, and led this group after Reid's retirement in 1908. During the 1914 election, the Sydney Morning Herald carried a character sketch by former Reid minister, J.A. Hogue, who rendered Cook's life as a fable of self-help. The hardships which the young Cook had endured, Hogue explained, had impelled him to seek to improve the lot of the workers, but the caucus system had affronted a manly spirit forged by a life of striving. He had already learnt that individual effort was the path to success: to lead the party of individualism was the next logical step.9

Sir William Irvine was Cook's attorney-general in the 1913-14 government, and one of his closest advisers. Educated at Trinity College, Dublin, and the University of Melbourne, he had practised at the bar before winning the country seat, Lowan, on a free trade ticket in 1894. Irvine associated himself with the rural populist Kyabram movement which, with the backing of

Melbourne employers' groups, was calling for retrenchment in order to lift taxes from drought-stricken producers. The Kyabram group won the 1903 election, but retrenchment provoked a strike by railwaymen, which Irvine suppressed by sacking the organisers and introducing non-union labour. His handling of the strike made him popular with the country and the middle class, and notorious with Labor opinion. Determined that government should be independent of pressure by organised workers' groups, he went so far as to introduce separate parliamentary representation for public servants and railway workers. Irvine was elected to the semi-rural Federal seat of Flinders in 1906, and his reputation followed him: choosing ministers three years later, Deakin was warned by one follower that to include Irvine would direct the railway and public service votes against Liberal candidates, particularly in Victoria.10

Littleton Groom had been one of the most prominent Deakinite Liberals. His father, William Groom, an emancipist shop keeper and press proprietor, had been a power in the Toowoomba area, which he represented in the Legislative Assembly. Littleton, born in 1867, combined a legal career with enthusiasm for federation, and lay Anglican humanitarian and liberal causes, in particular adult education. In March 1901 William Groom was elected to the Commonwealth Parliament as the member for Darling Downs, but died five months later. His son was elected in his place, on the votes, it was said, of his father's followers, and of Labor supporters. Groom regarded Commonwealth arbitration as a means of realising Federation's

reformist opportunity. Industrial conflict could be resolved by tribunals judging workers' claims, which were usually reasonable. In the 1906 election Groom enjoyed immunity from Labor candidacy, and like his hero, Deakin, maintained that he was for socialism in so far that he agreed with the public ownership of utilities such as railways. As a minister in the second Deakin government, Groom had been responsible for promoting the New Protection, and for the introduction of old age pensions. He was uneasy about the Fusion but was convinced that union with Cook's evidently more popular following was the only way in which liberalism could survive: he doubted that he could retain Darling Downs in a three-cornered ballot. The shift was made easier by his belief, made plain in opposition to the Fisher government, that Labor had moved too far to the left. Groom moved an amendment to the Maternity Allowance Act that the Commonwealth institute contributory national insurance. He discovered class bias in the government's refusal to send troops to Brisbane during the 1912 strike, and warned that preference for unionists would force employees to profess socialism.  

Cook, Irvine, Groom and their colleagues were responsible for their own election campaigns, but were assisted by a variety of organisations, based separately in the States. Official statements of policy were written by parliamentarians, or officials responsible to them. In 1914 Cook wrote his own policy speech, consulting Irvine and his other counsellor, the Defence

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He could count on a sympathetic reception in the daily Press, with the exception of the Age, which was unreconciled to the decline of Victorian-style liberalism. There was no national organisation, but it was expected that leading politicians would assist other Liberals. For example, although he was not contesting a seat, the former Deakinite member for Bourke, Hume Cook, undertook a speaking tour of Victoria, and asked Groom to provide him with statistics on public finance. William Watt, recently retired from the Victorian Premierships, was considered an effective platform speaker and, having secured preselection for the safe seat of Balaclava, campaigned in rural Victoria, and in Adelaide and Sydney.

Liberal speakers' notes, compiled by an able New South Wales backbencher, Walter Massy Greene, were printed in Melbourne. The notes quoted from Sydney and Melbourne newspapers; how widely they were distributed is unclear.

A portion of the money for literature and other purposes was raised by groups of businessmen in the capital cities, through personal appeals and form letters. Due to the secrecy surrounding political donations at the time,

12. New South Wales Senator (Free Trade; Liberal; Nationalist), 1901-23; Minister for Defence, 1913-14.
13. Liberal Protectionist MHR for Bourke (Vic), 1901-10.
14. Liberal Premier of Victoria, 1912-13, 1913-14; Liberal/Nationalist MHR for Balaclava (Vic), 1914-29; Treasurer, 1918-20.
15. Murdoch, op. cit., pp. 251-52, 282; Cook to Groom, 26 June 1914. Groom papers: NLA MS 236/1/1274. The statistics were to refute claims by Labor that the government had been extravagant; J.S. Anderson, 'W.A. Watt: A Political Biography', M.A. thesis, University of New South Wales, 1972, p. 184. The Liberal Speakers' Handbook for the Federal Campaign 1914, Melbourne, 1914; Sir Walter Massy Greene, Liberal/Nationalist MHR for Richmond (NSW), 1901-22; Senator (NSW), 1923-28; Minister for Trade and Customs, 1919-21; for Health, 1921; for Defence, 1921-22; Assistant Treasurer, 1932-33; foundation member Institute of Public Affairs (Victoria), 1942-52; KCMG, 1933.
little is known about the collectors, but they were usually representative of the largest financial and industrial companies. Some groups were self-appointed and informal, others were responsible to meetings of affiliated donors. There was a regular collection from Sydney businesses in 1914, but the identity of the fundraisers is unknown. Collins Street, in the heart of Melbourne’s financial district, was home to the Constitutional Union, which had been formed after the election of the Labor government in 1910. The Union president was a prominent solicitor, William Riggall. In Sydney, too, the committee had rooms in the business district and a permanent secretary and treasurer. Similar arrangements prevailed in other States, although the organisations were less powerful. The two largest States subsidised the smaller States: it was understood that New South Wales would support Queensland, while Victoria would subsidise Western Australia, South Australia, and Tasmania. The outlying States were not without means, however. In Adelaide, for example, a committee of the Liberal Union collected money from regular “city subscribers” and paid for press advertising, organisers at election time, and some local costs. Evidence of the amounts involved is sketchy: in the 1905 Western Australian State election, the campaign in the East Perth electorate of the non-Labor Premier cost fifty pounds; a donation of £750 was made for the goldfields seats. The Liberal leagues in New South Wales would have aimed to match or exceed the £2000 which Labor raised for the 1910 State election. In 1913, Queensland’s Liberal Fund Trust Committee made a public appeal for £5000

for the next year's work. The next year, however, one organiser claimed that he could run all six Senate candidates in that State for £500; and this was the amount of one, possibly composite, donation to the Liberal Association in Victoria.¹⁷

Working with the fundraisers were temporary committees composed of members of parliament, organisation activists, and representatives of employers' groups, which were convened to co-ordinate the election campaign in each State, and disbanded afterwards. In addition, all States had a permanent executive, often self-appointed and small in number, which carried out work between elections, such as the 'cleansing' of electoral rolls. In New South Wales there was a permanent State secretary, Archdale Parkhill, who was responsible to the State parliamentary leader.

Non-Labor organisations also raised money through permanent branch organisations. Membership subscriptions were nominal (in New South Wales in 1904 the minimum was 3d. per quarter) and would have been a relatively poor source of revenue, but the branches also organised donations for local campaigns. Furthermore, they carried out publicity work, and by holding meetings and social gatherings endeavoured to maintain Liberalism as a local presence. Formally at least, the branches preselected

¹⁷. Brian De Garis, 'Western Australia', in Loveday et al., op. cit., pp. 349 & 351; Peter Loveday, 'New South Wales', in ibid., p. 241; T.D. Chattaway to Herbert Brookes, 15 Jul 1914, NLA MS 1924/18/717; E.P Simpson, of Minter, Simpson & Co., notaries and solicitors, to Brookes, 30 June 1914. NLA MS 1924/18/708. Herbert Brookes (1867-1963) was a Melbourne businessman. Wealthy and well-connected (he was Deakin's son in law), Brookes was the recognised leader of the extra-parliamentary Commonwealth Liberal Party.
candidates: here, the pressure from parliamentary leaders was strong, but not always irresistible. Organisations separate from the main Liberal groups also played a role. For example, prior to the 1913 Federal election, the Farmers' and Settlers' Association in New South Wales selected eight candidates without consulting the local Liberal Leagues. The Leagues contemplated standing their own candidates, but Cook visited each electorate and persuaded League members to support the FSA nominees.18

The composition of the branch groups varied: but one common feature was that organisations tended to be dormant between elections, particularly in the bush, where distance and working hours made political organisation difficult. In New South Wales the Liberal and Reform Association, which boasted 70,000 members in 1907, had grown out of the Free Trade party, and incorporated temperance, single tax, and Protestant movements. A Women's Liberal League was associated with the LRA, while the Farmers' and Settlers' Association and the Orange Lodge-sponsored Protestant Political League were separate although generally sympathetic. Like its Eastern States counterparts, the Western Australian Liberal League had branches which raised funds and endorsed candidates, while parliamentary leaders and employers' groups remained influential. In Tasmania, the committee of the Liberal League was carefully balanced between North and South. South Australia's Liberal Union had formed from a merger of farmers' and urban liberal and conservative groups; the country committees guarded their right to select candidates, but were adept at extracting funds

from the city. In Queensland, Federal Liberalism was served by the People’s Progressive League (PPL), formed by the non-Labor Premier, William Kidston\(^19\), in 1909; preselection was by local ballot. The Queensland Women’s Electoral League had been active in Federal politics since 1903, and derived from the conservative tendency in the State’s non-Labor politics; the QWEL maintained a separate organisation but generally supported PPL candidates. The League had participated in an interstate conference of women’s anti-socialist groups, held in Melbourne in 1908.\(^20\) In Victoria, Liberal men and women could join separate branches of the predominantly urban People’s Liberal Party, the descendent of the Commonwealth Liberal Party which had been founded in 1911 in an attempt to preserve Deakinism. A separate rural non-Labor organisation, the People’s Party, expressed country grievances in anti-socialist terms. In 1914, women might choose to join the Australian Women’s National League, which from the number (a membership of 15,000 was claimed in 1908) and enthusiasm of its members had become one of the most influential non-Labor constituency groups. The AWNL was based in Victoria, but maintained branches in Tasmania and Western Australia.\(^21\) ‘Pro Deo et Patria’, the League was fiercely imperialist and conservative, and its adherents got on badly with the PLP. Its branches seem to have been the most active in country centres such as Bendigo, and in the middle class southeastern suburbs of Melbourne; and in Victoria at

\(^{19}\) Premier of Queensland, 1906-07, 1908-11.
\(^{21}\) Ibid, p. 448.
least, the AWNL was the only organisation capable of campaigning in both country and city electorates. 22

These organisations and their leaders had served the pre-Fusion parties, and in promoting the cause of Liberalism continued to explain politics in the broadly liberal and conservative terms established in the first decade of Federation. Post-Fusion Liberalism combined the Liberal Protectionist and Free Trade-Anti-Socialist dispositions which are significant for our purposes as each had once served to identify a separate party, but were not the only sections of non-Labor. Personal rivalries between parliamentarians, in which ideological differences were difficult to discern, were another division and, no doubt, there were similar feuds in the popular organisations. Regional and State sentiment, and the mutual suspicion of bush and city, were other sources of loyalty which cut across the national divisions of ideology.

Nevertheless, by 1914 a recognisably Liberal creed had appeared. Compared to Labor, Liberals favoured a greater role for the States, and although state-assisted development of private enterprise was common to both party programs, Liberals were more enthusiastic about assisted immigration, which to the Labor mind threatened the swamping of the labour market. The Liberal rhetoric of national identity was more Imperialist. Liberals

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were wary of taxation and extravagant public spending, and sceptical of business regulation, state enterprises, and coerced union membership. They claimed to be individualistic, both in their anti-socialist public policy, and in their organisation, which was supposed, unlike the Caucus system, to rely on the conscience of the individual member.  

In all these matters, Liberals promised to govern for the nation, rather than for a section. Recent studies of Labor have sought to qualify the notion of a working class politics by emphasising the party's populist claims to represent a constituency comprised of 'the people': that is, everyone except for a small minority of 'parasites'. In populist argument, not all capitalists were antisocial, only the especially manipulative and unproductive ones such as bankers, land agents, and the 'middlemen' who stood between farmer and consumer. Often the villains were Jewish. 'The people' included everyone else: farmers, professionals, clerks, housewives: anyone who by productive effort qualified for a category, worker, which was defined as much in ethical as in economic terms. In the early Commonwealth, populism offered an opportunity to win votes from groups other than male manual workers who were never a majority of the electorate. The electoral imperative for an inclusive politics also pressed on the Liberal party, which tended to define 'the people' as everyone except for a particularly aggressive section of

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unionists. But Liberalism appealed more to some kinds of social identity than to others. Liberalism’s positive philosophy was that capitalism was imperfect, but sufficiently just and efficient to warrant preservation in its current, essential form. This was attractive, of course, to those who enjoyed greater material wealth, as voting in the prosperous suburbs attests, and capitalists had obvious reasons to resist a party of unionism. But Liberalism also spoke to those who were alienated by organised labour for other reasons. Unionism’s masculine exclusivity may explain non-Labor’s assumed advantage among women. ‘Shabby genteel’ white collar workers such as clerks and teachers, were regarded as a Liberal constituency, in that they aspired to middle class status, and seldom belonged to unions. Many farmers, too, were attracted to a party which offered to resist a movement they regarded as an urban imposition. But unionism and arbitration were too popular for any Liberal politician to offer a crusade against these institutions, even if he had wanted to. Instead, the tendency was for Liberals to try to strike a balance between supporting what was seen as legitimate unionism and arbitration, and criticising its excesses.

In attitudes to religion and ethnic loyalties, also, Liberals had to address different interests. Non-Labor had acquired an anti-Irish Catholic image from its association with the Anglo-Scottish establishment, but given the size of the Catholic minority - about one in five - this was not in every way advantageous. But the basis of the image was strong. Liberalism’s business

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supporters were supposed to be influenced by Orange and Masonic networks, and its core voters, the middle classes, were predominantly Protestant.

There were direct links, too. In State politics, non-Labor was supported by temperance campaigners, who identified Rome and the liquor interests as backers of the Labor parties. In New South Wales, the support of the Orange lodges for free trade candidates had carried over into Federal politics, supplemented by a new wave of militant Protestantism: a movement generated by anxieties about the numerical expansion of Catholic and decline of Protestant congregations and adherents, and the likely effects of these changes on the economic opportunities and political influence which each enjoyed. Orange lodges supported non-Labor in Victoria, too, and the membership of constituency organisations, particularly the AWNL, was thought to overlap considerably with church and chapel-going Protestants. Just as Liberal opposition to the organised working class brought dangers as well as benefits, so too was its Protestant identity a help and a hindrance. Militant Protestantism was emotive in the evangelical style, and its crusades could inspire enthusiasm in voters and activists, although liberal-minded Protestants may have been repelled by the militants' vulgarity and extremism. As a sin against social cohesion and liberal notions of individual justice, anti-Catholicism, like anti-Protestantism, was disreputable but widespread. Anti-Catholicism may have made Liberalism attractive to some working class Protestants, but repellent to middle class

Catholics whose economic interests might otherwise have drawn them to the party.28

These were some of the conditions of Liberal politics when in July 1914 Joseph Cook formally opened the Liberal campaign for the federal election. He had governed for the last year, but without a majority in the Senate, and had finally secured the conditions for a double dissolution by sending up bills for the abolition of government preference and the restoration of postal voting, which the Senate was bound to reject.29 Cook spoke at Parramatta before an audience which included "[L]arge numbers of ladies", and representatives of the Farmers and Settlers' Association.30 His program was based on individualism, racial exclusivity, imperialism, public frugality, and state-aided private development of the economy.

Responsible government came first. Cook complained that his ministers, supported in the House of Representatives, had been thwarted by Senators acting not on State but on sectional lines, who had boasted that "the will of the nation shall be made subservient to that of the caucus". Labor were the true reactionaries: their obstruction of the people's house had exceeded "the worst days and moods of the unreformed House of Peers." The Liberal Party's main plank was the preservation of "...a Parliament unfettered by

29. The dissolution was announced on 5 Jun, and polling day set for 5 Sep.
outside agencies alien to the constitution." 31 While one remedy was to elect a Liberal Senate, the electoral system itself required reform. Preferential voting for the House of Representatives would provide electors with greater choice, and encourage the candidature of independent-minded men unwilling to subject themselves to preselection by one of the "two huge electoral organisations" which dominated politics. Cook, no doubt, wished to introduce a system in which a vote divided among non-Labor candidates would be less likely to favour Labor. The attraction of preferential voting was the protection it offered from 'farmers' ' and 'independent Liberal' candidates32, although Liberals might have predicted that the possibility of exchanging preferences would also encourage such challenges. But whatever its advantages for politicians, Cook was able to advocate preferential voting as a means of preserving from the intervention of that unwanted modern development, the party machine, the transmission of authority from citizen to representative. Voters, Cook argued, were also poorly served by the Senate electoral laws, whereby one party could take all three seats with a simple majority of the State poll. Proportional representation for the upper house would reconcile majority rule with the representation of "the leading lines of opinion". Cook also promised to restore postal voting; to remove the restrictions which the Fisher


32. In 1911, the Victorian Liberal government, led by W.A. Watt, had introduced preferential voting for these reasons. J.S. Anderson, op. cit., p. 144. There is some evidence that Liberals had to compete with rural independents at the 1914 election. John Forrest advised Littleton Groom that the "situation was troublesome here" [in Western Australia]. 14 Jul 1914. Groom papers: NLA MS 236/1/1289. Sir John Forrest, Premier, 1890-1901; MHR for Swan (WA), 1901-18; Postmaster General, 1901; Minister for Defence, 1901-03; for Home Affairs, 1902; Treasurer, 1905-07, 1909-10, 1913-14, 1917-18.
government had placed on newspaper reporting of politics; and to unify State and Federal electoral rolls.\textsuperscript{33}

The Prime Minister then turned to the issue of immigration safeguards. The value of exclusivity was demonstrated by "racial complications in other countries." Cook assured his audience that the imperial ethos of fraternity did not mean that Australians should welcome Indian immigrants. Indians were British subjects, but an "alien civilisation" nonetheless, and Australians were right to insist that only "kinsmen and blood brethren" should be allowed to settle on their continent. White Australia, Cook continued, should be seen as more than an immigration restriction. It was also an ideal of justice and prosperity, which demanded fair play and national unity. Labor's policy of government preference for unionists threatened the social harmony which was part of the White Australia ideal. Cook invoked values espoused by both parties - racial exclusivity, and social cohesion - in justification of a controversial policy, abolition of preference; and he claimed that his policy was the latest instalment of the British people's cumulative reformation of arbitrary power and privilege.\textsuperscript{34}

To be a really 'white Australia' we ought also to be a free, fair, federal and just Australia; federal in spirit and purpose, as

\textsuperscript{33} Labor's amendment of the Commonwealth Electoral Act (1911) had introduced compulsory registration, abolished postal but retained absentee voting, required returns from organisations and newspapers on political advertising, and also compelled newspapers to label political advertisements, and to print the signatures beneath election commentary. Sawer, \textit{op. cit.}, p. 94.

\textsuperscript{34} "Liberalism existed because it was believed to exist as the guiding force of political progress, writ large between the lines of constitutional lexicons since the coming of William of Orange." Michael Bentley, \textit{The Liberal Mind, 1914-1929}, Cambridge, 1977, p. 14.
contemplated in the constitution and fair and just in all our social and human relationships. (Cheers). The very elements of this ideal require us to encourage co-operation rather than to promote strife; to share the profits rather than to limit and destroy them. (Hear, Hear). This ideal would demand social reform without the accompaniment of social hatred, and the solidarity of the nation instead of the solidarity of the class or the section.

But above and beyond all there is no appropriate or rightful place in a ‘white Australia’ for the selection and preferential treatment of a section of the community by a Government which is sworn to be just and equal to all...discriminations...are specially odious in a free young democratic community. (Cheers) Our institutions, social and industrial, are an offshoot and an extension of those institutions which owe their strength and potency to a long, incessant struggle against disabilities of all kinds in the kingdom from which we come....to impose artificial tests in government employment at the demand of a section of the people, however important to the welfare of the community that section may be, is a blow aimed deliberately at the whole structure of British liberty. (Hear, hear)

As heirs to a tradition of timely and moderate reform, Cook continued, Liberals realised that to implement Federal ideals in a growing community, the constitution would have to be amended from time to time, and that no government should remain attached to “ossified” laws and institutions. Liberal policy was to seek whatever amendment was necessary to control harmful monopolies. A Liberal government would use Commonwealth powers to suppress harmful combines.

Defence required a steady policy. The government would continue to make use of expert imperial advice on building naval bases and ships, and
providing professional training, especially in rifle shooting, for citizen forces. The other imperative was to guard against waste and extravagance, and here again imperial advice pointed to the need to devolve supply to businessmen, so that officers could concentrate on commanding their troops.

Defence became more expensive all the time, and like other policies of national development required an increased population. Cook promised to raise by £150,000 the vote for immigration advertising and assisted passages, in order to settle:

...the vast areas of fertile land which the States still offer to men of enterprise, capital, or that persistent and intelligent industry which, under the favourable conditions which this continent affords, seldom fails to produce a healthy competence. (Hear, hear)

Despite his insistence on economy in administration, the Liberal leader proposed to spend £4,000,000 on irrigation from the Murray, a scheme which would cost, on estimate, £4,600,000. The benefits were even greater, however, for he predicted an annual production of £50,000,000 (which was equal to current total agricultural product) and the direct permanent employment of 700,000: all in all, a “a wonderful transformation in the interior”. The project had been bogged down in inter-State disputes but a Liberal Commonwealth government would break the impasse by becoming
a shareholder, and thus allow this "great and real effort for closer settlement" to proceed.

Liberal policies on social security included a pension for the public service and defence forces: the latter was vital for efficient defence. Old age pensioners living in institutions would be allowed to keep any difference between their pension and their fees. The government would raise the pension if finances permitted.35 Liberal policy was to create a contributory national insurance scheme to provide sickness, accident, unemployment, and maternity benefits. This meant that payment of the maternity allowance would be conditional on contributions.

Cook concluded, to "[L.]oud cheers", on a note of Empire-unity idealism, with a promise to amend the Naturalisation Act in line with the Imperial Parliament's extension of citizenship to naturalised Dominion citizens. The goal of Empire citizenship, he predicted, was closer than ever before.

I submit this outline of our proposals to the people of Australia for their reasoned judgement, and I trust [,] cordial approval. My object will have been obtained if they regard it as instinct with freedom, staunchly federal and wise in its constitutional setting, progressive in its aim and intention; fair and just to all the people of this land; respecting and honouring the best

35. Only 1.8% of the population received the old age pension (a maximum of 10/- per week) which was conditional on property and income tests, a minimum twenty five year's residency in Australia, and 'good character'; and could not be granted to 'Asiatics' nor, in most circumstances, to Australian Aborigines. T.H. Kewley, Social Security in Australia, 1900-72, Sydney, rev. ed. 1973 (1965), pp. 74-76; p. 134.
traditions of the past, and looking forward with hope and confidence to the future.

Fisher had delivered Labor's policy a week earlier, at Bundaberg. He began by criticising the duplicity and extravagance of the government's financial policy. In June the treasurer, Forrest, had predicted a surplus, but in the new financial year he had been forced to admit to having spent all of the revenue for 1913-14, and £1,819,000 of the £2,643,305 surplus left behind by the Labor government. Labor had left a trust fund so that the Commonwealth would not have to "appeal to the cold world outside", but the Liberals admitted that they would finance spending through overseas loans.

But the Labor leader identified industrial unrest and the high cost of living as the major problems facing Australia. Both required increased Commonwealth powers of regulation. Monopoly control of the supply of goods was the problem: only in Western Australia where the Labor government had forced competition with state enterprises had prices remained steady. Nor was there any shortage of production. The drought had ended, but combines continued their "interference with supply, both at its source and during its passage to the consumer." In the United States, the Meat Trust of America had inflated retail prices while depressing the price paid to producers. The government admitted the Trust was now established in Australia, but refused to do anything about it. State parliaments were

36. Australian Worker, [Sydney], 9 Jul 1914, p. 17. The speech was delivered on 6 July. The report was obviously abbreviated a great deal.
powerless. A Commonwealth Labor government would ask again for increased powers.

Fisher insisted that the Navy should be "Australian-owned, manned and controlled"; and that this policy, along with compulsory military training, had been initiated by Labor. There had been criticism of the inconvenience and loss of earnings suffered by trainees, and of harsh punishment. Labor policy was to compensate trainees for wages foregone, and to be flexible about the days on which training occurred. Breaches of the Act must be tried before special magistrates, and not the criminal courts. It was never intended that cadets should be subject to solitary confinement and George Pearce, while minister, was not aware of any such cases.

Fisher warned of the power of the extremist, conservative wing within the Liberal party. Its leading figure was the Attorney General, Sir William Irvine, who was openly hostile to non-contributory welfare, including the maternity allowance. Irvine and his followers believed that the allowance "sap[s] the moral fibre of the nation". Others were more circumspect, and objected merely to the absence of any requirement for a declaration of financial need. Irvine, "the Conservative idol" was no more fond of old age pensions which, he had told a cheering crowd of ladies at St Kilda

38. The cartoonist Claude Marquet depicted Irvine as the theatrical hypnotist, Svengali, and Cook as his automaton. *Australian Worker*, 2 Jul 1914, p. 9.
(probably the AWNL), were "'gratuitous doles'". These attitudes, Fisher maintained, should warn electors that a Liberal government could not be trusted to retain the pension in its present form. Pensioners had been impoverished by the rising cost of living, and Labor would look to raising the pension if finances permitted.

Cook complained that the few worthwhile provisions in Fisher's, such as tariff protection, and unification of railway gauges, had been "jumped" from the Liberal agenda. "They are sugar-coating the referenda, which is the heart and soul of their proposals." Fisher had ignored the development of the Northern Territory, and the need for immigration. He had failed to defend his party's advocacy of "spoils to the victors in Government employment", and its attempts to pressure the Governor General into ignoring ministerial advice. The Caucus leader tempted farmers with his promise to bypass the middle man, but said nothing of the rural workers' log of claims which the Australian Workers' Union was pursuing, or of price fixing. 39

Liberal candidates defended the government against the charges made in Fisher's policy speech, and elsewhere in the Labor campaign. That they were the more trustworthy custodians of public finances was an important part of the Liberal image, and government supporters were keen to rebut allegations of profligacy. The Liberal line was that the spending to which

another Fisher government would be committed would necessitate new
taxes. 40  Littleton Groom, addressing a meeting at Yangan, explained that
the Commonwealth was already burdened by the maternity allowance, 
pension, the development of the post and telegraph service, the building of 
railways, and naval ships and bases. Fisher had been extravagant and had 
only been able to produce a surplus because he had drawn revenue from a 
thriving economy. 41

The Labor allegation that the government had connived in the development 
of price-hiking and strike-provoking monopolies demanded rebuttal. Irvine 
contended that Labor was raising an exaggerated fear of monopolies. While 
the Commonwealth needed greater power over combines, nationalisation 
was not the answer. A Royal Commission appointed by the Fisher 
government had concluded that the Colonial Sugar Refining Company 
should not be nationalised, because public ownership of refining works 
would fail to reduce the retail price. 42  One contributor to The Woman 
cautioned that Federal Labor had adopted the nationalisation of monopolies 
plank as a disguise for its real purpose, the nationalisation of the means of 
production, distribution, and exchange. 43  Liberals reminded voters that beef 
was cheapest in the state in which the Beef Trust traded, Queensland, and 
dearest in Western Australia where the Scaddan Labor government had

42. Ibid, 21 Jul 1914. NLA MS 236/6, box 25, vol. 1, p. 163. Irvine referred to the Royal 
Commission on the Sugar Industry, which reported in 1912 and 1913. Ian McAllister et al, 
Australian Political Facts, Melbourne, 1990, p. 171.
43. The Woman, 28 Jul 1914, pp. 133-35. Nationalisation of production, distribution, and 
exchange was the Victorian Labor platform.
founded state-owned butcheries. 44 State provision was regarded with scepticism by Liberal-minded people. After the election, one supporter complained, "...Mr Scaddan is going to give us cheap fish - at least[,] some of us are to get some at a low rate plus innumerable taxes - something on the lines of 'free' education."45

Liberals blamed inflation on the wage claims pursued by unions, and also warned that unions had exceeded their legitimate role as industrial advocates and become agents of revolutionary socialism. Strikes were not attempts by workers to regain living standards eroded by combine-engineered price hikes, but were fomented by unionists bent on class warfare. According to the AWNL's journal, the new rural workers' log was "even more objectionable and harassing than previous one." Attempts to enforce the claim threatened to delay that year's harvest; ultimately, the Australian Workers' Union hoped to bankrupt farmers so that a Labor government could nationalise their land for minimal compensation.46 The Liberal organisation provided campaigners with statistics purportedly demonstrating that Australian unions spent much of their money on publishing newspapers full of political propaganda. British unions, by contrast, devoted a much greater share of their resources to members' sickness, unemployment and strike payments.47

45. J.W. Griffiths to Herbert Brookes, 11 December 1914. Brookes papers: NLA MS 1924/18/824. John Scaddan was Labor Premier of Western Australia, 1911-16.
Similar objections to the political role of unions had been made, albeit in a more emotive style, in a speech to the Chambers of Manufacturers by the president of the People's Liberal Party, manufacturer Herbert Brookes. Employers took part in wages board hearings only to be threatened with strikes and boycotts; unionists flouted unpopular awards and contrived interstate disputes in order to have their cases heard before the Commonwealth court, whose president had described employers as "highwaymen". From these relatively mild complaints, Brookes progressed to a fiery rhetoric, reminiscent of evangelical preaching: "[W]HY NOT LET A LITTLE LIGHT INTO THE DARK PLACES OF THE SECRET CAUCUS OF THE LABOUR TRUST, THE A.W.U...." Illumination would reveal that the AWU leaders were syndicalists, determined to absorb all other unions and then initiate a general strike designed to destroy capitalism. The source of this danger was the idea of socialism, which tempted workers with the promise of wealth without work, and encouraged them to turn against their employers. This false doctrine must be eliminated "...IF WE ARE TO FLOURISH AS A NATION AND KEEP OUR PLACE IN THE SUN." But the time for negotiating with political trade unionists was over. They had shown by their determination to disrupt industry that they regarded employers as their enemies, "...NOT ALLIES IN THE COMMON CONQUEST OF NATURE". Employers must defend themselves from the socialist take-over of institutions, evident in state trading, and the radical perversion of unionism. Brookes had sought to show that the only safety lay
LITTLE, I FEAR, SAVE TO KEEP AN EDGE ON OUR
OPPOSITION, AND TO INSPIRE US WITH MORE VIGOUR,
MORE VIGILANCE AND MORE SOLIDARITY...LET US GIRD
UP OUR LOINS AND DO BATTLE HERE AND NOW. WE
LOOK TO THE PRIME MINISTER AND THE STATE PREMIER
TO LEAD OUR POLITICAL FORCES IN THIS CRUSADE, AND
TO BRING FAIR DEALING FORTH FROM THE CONFLICT
MILITANT AND TRIUMPHANT.48

In 1919, when conscription and Anglo-Irish violence had raised the
temperature of domestic politics, Brookes made a speech similar in tone at a
loyalist demonstration in the Melbourne Town Hall. His diatribe is
evidence that loyalist-style rhetoric, characterised by a 'last days' urgency, and
a conflation of all types of dissent into a single, unacceptable heresy, was
present in Liberal politics before the war.49

Rhetorical militancy also characterised the propaganda of the Australian
Women’s National League, which warned that unionism threatened to
extinguish independent manhood, the basis, on Gladstone’s authority, of
constitutional government. Nor was the confiscation of capital the only
depredation consequent on socialism, a doctrine which led, as Lord
Rosebery had warned, to “[T]he negation of faith, of the Family, of Freedom,

to the Associated Chambers of Manufacturers, 15 Jun 1914. Capitalisation in original text.
49. Hofstadter, op.cit.
of Monarchy'...the foundations on which our glorious British Empire has been built up and maintained." According to the Age, Liberals were raising a cry that socialism "menaces our most sacred rights and liberties, and is stalking the marriage tie with positively damnable intentions". It is a reasonable guess that AWNL workers, canvassing women voters door to door, contributed to spreading this story, which was, perhaps, too far-fetched to be suitable for an official journal. The League cited the Fisher government's record as evidence of a of incremental advance towards socialism, which apparently meant the state ownership of all capital, but did not furnish proof that Labor advocated free love, the collectivisation of women, or whatever the revolutionary alternative to marriage was supposed to be. Rather, the destruction of marriage was suggested by The Woman as the corollary of Labor's socialistic disregard for other contracts.

While Brookes' PLP and the AWNL were rivals within Victorian Liberalism, the rhetoric of each represents a tendency in Liberal rhetoric to attempt to arouse a fear of dispossession and degradation. But this was not the only characteristic of Liberal propaganda. The 1914 speakers' notes, for example, were full of facts and figures, such as the Cook government's saving per mile on railway earth works (£221-15-5). That Liberal organisers thought it worth spending money to distribute such information suggests

50. The Woman, 1 Sep 1914, p. 167. Rosebery, a Liberal, was the British Prime Minister 1894-95.
52. The League's later anti-socialist propaganda linked accounts of rape by Bolsheviks during the Civil War (1918-20) and 'collectivisation of women' by the Soviet regime, to male concerns about the expropriation of capital. Meredith Foley, 'The Women's Movement in New South Wales and Victoria, 1918-1938', PhD thesis, University of Sydney, 1985, p. 71.
that they believed that some of their potential supporters took a rationalistic view of politics, and could be convinced by apparently objective demonstrations. The amount of space devoted in the notes to various issues may also signify, very approximately, some of the priorities of the Liberal campaign; although this may reflect more accurately the suitability of some topics, such as the largest, public finance and administration, for 'factual' exposition.

Allocation of space in Speaker's Notes, 1914 Federal election

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Not surprisingly, Labor publicists reversed the Liberal version of Australian politics to present the Liberals as practitioners of the worst types of

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53. *The Liberal Speakers' Handbook for the Federal Campaign 1914*, Melbourne, 1914. Percentages are of the 40 pages of content, and have been rounded to one decimal place: this is why the column totals 100.26 3.
commercial sharp practice. One of the main concerns expressed in the 
_Australian Worker_ was that Liberals were attempting to remove from urban 
electoral rolls the names of men who were absent from home while 
working in the country. Members were advised that AWU offices in 
Sydney, Adelaide and Ballarat would forward declarations of residence to 
the Electoral Registrars. But this might not be sufficient: in an "official 
circular" the Liberal organisation had counselled that in order to avoid the 
five shilling fee, objections should not be lodged on an official form. Any 
such objections, the Worker's correspondent remarked, should be ignored 
by the Registrar, unless he "...happens to be a Liberal who, as Sir William 
McMillan says, 'C]arries the standards of commercial honour and morality 
into the political arena.'" Liberal standards, evidently, were those of shoddy 
b builders, and vendors of adulterated infants' milk. (One Sydney Liberal 
politician believed that the socialists were up to similar tricks: he and his 
supporters were on the look-out for fraudulent "stuffing" of electoral rolls.)

Other Labor publicists warned that while Labor had legislated for safeguards 
on and substitutes for wage labour, these protective measures would be 
jeopardised by a Fusion government. If Forrest became treasurer again, his 
extravagance could necessitate the reduction of the maternity allowance and 
old age pension. Pensioners living on ten shillings per week were harmed 
by the rising cost of living, wrote 'Parramatta' in the Victorian _Labor Call,_ 

54. McMillan was Free Trade MHR for Wentworth (NSW), 1901-03, and was active in 
patriotic and charitable organisations. _ADB_ 10, p. 343. article by A.W. Martin. 
55. _Australian Worker_, 2 Jul 1914, p. 9. See also _Ibid._ 9 Jul 1914, p. 19 
& 16 Jul 1914, p. 2. 
56. W. Elliot Johnson [MHR for Lang (NSW), 1903-28] to Littleton Groom, 6 Aug 1914. NLA MS 
236/1/1302. 
57. _Australian Worker_, 2 Jul 1914, p. 1.
although "[T]o people who have got plenty of fat cattle and sheep to dispose of it might be welcome." Mary Gilmore recalled the days prior to workplace regulation, when conditions included seventy hour weeks, fines of five shillings from fifteen shilling weekly pays, instant dismissal without notice, and unsanitary conditions, such as those at the leading Sydney business which provided only one lavatory for several hundred employees. "Shop girls" would do well to remember that "what was the rule in the past will be the rule again WHENEVER THERE IS POWER TO MAKE IT THE RULE."

If pensioners and shop girls saw where their interests lay, they would vote Labor. But some voters, explained R.N. Walton, of Coburg, lacked sense. Walton identified "[T]he man of money bags", "[T]he fireside voter", and "[T]he silly young clerk" as core members of the "anti-Labor" constituency.

The outbreak of war, four weeks before polling day, changed the preoccupations of the election campaign, but domestic issues did not disappear entirely: rather, politicians claimed that the war had made their policies and leadership more necessary than ever. At least one Liberal supporter thought so, too: "[I]f clean government and honest finance are desirable things in good times surely they are a thousand times more

58. 30 July 1914, p. 4.
59. Mary Gilmore, poet, journalist and political activist, was editor of the Australian Worker's women's page, 1911-31.
60. Australian Worker, 16 July 1914, p. 17.
61. Labor Call, 6 August 1914, p. 2. Menzies' wooing of 'fireside voters' in the age of radio is discussed in Chapter 6.
important in a crisis like the present.” For both parties, there was a tension between the need to appear to be putting contention aside, and the wish to take advantage of the war.

On 30 July, Cook had received a cablegram from the Foreign Office warning that war was imminent. That night, at Horsham, he warned voters to prepare themselves to carry out their responsibilities as citizens of the Empire. Cook hoped that through negotiations “honour may some way be appeased without resort to arbitration of arms, but one does not know when this fire starts where the conflagration will end.” Yet

...whatever happens, Australia is part of the Empire, and is in that Empire to the full. (Cheers) Remember, too, that when the Empire is at war, Australia is at war.

Australia would be ready to play its part: the economies pursued by the Minister for Defence, Senator Edward Millen, had never affected fighting capability. The question of defence drew the Prime Minister back to the argument he had made in his policy speech: that immigration was required to increase the number of “burden bearers”. If Australia’s population of four million could be doubled, per capita defence costs could be reduced from

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62. J.J. Griffiths to H.B. Brookes, 18 August 1914. NLA MS 1924/18/778-80. Griffiths worked for the Telegraph Department in Perth. He had been a founding member of the Liberal Club (he does not say when it was founded). “I have...”, he told Brookes, “...for many years....been waging wordy warfare in various newspapers with socialists of all species, and know most of their literature better than they do themselves.”

twenty to ten shillings. After devoting nearly half an hour to the trusts issue (Cook was not opposed to consolidation of businesses, which was the modern way) and to pointing out that Fisher’s promise of £300,000 for widow’s pensions would allow a payment of only 1/3 per week, Cook began to denounce class warfare. The politics of class loyalty had been shown by recent events in Europe to be a much weaker loyalty than the politics of national allegiance. Rebellious Russian workers had rallied to the flag when war was declared, and Austrian socialists were signing up to fight their erstwhile Serbian comrades. There was a lesson here for Australia, and Cook, as he had done when he equated white Australia with equal access to public employment, phrased the homily to appeal to voters, perhaps men in particular, who favoured trade unionism and immigration restriction.

Socialist feeling is within the State but there is something stronger - that is the feeling of nationalism that is behind all of the principles that have come down to us. If it is a good thing to close up our ranks against outsiders, isn’t it a good thing to close up our ranks and try to help each other here? ...[T]his class feeling which sets men against each other as bitter enemies is bringing untold evils in its train, and the consequences may be serious.64

The leading Labor politicians espoused similarly patriotic sentiments. Fisher had addressed a meeting at Colac on the same night that Cook had warned of the likelihood of war. He made the usual points about the deficit, preference, and state steamers, and offered a vague suggestion of assistance for orphans. Like Cook, he expressed a hope that “international arbitration”

64. Age, 1 August 1914, p. 16.
might still avert war, but if the calamity came, then 'Australians will stand beside our own to help and defend her to our last man and last shilling.' 

Fisher and his supporters also claimed sole credit for the creation of an Australian Navy and Army, and in doing so pointed to the antipathy which some Liberal politicians had shown to the formation of separate forces. Hughes, for example, recalled that prior to the Fusion, Cook had opposed both a separate Navy, and compulsory training. The war was also said to vindicate Labor's non-military policies. According to Fisher, the war had exposed the harmfulness of Liberal opposition to the Commonwealth bank, and the note issue, for without these institutions, financial panic would have been inevitable.

Other Labor and unionist responses were less conventionally patriotic. There were fatalistic predictions that while the fighting would bring useless suffering to the workers, Australia's membership of the Empire made costly participation unavoidable. In Victoria and New South Wales, one line taken in pro-Labor journals was that while the war would benefit only the Krupps and Armstrongs, this was not the real issue and should not be allowed to distract from the question of whether men of the Labor or the "Tory stamp who shoot down the people" should govern. R.N. Walton warned that the Liberals were attempting to emulate the Conservatives' khaki election campaign of 1900, but were unlikely to succeed because the voters realised that

65. *Argus*, 1 August 1914, p. 20.
66. William Morris Hughes, Labor MHR for West Sydney (NSW), 1910-17; Nationalist member for Bendigo, 1917-22; North Sydney, 1922-49 (Liberal 1945-49); Liberal member for Bradfield 1949-52; Prime Minister 1915-22.
Fisher and Hughes were no less patriotic. Labor should, to paraphrase the famous infantry command, "prepare for calumny." Labor people should also beware of attempts to exploit the war to further class politics: already there were "sinister proposals" to suspend wages board determinations. Such suggestions were already coming from within the Labor ranks: Holman caused disquiet among unionists when, the day after the British declaration, he suggested that awards might be frozen. Labor, Henry Boote wrote, had preserved Australia from "THE WORST EFFECTS OF THE CAPITALIST SYSTEM" but "[T]here is still much to be done to protect Australia from the enemies who attack it from within" - the Fusion party, opponents of social security, anti-trust law, and an Australian defence force. 68

William ('Billy') Hughes69, the shadow Attorney-General, led a campaign to out-do the Liberals as proponents of a politics which demanded that all other considerations be subordinated to wartime unity. His demand to postpone the elections was endorsed by the Labor executive and candidates in New South Wales, and according to the Liberal secretary, Archdale Parkhill, enjoyed greater currency in that State than in any other; Elliot Johnson complained that

69. W.M. Hughes, MHR for Western Sydney (NSW), 1901-1917 (ALP); Bendigo (Vic), 1917-22 (Nat); North Sydney (NSW), 1922-49 (Nat-UAP-LPA); Bradfield (NSW), 1949-52 (LPA). Minister for External Affairs, 1904, 1921-23, 1937-39; Attorney General, 1908-09, 1910-13, 1914-21, 1939-41; Prime Minister, 1915-23; Vice President Executive Council and Minister for Health and Repatriation, 1934-35; Minister for Industry, 1938-40, for the Navy, 1940-41.
70. Parkhill to H. Brookes, 1 Sep 1914. NLA MS 1924/18/796; Johnson to Groom, 6 Aug 1914, NLA MS 236/1/1302.
the Telegraph and "other Liberal papers" had been fooled.\footnote{Parkhill to H. Brookes, 1 September 1914. NLA MS 1924/18/796; Johnson to Groom, 6 August 1914, NLA MS 236/1/1302.} Hughes insisted that party competition was incompatible with wartime unity: the solution was either for each party to withdraw candidates so that sitting members would be returned unopposed, or to petition the Imperial Parliament to revoke the writs. As a gesture of goodwill, the party executive withdrew its candidate for Cook's seat, Parramatta; no doubt his German name, Von Hagen, made this seem doubly advantageous. Labor withdrew no other candidates, but its advantage was clear: either Cook agreed to return to the situation he was trying to escape, government with a hostile Senate, or he exposed his party to the charge of putting partisan advantage before patriotic co-operation.\footnote{L.F. Fitzhardinge, The Little Digger, 1914-1952: William Morris Hughes, a Political Biography, vol. 2, London, Sydney & Melbourne, 1979, pp. 3-7; Murdoch, op. cit., p. 292. In Fisher's electorate of Wide Bay, the Queensland Farmers' Union candidate withdrew as a patriotic gesture, but polled 36% of the vote nonetheless. Colin A. Hughes & B.D. Graham, A Handbook of Australian Government Politics, 1890-1964, Canberra, 1968, p. 312.} The Liberal Premier of Victoria, Sir Alexander Peacock\footnote{Peacock was Premier of Victoria 1901-02, 1914-17 and 1924.} added his voice to the 'truce' call, but Cook was urged by his Federal colleagues, who were convinced that they would win the election because voters regarded them as the more patriotic party, not to give way to this ploy; and the Prime Minister was of this opinion himself. In any case, revocation of the writs would have required the Imperial Parliament to re-convene in order to amend the Constitution and this extraordinary measure, Cook explained, presented much greater difficulties than "complying with the Constitution". The Prime Minister was able to appeal to nationalist sentiment (the Catholic Advocate opposed repeal for these reasons), and to the desire to achieve a functioning government, stating that to accede to Hughes's plan would be to invite Westminster to "deprive the people of a great self-governing Dominion of the
right to choose their own legislature”, and to return to the deadlock of 1913-14. The elections could proceed without harm to the war effort, for “[O]ur race has always been characterised by its self control, even in times of the greatest national stress....”74

As Fitzhardinge remarks, the truce proposal, “sets the note for Hughes’ attitude throughout the war.”75 The Shadow Attorney General ridiculed Cook’s insistence on legality.

One hardly knows whether to laugh or cry….He abstains from doing what he says he would like to do [resume the last Parliament] because of some technicalities of the law! Amidst the clash of arms the laws are silent, and we may yet have to sweep aside as mere cobwebs any laws that stand between us and the safety and welfare of the people.76

Irvine rejoined that Hughes was indulging in a type of personal abuse which was not only “ineffectual” in moving voters, but “mischievous” given the responsibilities which voters were now facing up to with such gravity. Honorary minister W.H. Kelly77 claimed that while ministers had dropped the issues which had exercised them prior to the outbreak of war, Opposition members were continuing to propagandise. Liberals favoured the formation

74. Advocate, 5 September 1914, p. 28; Advertiser, 17 August 1914, p. 11.
75. Fitzhardinge, op. cit., p. 6.
76. Argus, 17 August 1914, p. 6.
77. William Kelly, MHR for Wentworth (NSW), 1903-19 (FT, 1903-10; Lib, 1910-17; Nat, 1917-19).
as quickly as possible of a government capable of exercising the wide powers needed to prosecute the war. 78

Despite this controversy, there was co-operation between the parties. Cook convened a conference of State and Federal ministers to consider what measures needed to be taken to prevent a collapse of business and employment as a result of the disruption of international trade and the scarcity of British capital. Fisher and Hughes participated at Cook's invitation. The conference authorised a communique, signed by Kelly, Hughes, and Holman79, which announced that the Commonwealth government would provide sufficient finance to maintain State public works.80 In terms of war administration, a 'party truce' was unnecessary, although Cook himself, and Millen, were preoccupied with administration for most of August. The preparations they were engaged in, placing the Navy under Admiralty command, and organising for the dispatch of a voluntary force of 20,000 men, were not, of course, impeded by the continuation of party meetings, canvassing and distribution of literature.

Kelly said that he welcomed Labor's offers to support the war policy of a Liberal government, but drew attention to the arguments put forward in Labor Call: that Australia should only come to England's aid if this seemed to

be really necessary. There was a discrepancy here, Kelly contended, between the loyal utterances of the Labor leader, and the "anti-British" sentiment prevalent among his followers. 81 Other Liberals took up this theme more vigorously, citing pacifist and isolationist opinion in the Labor press, and anti-imperial statements made by Labor politicians, such as Arthur Rae 82 who had told the Senate that he refused to allow his children to attend school on Empire Day because the Empire was founded on "force and fraud." A pamphlet authorised by the Liberal secretary in New South Wales, 'Disloyalty! Traitors in the Ranks', recalled Holman's statement that he hoped the Boers would win the South African war. The leaflet also carried the allegation that while attending the 1911 Imperial Conference in London, Fisher had told the journalist T. Stead, that much mischief had come of the use of the word 'Empire', and that Australia should come to England's defence if the English cause was right; otherwise "we should just haul down the Union Jack, hoist our own flag, and start on our own!" Parkhill concluded with the question, "Can you place any reliance on these men at this critical stage?" 83

Despite these appeals to view the war in party terms, many believed that the war had merely distracted from the election. Some Liberals considered that this was to their advantage, others that it was not. A few days before the declaration of war, one of Brookes' correspondents suggested that Liberals

81. Ibid.
82. Rae was Labor MLA for Murrumbidgee, 1891-94; Labor Senator (New South Wales) 1910-14; 1929-35 (Lang Labor 1931-35).
should raise a “war cry” that the Fisher government had endangered security by its reluctance to encourage immigration, and to provide otherwise for local and imperial defences. “It might be said that we were trying to have a khaki election, but in my view the war question is swamping all political questions and our candidates should recognise this fact.”

Elliott Johnson thought that Labor had come up with the truce proposal because the war had enervated their campaign, and given them a “bad scare”, while David Gordon reported from South Australia that “we can feel the swing coming our way largely on account of the war.” The candidate for Bass remarked that while he considered daytime personal canvassing the more valuable method, he was heartened that attendance at his meetings remained “good” despite the war.

On the other hand, one Liberal feared that the war-obsessed Western Australian’s neglect of the election was dangerous for the party, while the member for Lilley, Jacob Stumm, found that the hostilities were a factor against him.

I find that the war has overshadowed everything and I fear that unless our people are stirred up there is a real danger of their neglecting their electoral privilege on Sept 5. The enemy are very active in Lilley and are not fighting clean - trying to raise prejudice against me on account of my German descent & doing

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84. T.D. Chattaway to H. Brookes, 31 July 1914. NLA MS 1924/18/731. Chattaway wrote on Federal Correspondents Bureau letterhead. He provided an extract from Hansard of the allegation about Fisher’s comments to Stead. (9 Sep 1911, p. 183); Gordon to H. Brookes, 10 August 1914. NLA MS 1924/18/732; Alexander Marshall to Brookes, 16 August 1914. NLA MS 1924/18/785. Gordon, a newspaper editor by profession, was active on the executive of the Liberal Union, and was MHR for Boothby (SA) 1911-13, and an MLC, 1913-44.

85. W. Elliot Johnson, MHR for Lang (NSW) 1903-28, to Littleton Groom, 6 August 1914. NLA MS 236/1/1302.

86. Jacob Stumm, Liberal MHR for Lilley (Queensland), 1913-17.
it in such an underhand way that one cannot tackle them openly.87

Cook commiserated with Groom on the large German population in his electorate, Darling Downs.88 He did not state his reason, but probably considered that German voters would turn against Groom in protest against the mooted disenfranchisement of German-descent citizens, and internment of military-age men, or simply in malice against the representative of a government which was at war with their presumed home country.

Although the question of whether German-Australians would be loyal to their old or new homeland was already in currency, the more significant ethnic division was between Irish and British-Australians. Among other actions which irritated Liberal-minded people in the months preceding the election, the Senate had passed a resolution in favour of Home Rule, as had the Labor-controlled Legislative Assembly in New South Wales. In that State, Anglican Bishops had released a statement affirming their commitment to the Union. Events in England and Ireland seemed to moving towards a climax. In May, the Commons had passed a Bill granting Home Rule, but negotiations over the exclusion of the Ulster counties were forced by the threat of armed uprising in the north. Until the end of July, Anglo-Irish conflict featured more prominently in the newspapers than did the slide to war in the Balkans, and contributed, or so some Liberals hoped,

87. J. S. Griffiths to Brookes, 18 August 1914. NLA MS 1924/18/778-80; Jacob Stumm to Groom, 24 August 1914. NLA MS 236/1/1108.
88. Cook to Groom, 6 August 1914. NLA MS 236/1/1303.
to the activation of imperialist opinion in the electorates. This calling-in of the obligations of British Protestantism was carried out more in private conversation than in print. According to the People's Liberal Party secretary in Bendigo, "...with good organisation [Eaglehawk] will give 'Arthur' a good shock on this occasion through the Home Rule question and we are working it well (quietly)." 88

For the time being, however, this negative aspect of loyalism was less obvious than the contest to take credit for building the means to fulfil Australia's obligation to the Empire, which was seen by almost everyone as a duty of self-preservation. There were no serious differences of opinion among the party leaders on the questions which obviously mattered most; and attempts by each side to question the loyalty of the other seem to have fallen flat. Memories of the Fisher administration, which had instituted moderate social democratic reform in a time of prosperity, were fresh: Labor in government was a familiar entity difficult to portray as a dangerously unknown proposition, and its principal innovations, the Commonwealth Bank and note issue, the maternity allowance, and land tax, either beneficial or unthreatening to the majority of voters.

Liberal publicity towards the end of the campaign warned of the uncertainty entailed by Labor's 'socialism' and appealed for a Liberal vote as a patriotic

duty. Cook returned to the campaign with a public meeting at the Sydney Town Hall. He proclaimed that "the workingman's home is as much his to defend as the rich man's pasturage"; and that voting was "an obligation laid upon us by reason of our citizenship and our manhood." The Women's Liberal League, New South Wales, implored men and women to make use of their "one day of power" to choose the responsible and patriotic Cook, who had invited Kitchener to Australia, and was implementing a defence policy based on his advice, and to avoid the risk of disaster by spurning the unpredictable Labor party. On polling day, the Sydney Morning Herald printed a photograph of Cook and Kitchener, captioned "[A]uthors of our defence policy". Cook, in his last word to voters, attempted to bring out the Liberal vote by extolling the poll as a patriotic duty: the soldiers were doing their part, and civilians should do theirs. And, once again, he offered the safety of tradition. "[T]he future is full of pitfalls and dangers. Who shall guide you through and past them - the Liberals, with their age-long experience, or their opponents, with their unproved panaceas?"\footnote{Town Hall: Sydney Morning Herald, 3 Sep 1914, p. 6; Women's Liberal League: Ibid. 2 Sep 1914, p. 10; photograph: Ibid. 5 Sep 1914, p. 16. pitfalls: Ibid. 2 Sep 1914, p. 10.}

On polling day, 72.6% of the people entitled to express an opinion on this question did so. Perhaps the preoccupation with the war which some had noticed was manifested in the participation rate, which was 1.1% less than at the 1913 election, although much higher than the 57.36% average for the first five Commonwealth elections.\footnote{McAllister, op. cit., p. 64.} The Age's correspondent noticed a mood of gravity at the polling places, and:
...none of the excitement and enthusiasm that have been noticeable at former elections....the groups around the polling booths were small; in fact at some polling places the presence of a candidate's motor car was the only evidence of an election...Under normal conditions crowds linger round the booths earnestly discussing the prospects of the poll. It was not so on Saturday. People recorded their votes quietly and having done so left the booth without engaging in discussion.91

Labor won five seats from the government: three in NSW, and two in Victoria.92 The returns established the pattern that while Labor's safe seats were urban, the marginals it needed to win office were rural or semi-rural. Four of the seats taken from the Liberal party were in the country, and possibly the drought contributed to disaffection with the government.

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Elections for the House of Representatives, 1913 and 1914

Cook's biographer surmises that Labor won because its leaders were more closely identified with the formation of an Australian Defence Force: his evidence is the uniformity of the swing to Labor, which ranged between three and four percent in every State.93 But even if we accept that this similarity

91. Age, 7 Sep 1914.
92. Hughes & Graham, op. cit., p. 310. Percentages are of the valid primary vote.
93. Sawer, op. cit., p. 129; Fitzhardinge, op. cit., p. 8; Murdoch, op. cit., pp. 293-94.
points to the unimportance of local issues, this outcome is not sufficient to establish that defence, rather than some other national question, like the cost of living, was the main cause of voters switching from Liberal to Labor.

Contemporary comment provides insights into the attitudes of the day, but no firm evidence of the cause of the result. Explanations of election results tend to be coloured by what people think should have happened, and this is particularly so of published sources. The Woman attributed the Liberal defeat to activists "slackening" after the declaration of war, while Labor campaigners maintained a vigorous effort, particularly in the "the house-to-house canvassing, the work above all others in political organisation that tells on election day...." At least one other Liberal supporter expressed this view, which rested on the assumption that a full turn-out at the polls would bring a Liberal majority:

...the voting power was there if the people had risen to the occasion, and put aside the indolence which does so easily overtake them, and which causes these disasters again and again.

The Catholic Advocate suggested that Labor had been rewarded for its greater enthusiasm for Home Rule. The Age hinted that the government had been

94. The Woman, 1 Oct 1914, p. 190.
95. Arthur C. Cocks to L.E. Groom, 8 Sep 1914. NLA MS 236/1/1343. Cocks was Liberal/Nationalist MLA for St Leonards (NSW) 1910-20; for North Shore, 1920-25; Treasurer, 1921, 1922-25.
96. Advocate, 12 Sep 1914, p. 24.
punished for its free trade leanings and antipathy to the initiative and referenda: this policy, and protection, were *Age* crusades. The paper remarked that there had been talk of Labor disloyalty but that it had little effect.97 One People's Liberal Party member commented privately that the *Liberal*'s denunciatory style had been counter-productive; another approved it.98

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97. *Age*, 7 Sep 1914, p. 8.
Chapter 2. Win-the-War Nationalism triumphant, 1914-17

In September 1914, Labor was in a powerful position: a majority in both houses gave legislative freedom of action, and winning a election in which patriotic credentials had been an important issue seemed to lend the party legitimacy. The expectations of the party's supporters in the unions and the Labor leagues were high: in particular it was thought that a chance had come to protect living standards by re-submitting the prices referenda. Supporters of Irish independence, too, could take comfort in the passage of the Home Rule Bill, although it was deferred until the peace, and Anglo-Irish reconciliation was symbolised by Nationalist endorsement of British war policy. In Australia, also, there was a partial realisation of the political truce which had been mooted during the campaign: Liberal politicians, as they had promised, supported Labor's war measures. When the government put forward a War Precautions bill to enable ministers to make any regulation deemed necessary for national safety, Cook and Irvine assented, although not without voicing misgivings about the extent of the powers.

While the second half of 1914 promised the relief of popular living standards through redress of Labor's prices and monopolies grievance, an easing of the sectarian tensions brought by Anglo-Irish conflict, and a party consensus on extraordinary wartime executive powers, events in the first three years of the war unfolded in such a way that each of these issues became more rather than less divisive. The political developments which followed put non-Labor back into power, albeit in a form almost
unimaginable before the war. Non-Labor's authoritarian new politics seemed to confirm the decline of centrist Deakinism, and Labor also withdrew from the centre to a defensive leftism. From August 1914, the most influential assumption in non-Labor and to some extent in Labor politics was that all considerations must take second place to winning the war, and that Australia's policy must be based on absolute political unity behind the government, and the devotion of all available resources to the war effort. This assumption of the primacy of the war effort led to clashes with and within Labor between the proponents of uncompromising loyalism, and those who, while rarely opposing the war outright, became increasingly disenchanted with injustices in the raising of men and shillings, with British policy in Ireland, with the refusal to negotiate an early armistice, with censorship and, perhaps most importantly, with the proposal to introduce conscription for overseas military service.

The rhetoric and policies of the 1914 election campaign had demonstrated the importance to Liberal politics of the belief that national needs must take precedence over sectional requirements. To the Liberal mind the wartime vulnerability of the nation-state made this imperative more compelling than ever. There was no place in the Liberal conception of the war for the idea that reform might accompany or even strengthen the war effort. Rather, they considered that reform was disruptive and must be deferred until victory. Consequently, the preservation of the present economic order became the only domestic policy compatible with patriotism, which lent its moral authority to the usual economic positions of the Liberal party.
But this summary of loyalist opinion is misleadingly rationalistic, for loyalism was as much felt as thought, and the tone of the Nationalist campaign in the 1917 election can only be understood as a manifestation of the passionate mood of the times. Reporting for the Soldier on a women's conscriptionist meeting at the Sydney Town Hall in October 1916, 'Dolly' remarked that she had only been able to catch one in ten of Hughes' words over the noise of the crowd. Nonetheless, "'[N]ot for worlds would I have missed this wonderful, thrilling historical, meeting of women of Australia.'"

"Two months earlier Dolly had confessed to readers that, like most women, she felt rather than understood issues.¹ In this she may have had much in common with male readers of Soldier. Men's and women's responses to patriotic issues during the war were suffused with emotion: often anger and fear. Wartime politics were notoriously bitter, and the most powerful reason for this was, no doubt, the most obvious: that the costs of policy were measured not only in pounds (and the economic strain was enormous²) but in lives. This added to the intensity of the feelings of those who came to oppose official war policy, and of its supporters, which generally included adherents of the Liberal party. In May 1915 Australian casualty lists began to appear in the newspapers, but even before then emotions were aroused by the atrocities which the German army was alleged to be perpetrating in Belgium. The truth of these allegations is not the issue here: what is important is that stories of brutality against Belgian civilians were believed, and that as the subject of propaganda this version of events was an important part of the justification of the war effort. By means of atrocity stories and the corresponding celebration of the virtues of


². The Commonwealth's average annual expenditure on the war for 1914-19 was £62,832, 175; by contrast the Commonwealth's total expenditure for 1913-14 was only £24,741, 775. Ernest Scott, Australia During the War, Sydney, 1937 (1936), pp. 480 & 495.
the Allied nations, publicists made the war into an ideological crusade. The restoration of Belgian neutrality was an indispensable justification of the war in Australia because until January 1918 the British government issued no other statement of war aims.  

Nevertheless, the suffering of the Australian troops made the most powerful contribution to the fervency of wartime attitudes. Debating the 1901 Defence Act, George Reid had praised the courage of Imperial soldiers but warned that the skilful leadership which avoided slaughter was a quality even more valuable than bravery.  

This skill seemed to be in short supply in the 1914-18 war - in the First Battle of the Somme, 1916, approximately 28,000 members of the AIF were killed or wounded in seven weeks. One parent of an injured soldier, an amputee perhaps, told Littleton Groom, "[O]ur great consolation is that he will be able to say with pride that his loss was sustained through his having fought bravely, for both his King and Country". The earnestness of non-Labor politics during the war derived in part from a determination to protect from real and imagined slights the cause for which such suffering was being endured. The consolation of honour seemed to be threatened by those who argued, or implied by their dissent from orthodox patriotism, that the war was dishonourable.

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4. CPD, vol 3, p. 3106 [26 Jul 1901].
But the emotional life of non-Labor's constituents could also encompass a satisfying sense of purpose. Another of Groom's supporters wrote:

[W]ell, the war is a terror, but has been productive of some good, insomuch that it has shown us the necessity of being prepared against Enemies, masquerading as friends, and has rescued thousands of well[-]to[-]do folks from a life of innocuous desuetude to one of active participation in matters necessary to our Freedom and safety.\(^7\)

This was a time of organised excitement. Non-Labor people were told by their Protestant clergy that the war was providential; teachers endeavoured to channel patriotic enthusiasm into a greater 'school spirit'.\(^8\) It became evident that nationalism was also a force for a greater party spirit. Paradoxically, loyalist orthodoxy held that party divisions were inconsistent with national duty, but denunciations of dissent from orthodox patriotism became a self-fulfilling prophecy. For example, the Labor-Catholic nexus was strengthened by the Protestant bias of the daily press, which generously reported the pro-conscription statements of Protestant clergy and ensured that, apart from the Catholic press, only the Labor newspapers gave sympathetic coverage to anti-conscription Catholic priests.\(^9\)

One side of the party divisions which shaped attitudes in the 1917 election was Labor discontent with the win-the-war philosophy. Many Labor people held that the war should not prevent the party pursuing its normal

\(^7\) Mayor Josh Wilshire, Toowoomba, to Groom, 22 Feb 1917. NLA MS 236/1/1435.
\(^8\) McKernan, op. cit., pp. 18 & 49.
objectives of working-class amelioration; as prices continued to rise while awards remained fixed, a sense of grievance increased, which Labor voiced in class and nationalist terms. The view strengthened that, compared to their wealthy compatriots, working class Australians were giving too much to the war effort. This opinion overlapped with a nationalist protest that compared to the Empire as a whole, Australia was already sacrificing enough, or too much. Both doctrines were anathema to non-Labor, which held that there must be sacrifices in living standards in order, in a utilitarian sense, to channel resources into fighting power; and in a symbolic sense, so that people at home might by suffering proclaim their solidarity with the men at the front. The non-Labor conception of national identity was also more imperialist, and maintained that duty and self interest demanded that Australia should make as heavy a sacrifice for the imperial cause as it was able; the notion that Australian and British interests diverged was repudiated. This was a peacetime commonplace, elevated by the war into a dogma. Furthermore, wartime loyalism intensified the usual non-Labor antipathy to strikes. For example, in his prize winning essay *The Rule of Law During the War*, published as a pamphlet in 1917, University of Melbourne law student Robert Menzies declared that the rule of law was threatened less by the War Precautions Act than by strikes in defiance of tribunals. Some were serious enough to threaten the stability of society, for "the rule of law cannot rule unless it is respected."  


In June 1915 the government replaced union preference with priority for returned servicemen.\(^\text{12}\) The fate of Labor's price control referendum proposals was similar. The referendum bill, debated by Parliament in 1915, was denounced by the Opposition as an untimely indulgence in sectional advancement, which could only distract and divide the people. Pressure from State and Commonwealth Liberal members, and Labor and Liberal Premiers led the government in November 1915 to abandon the referendum in return for a promise from State governments to cede the equivalent powers; predictably, the Legislative Councils prevented this.\(^\text{13}\) Union preference and price control had been defining issues in the 1914 election; it seemed that the Liberals had won after all. They lacked formal power, but the lessons they derived from the war seemed irresistible. The government drew closer to the opposition and further from its supporters in the labour movement. Another Fusion was in the making.

The tensions which led to the reformation of non-Labor into a union of Liberals and loyalist Labor were also exacerbated by events in Ireland. When in April 1916 a group of rebels seized control of buildings in central Dublin, Irish-Catholic Australians seem to have been dismayed by the rising and its destruction of the long-awaited Home Rule settlement. But in Australia, as throughout the world of the Irish diaspora, opinion swung the other way as the British government began to execute the rebels, and to implement a policy of deportation and martial law.\(^\text{14}\) The rising and its suppression hardened attitudes on both sides. Moderate nationalists were

\(^{12}\) Judith Smart, 'Was the Great War Australia's war? A domestic perspective with particular reference to Victoria', in Craig Wilcox & Janice Aldridge (eds), The Great War: Gains & Losses - Anzac & Empire, Canberra, 1995, p. 55.

\(^{13}\) Ibid., p. 57.

\(^{14}\) Advocate, 6 May 1916, p. 12; 20 May 1916, p. 21.
disillusioned; loyalists had all their suspicions confirmed. Australian sectarianism, notable for its cyclical character, with outrageous events triggering the release of long-standing enmities, flared up in a new period of controversy. The Catholic Archbishop of Melbourne, Dr Daniel Mannix, became the advocate for Irish grievances, which were combined with the economic resentments felt by the Church's predominantly working class adherents. Anglo-Irish conflict led to a resurgence of militant Protestantism in which organisations such as the Victorian Protestant Federation, and in New South Wales the Loyalty League, lent their support to the Nationalist cause.15

The emotional excitement of the home front, the conviction that the crisis of war demanded the suspension of domestic politics, resentments over the economic burden of the war, and the effect of the Anglo-Irish conflict on Australia's ethnic divisions: all these factors contributed to the conflict over the conscription plebiscite of 1916. The story of conscription is well known.16 What is relevant here is the overlap between the Liberal party and the organised conscriptionist, the importance of compulsion to Liberal thinking about the war, and the opportunity which conscription provided for the formation of a new non-Labor party. Firstly, Liberal politicians were among the most prominent proponents of a 'yes' vote: Irvine had been an early advocate of conscription, and while the dominating personality in the

1916 plebiscite was Hughes, in New South Wales Joseph Cook, and in Victoria, William Watt were important supporters of the 'yes' campaign. Secondly, in the loyalist mindset prevalent among Liberal politicians, conscription crystallised the paramount issues of the war: the identity of Australian and imperial interests; the need for an unrestrained war effort; the precedence of civil duty over civil rights. All these themes continued in the 1917 election campaign; all that was missing was the advocacy of immediate conscription.

Perhaps, as some historians have argued, the defeat of the 1916 proposal suggests that loyalist sentiment was effusive but superficial, and stopped short of providing a motive for commitment to real sacrifice. But the Liberal conscriptionists were energised rather than demoralised by their narrow defeat. Loyalist feeling was powerful enough to detach Hughes and twenty-four of his followers from the Labor party and bring them into a coalition with the Liberals. During the 1916 campaign, Watt had discussed with the principal organiser of the National Referendum Council, Hume Cook, the possibility that Hughes' departure from the Labor party might provide the opportunity for a national unity government. On the day Hughes walked out of caucus, Watt chaired a meeting at the Council's offices in Melbourne, to discuss the formation of a new party. The meeting authorised him to consult with Hughes and Cook, and to organise a conference representing the Referendum Councils in each State. In
January 1917 non-Labor parliamentarians (ex-Labor and ex-Liberal) joined together formally in the National Federation. The objects of the Federation were an all-out war effort, effective repatriation, responsible government, conciliation and arbitration, white Australia, economic development and free trade within the Commonwealth.21 According to Scott, there was an upsurge of enthusiasm for the new organisation, with National-minded citizens forming "unusually large branches" in the capital cities and in regional towns: in Geelong, for example, secretaries at the inaugural meeting were unable to sign-up all who wanted to join.22

It may be that the Federation grew rapidly because it provided an outlet for the frustration which loyalists felt at the defeat of the plebiscite.23 What is more certain is that in Victoria, at least, the Federation was well-organised, by Hume Cook, and generously funded, at first by William Baillieu of the Collins House financial group, and later by the National Union, which was a reconstituted version of the Constitutional Union. During the 1917 election, the Melbourne-based Federation was able to employ ten full-time organisers and, along with the AWNL, which remained a separate organisation, to assist in the Southern Riverina.24 The strength of the Federation varied in strength in the different states, but the common element was the attempt to combine the traditional forces of Liberalism with the new element of loyalist Labor. The composition of the Nationalist Senate ticket in Victoria symbolised this association: the Nationalists chose

23. Thornton-Smith, op. cit., p. 344.
24. Ibid., pp. 346 & 365.
an ex-soldier, William Bolton, a businessman, George Fairbairn, and a former Labor member of the Legislative Assembly, William Plain.25

The image of the new Nationalist party was shaped by its leader, W.M. (Billy) Hughes. Born in Pimlico, London, in 1862, Hughes' early life had been difficult. After working as a pupil teacher, he emigrated to Queensland at the age of twenty two, where he worked a series of bush labouring jobs. In Sydney, he found steady work and married Elizabeth Cutts, the daughter of the landlady of his boarding house. The Hugheses moved to Balmain and opened a small general shop. Their shop's wares included political pamphlets, and it became the meeting place for the socialists and single taxers with whom Billy Hughes was beginning to mix. In the early 1890s he became involved with the new Parliamentary Labor Leagues; and following Labor's first parliamentary split over the fiscal issue, was instrumental in re-organising the Leagues so as to require of candidates a preselection pledge to abide by the wishes of a caucus majority (it was this development which had prompted Joseph Cook's departure). Rising in the Labor party through energy, intelligence, organisational ability, and ambition, Hughes was elected member for the inner city seat of Lang in 1894; and for Western Sydney in the first Federal election. He was admitted to the bar in 1903 and served as a minister in the Watson and Fisher governments. Hughes shared the contemporary concern that Australia enjoyed only a precarious existence as a white civilisation in Asia, and in 1905 founded the National Defence League, to press for stronger defences, including compulsory military service. A convinced state socialist, Hughes believed that socialism would come about as part of an inevitable evolution

25. Ibid., p. 350.
of institutions towards greater integration and conscious direction by the state. By 1914, his experiences of struggling to make a living (especially, perhaps, as a small and frail man in the rough conditions of outback Queensland) and his absorption of social Darwinist ideas, had combined with his apprehension of the rise of Japan to produce a worldview in which competition was the essence of life. Once convinced that conscription was necessary for national survival, Hughes threw himself into the cause with all his considerable energy. Apart from his desire to retain office for its own sake he was certainly motivated by a belief that conscription was needed to maintain Australian forces; and, perhaps also by the hope of retaining after the war British protection against Japan. Autocratic in temperament, and with a gift for emotive oratory, Hughes was an appropriate leader for a movement which hoped to sweep aside all opposition to a policy deemed essential for national safety; as an ex-Labor man he was thought to attract the 'loyal Labor' and returned men's votes.26

The election was being held against the wishes of the Hughes government, which had been prevented by the rebellion of two of its supporters from passing through the Senate a resolution requesting an Imperial Act to prolong the life of the parliament.27 The polling day was 5 May. In summary, the main National arguments were that Labor's loyalty was suspect, and the election an undesirable distraction forced by the Labor senators; the poll could only be justified if the Government gained a Senate

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27. Sawer, op. cit., p. 130.
majority. Conscription would not be introduced without another referendum. Government candidates attacked Labor Senators for delaying Australia's attendance at the Imperial Conference, and promised a vigorous prosecution of the war and generous funding of repatriation. A National Government would be responsible to the Parliament and the people; Labor was directed by outside organisations; furthermore, Labor politicians valued the pursuit of their vendetta against Hughes over the restraint of party strife. Labor was a shell: true Labor men had moved to the National party. The alleged shell and its leader, Frank Tudor, also promised generous support for repatriation. Labor criticised the high cost of living, supported the use of tariffs to foster employment and economic growth, opposed Imperial Federation if it seemed likely such a union would become a means of imposing conscription on Australia, and insisted the Government intended to introduce conscription by one means or other.

Hughes delivered his policy speech at the Town Hall in the centre of his new electorate, Bendigo. He began with the Senate's decision to prevent him from attending the Imperial Conference, a choice which demonstrated Labor's determination to place sectional interests ahead of Empire unity. Australia was the only dominion not to be represented, a failure which dishonoured the dead, and denied Australia a say in the post-war control of the Pacific. This was only to be expected of a party dominated by "secret executives". Some of these were loyal only to the red flag; others,

28. Labor senators opposed the passage of a resolution requesting an Imperial Act to prolong the current Parliament. The resolution could not have been blocked however, without the rebellion of two Nationalist senators who disapproved of Hughes' attempts to use the casual vacancy created by the suspiciously convenient resignation of Senator Ready (Labor, Tasmania). Sawyer, op. cit., pp. 130-31.
29. MHR for Yarra (Vic), 1901-22; Leader of the Opposition, 1917-22.
innocently, earnestly believed it was possible for Australia to be safe without the Empire; others favoured a "premature peace".

Hughes insisted that he and his National Labor colleagues had been left with no choice but to leave such a party, and in doing so they remained faithful to its original, uncorrupted principles. Labor’s 1914 manifesto pledged unconditional support for the war effort; this was "the contract made...with the electors." In advocating conscription, the Hughes camp had endeavoured to discharge their obligations: but they would respect the people’s answer, and persist with voluntary recruiting. The Nationalist government existed “to do whatever is necessary” to win the war. The conflict was between nations, and not merely a contest on the battlefield. Australia must emulate the industrial organisation from which Germany drew its strength.

Hughes promised to protect the standard of living, during and after the war. The government, he contended, had ensured cheap bread by fixing the domestic price of wheat. Nationalists were also concerned that wealth should pay its shares: income tax had been raised by twenty five percent, and the government would proceed with the War Time Profit Bill. It was a lie that the government had deliberately fostered unemployment in order to encourage recruitment. Employment, and foreign exchange reserves, would be preserved by continuing the British policy of licensing non-

essential imports. The Commonwealth would take full responsibility for "repatriation", and provide widow's pensions, suitable work for the disabled, pensions for the utterly disabled, and land for the able-bodied. When the war was over, the government's policy of fostering national development would be based on the assumption that Australia could support a population of one hundred million. With this in mind, the Commonwealth should offer, via the States, land settlement for British soldiers on the same terms as for Australian returned men. Guaranteed wheat prices were also designed to attract immigrants.

Hughes concluded by imploring voters to work so that "...it shall be seen that Australia does stand for the Empire and all that it means.....See that you arouse the apathetic electors. See that you meet every lie that is uttered." Nationalists stood against the "Caucus party" and for a decisive victory and a lasting peace, a "fair deal for all men, irrespective of class", arbitration rather than strikes, development of national resources. The back cover of the pamphlet which reproduced Hughes' speech bore slogans summarising the values which Nationalist candidates represented: Australia, the Empire, industrial peace, responsible government, and "Economical Administration". But Hughes had said nothing of the last. Rather, he had acknowledged that spending had to rise, and explained that this would be covered by taxes and loans: there had been no mention of retrenchment or efficiency. Nevertheless, the compilers of the pamphlet evidently wished that Hughes had espoused these normal Liberal goals. Here was a small anticipation of the conflict between the former Labor Prime Minister and his new followers which five years later led the Nationalists to replace
Hughes with a leader more sympathetic to non-Labor thinking about the role of the state.

Tudor announced Labor’s policy two day later, at the Richmond Town Hall. He defended the legitimacy of the Labor party, proposed measures to protect living standards and to exact from the wealthy a greater share of the war’s costs, and warned that the government still wanted to introduce conscription. Labor had been elected with a majority in both houses after the declaration of war, and had held office for two years, during which time it had proved its commitment to prosecution of the war. Labor had not changed since 1914, except that the Hughes group had chosen to leave. Tudor said that he had never during his sixteen years as a Labor member been subject to dictation, and that the ‘Junta’ was simply the equivalent of the Nationalist conference. The “IWW [Industrial Workers of the World] Bogey” had been prominent in the referendum and New South Wales elections (November 1916); and since then the government had acquired the broad powers given by the Unlawful Associations Act, but there had been no prosecutions. Nationalists accused Labor parliamentarians of collaborating with the IWW then, in January, invited them to join the Nationalist government.32

Voters should discount the government’s disavowal of conscription, and attend to the statements made by ministers. Irvine, for example, had said in January that he could only support a party which was determined to re-submit the referendum at the earliest opportunity. Hughes himself, at

Bendigo, indicated that the government was only pausing in its effort to introduce compulsion.

Tudor's policy on repatriation was the same as Hughes' in that he promised pensions for widows, and the incapacitated. Labor, not Hughes, deserved the credit for creating the wheat pool. Tudor promised to introduce a wartime excess profits tax rising from 50% for 1914-15 to 100% in 1916-17. The Commonwealth would ask again for the price control powers requested in 1911 and 1913. Most now favoured the principle of protection, but the government had done nothing to strengthen this policy, which was needed to provide employment for returned men.

Tudor complained of the dishonest methods used by the government. Censors were denying the public access to information that had nothing to do with the war. Soldiers' ballot papers at this election were not marked with the candidates' name, but only with 'ministerialist' and 'oppositionist'. Approximately two thirds of government members, Tudor said in conclusion, were ex-Liberals, and voters should remember that they had to choose an administration which would be responsible for matters other than the war: he asked his audience to "remain true and vote solidly" for Labor, and to spurn the "triple Fusion", the "wreckage" of the Deakin, Cook, and Hughes parties.

The Labor mentality was isolationist and suspicious. J. Ashton, writing in Labor Call, claimed that the war cost one and a half million pounds per
week, and that if the AIF stayed at home, and the same amount was spent on home defence, then Australia would be safe from any nation. Another contributor, W. Wallis, warned that a great effort was being made by the trusts and combines which supported "Toryism" to defeat Labor, and that this concentration of economic power threatened "Australian democracy". One shipping company had already donated more than the Labor party would spend in the entire campaign. The Constitutional Union directed the non-Labor organisations which included the National Federation, the AWNL, Farmers' and Settlers' Associations, Property Defence Unions, the Employers' Federation, and 'Labor Solidarity' Committee.33

Do not be deceived. The workers are up against the greatest plot ever devised in any country.

These men [Wallis did not identify them] are the agents and emissaries of a secret organisation of capitalists, with the object of insidiously breaking down your DEMOCRATIC INSTITUTIONS, YOUR RACIAL IDEALS, AND YOUR PROGRESSIVE LEGISLATION.34

Labor regarded conscription as the means by which this plot would be carried out. It was essential to win the Senate, which in preventing Hughes from legislating for compulsion "stood between Australia and the Red Plague of Prussianism." Many people, one supporter reported to Groom, thought that if the Nationalists won a large majority they would introduce conscription, and their sons would be killed.35 Another commented that local anti-conscription "speakers" intended to use this issue against Groom. "Political matters will be a side issue". They were so

33. Labor Call, 19 Apr 1917, p. 5; 12 Apr 1917, p. 2.
34. Ibid. 3 May 1917, p. 5.
35. Senate: Australian Worker, 3 May 1917, p. 5; Mark Izzard, Plainby, to Groom, 4 Apr 1917. NLA MS 236/1/1471.
confident of defeating Groom that they had laid bets.36 ‘Nothing Else [except conscription] Matters Just Now’, Boote insisted. The Nationalists promised to retain Labor legislation, but only to disguise their intentions. How could it be otherwise when the government contained so many who had opposed Labor policy throughout their careers?37

Nationalists, however, insisted that their party combined patriotism with the best of the Labor tradition. Groom was informed that ‘...the red-hot labor [sic] element particularly that of the Ryan-Fihelly type is right up against your party in fact very bitter but I think the respectable Labor vote will go for your party.’38 Before the 1917 ‘fusion’, Liberals claimed that pensions and arbitration originated with them. Now it was important to convince Labor voters to support a party in which, with the very important exception of Hughes himself, the ‘national Labor’ element was small, and government publicists promised to retain “Labor legislation”, not to suppress trade unions, and maintain "good wages and reasonably short hours."39 Hughes specifically promised not to reduce the old age, soldiers’, or invalid pensions, nor the maternity allowance.40 Nationalists acknowledged Labor's past achievements but argued that the party of 1917 was "...an empty house from which the Labor Party has removed to the

36. Thomas Henderson to Groom, 29 Mar 1917. NLA MS 236/1/1463.
37. Australian Worker, 22 Mar 1917, p. 17.
38. C.G. Deacon to L.E. Groom, 1 Apr 1917. NLA MS 236/1/1466. T.J. Ryan was Labor Premier of Queensland, 1915-19; MHR for West Sydney (NSW), 1919-21; John Fihelly, who became notorious in loyalist opinion for his outspoken Irish nationalism, was Labor MLA for Paddington, 1912-22; Minister without Portfolio, 1915-18; Secretary for Railways, 1918-22; Minister for Justice, 1919-22; Public Works, 1920-22; Treasurer, 1920-22.
higher ground of national politics, national honour, and national security." Labor could not claim any credit for the Navy or the cadets - these policies were the creation of Hughes alone. Only winning the war, which Labor would not or could not do, could preserve workers' benefits. "Where are the Belgians' advantages of socialistic legislation, workmen's compensation, all the rest of it, today, with their blackened homes and charred villages?"

One feature of the election was the circulation of anti-sacerdotal cartoons reprinted from 1850s issues of Punch. These originated with the shady publishing entrepreneur Critchley Parker; and were obviously directed against the Labor Party. The involvement of Nationalist organisations in funding and distributing this material is uncertain. Some important figures in the Liberal movement, such as Herbert Brookes, were closely involved with anti-Catholic organisations. The South Australian Legislative Councillor David Gordon shared Brookes' views on the problem of Irish Catholicism, and advised an openly Protestant campaign: the National party had nothing to lose by making its sectarian allegiances clear.

Re the Ecclesiastical question. Although it is with us it does not obtrude itself but it certainly is a menace and will have to be faced boldly in Australia sooner or later. I see nothing to be lost in fighting it straight out since that party vote has in my experience always been given solidly to extreme Labor.

41. SMH, 26 Apr 1917, p. 6.
42. Ibid., 12 Apr 1917, p. 13.
43. Ibid., 20 Apr 1917, pp. 7-8. This was said by the Lord Mayor, R.D. Meagher.
44. See note 86, chapter 1.
45. David Gordon to H. Brookes, 3 Apr 1917, NLA MS 1924/19/26.
Not surprisingly, the *Sydney Worker* was convinced of Nationalist involvement, and claimed that the tracts were abundantly supplied and thoroughly distributed throughout the State, particularly in Holman’s electorate of Cootamundra. The literature also circulated in South Australia, where Father D.M. O'Reilly of the Coolah Catholic church complained at an Anzac memorial ceremony, that on the anniversary of an engagement in which "all creeds had taken part", the win-the-war party were distributing circulars and cartoons "most insulting to the Roman Catholic Church in this country". On the other hand, not all Nationalists welcomed this propaganda. Presumably it appealed to the type of voters who warned Groom that “the R.C.s led by the Priests are strong against you”; and that Catholics hoped for a Germany victory to bring them Home Rule. Watt, however, who had been touring New South Wales, and the Victorian seats of Indi and Bendigo, advised Groom that

> [T]he Critchley Parker campaign is doing us no good here either, and I have had a consultation with the Prime Minister to-day and am now in touch with [the Solicitor General] Sir Robert Garran with the object of taking certain definite steps in the direction you suggest.  

While touring South Australia, Joseph Cook denied that the National party had anything to do with the distribution of sectarian literature. The

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46. *Australian Worker* (Sydney), 29 Mar 1917, p. 21; *SMH*, 25 Apr 1917, p. 12. As the *Herald* was a morning paper, O'Reilly must have spoken on the 24th. See *Advocate*, 28 Apr 1917, p. 16.

47. George Newman to Groom, 14 March 1917. NLA MS 236/1/1455. E. Patrick to Groom, 1 May 1917, NLA MS 236/1/1488; Watt to Groom, 30 Apr 1917. NLA MS 236/1/1485-86. The government would have been able to ban the pamphlets under the War Precautions Act as prejudicial to recruiting: I have been unable to find out whether it did so.

Member for Kalgoorlie, Hugh Mahon\textsuperscript{49}, who had stayed with the official Labor Party, accused Hughes of issuing a War Precautions regulation to protect Critchley Parker from being sued by a United States company with a strong German interest. This would, Hughes retorted in a speech at Kyneton, Victoria, have been a justifiable policy, but the regulation was authorised while Mahon himself was Attorney General. The regulation indemnified anyone being sued for making an allegation of an "enemy connection". Hughes pointed out that he had left Australia on 24 January 1916 and returned on 1 August. Turning to a more general attack on Mahon, Hughes claimed that the former Attorney General had remained strongly pro-conscription throughout the referendum campaign, and clung to office for as long as possible. Then he changed his mind on conscription.

"'He is on intimate terms with Archbishop Mannix. Did he change his opinion after he had seen the Archbishop? He does not say so, but we can draw our own conclusions.'\textsuperscript{50}

Much of the National campaign depicted Labor as anti-soldier and anti-British. One of the more sensational tracts of this type was the pamphlet \textit{Tudorites Charged and Condemned for Soliciting German Money}, distributed by the Federation in Western Australia. The tract alleged that during the 1916 referendum, Labor Senator J. Grant and candidate for Cootamundra P.J. Minihan wrote to Paul Schwarz - an "enemy alien" now interned at Liverpool - requesting money for the 'no' campaign. The author of \textit{Tudorites'} compared Grant and Minihan to Judas, and urged readers to "\textit{[E]xpress your opinion of this kind of thing through the ballot

\textsuperscript{49} MHR for Coolgardie (W), 1910-3; Kalgoorlie (WA), 1913-17; 1919-20; Postmaster General, 1904; Minister for Home Affairs, 1908-09; Honorary Minister, 1914; Minister for External Affairs, 1914-16.

\textsuperscript{50} 1 May 1917, p. 7. The regulation was no. 7, drafted 7 May and passed on 21 June 1916.
on May 5. In that the two were supposed to have solicited donations, this was an unusually concrete allegation. Most Nationalist 'disloyalty' propaganda quoted objectionable statements, and asserted dubious personal associations. According to The Woman: "...although many members of the P.L.P. are loyal, all the disloyalists and pro-Germans support that party. Does any Britisher wish to vote with them?"

Still more notorious was J.K. McDougall's parody of Kipling's 'White Man's Burden'. McDougall was Labor member for Wannon, 1906-13. The parody first appeared in the Worker [Sydney] during the Boer war. McDougall began with 'Ye are the sordid killers...'; the last stanza (11) was particularly provocative: "Ye fall in alien places,/On foreign wastes ye lie,/Stiff-limbed, with putrid faces,/Turned livid to the sky." Labour Call printed a revised version of the poem - apparently as filler - in January 1915. When McDougall stood for Labor in the Grampians by-election in February, these lines appeared in local newspapers such as the Horsham Times and in the Victorian Employers' Federation journal Liberty and Progress. Hughes and Fisher were amongst the Labor luminaries who campaigned for McDougall, and they defended him by arguing that the poem was about the Boer war, not the present one. McDougall lost the by-election by about six hundred votes. The 'Sordid Killers' featured in Nationalist literature

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52. The Woman, 1 May 1917, p. 93.
53. Terry King states that the poem was probably first published on 18 August 1900, and definitely during the South African war (1899-1902). 'The Tarring and Feathering of J.K. McDougall: 'Dirty Tricks' in the 1919 Federal Election', Labour History, No. 45, November 1983, p. 59. Kipling's 'White Man's Burden' (the white men were the those of the United States, and the burden was the Philippines) was published in 1899. Stanley Applebaum (ed.), Gunga Din and other favourite poems, New York, 1990, p. 69.
during the 1917 election; the full text of the poem was printed in a memo to Hughes on 'Official Labor Utterances'.

Thomas Crouch, who wrote pro-government columnist for the *Herald*, tried to use the disloyalty argument to win women's votes. He explained the importance of the female vote to the government's Senate prospects: at the 1914 Senate elections 70.7% men but only 58.9% of women voted. While admitting both parties claimed that the unpolled voted would benefit them, Crouch felt sure that "[T]he overwhelming majority of women in Australia are national in sentiment." It is they who worry about fathers and sons at the front, and who tirelessly pack parcels and knit socks and mufflers.

No woman in Australia wants to see the IWW vindicated and uplifted. No woman in Australia wants to see the men who told their boys they were fools to go away and who are now urging Britain to fix up a peace with the murdering, outraging Hun, before their honoured and beloved dead have been avenged in victory, placed in power in this freest and fairest democracy in the world.

Voting in Federal elections was voluntary, so emotive rhetoric such as this may have been partly designed to motivate people who would certainly vote National if they voted at all, but who had to be cajoled into making the effort to visit the polling booth. The National Party's campaigners, however, also desired to win votes away from Labor. Many of the Party's

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55. SMH, 24 Apr 1917, p. 6.
most prominent members were ex-Labor, and if they were to maintain their numbers the new group could not rely entirely on Liberal votes.

The dangers facing Australia demanded that party rivalries be put aside, said the Nationalists. Labor puts "party issues" first, but the Government was "non-party."\(^{56}\) The Warwick Argus took a dim view of party strife and, comparing the election to Nero fiddling while Rome burned, urged the return of a non-party Party.\(^{57}\) So, elections were inappropriate for a nation at war: Australia was the only country in the Empire which had attempted to have an election in war time, Senate candidate H.E. Pratten told a meeting of the Women's Reform League, but voters should take the chance to re-elect patriotic leaders.\(^{58}\)

Nationalists emphasised that the British cause with which they identified their party was a mission of honour. Irvine depicted the election as an opportunity for Australia to atone for the shame of its 'no' vote of October last. He was confident no "intelligent man" would want Australia to become a "defaulter" in her duty to Britain. "Those who had voted 'no' had already stained Australia's honour."\(^{59}\) Those who fought and died for the Empire, Watt told one meeting, proved that the English were still a virile race. Germans claimed that after three generations of peace the Englishman's

\(^{56}\) The National Policy. A Comprehensive Catchism. Answers by Mr Hughes, Melbourne, 1917, NLA MS 236/669, p. 145.
\(^{57}\) Warwick Argus, 5 Apr 1917, NLA MS 236/6/669, p. 104.
\(^{58}\) SMH 13 Apr 1917, p. 6. H.E. Pratten, Senator (NSW) 1917-21; member for Parramatta, 1921-22; Martin, 1922-28.
\(^{59}\) Ibid., 9 Apr 1917, p. 6. Irvine, as National candidates felt impelled to do throughout the campaign, denied nonetheless that conscription would be imposed on the people.
...blood had run thin and that he could not fight as his sires fought at Waterloo. (Applause). Every man who had gone out to fight had proved that he had red corpuscles in his blood, and they had that achievement of the other day, when our lads met the flower of the Prussian Guards, and slaughtered them. (Applause).60

English-Australian men proved their virility by fighting; in part they were fighting to preserve the 'honour' (that is, freedom from being raped) of Australian women. Thomas Crouch noted that a Miss Mathews had joked to a Labor meeting that she must belong to the 'lose-the-war party'; and sternly reminded his readers that Labor was indeed the defeatist party, and no woman should support defeatism, "A man may be able to afford to lose this war; a woman dare not. She has too much too lose - her honour and her future."61

Nationalists encouraged the public to venerate Australian soldiers, and hoped that patriotic fervour would translate into support for the self-styled patriots' party. Percy Hunter, chief organiser for New South Wales, appealed for volunteers to work for government control of the Senate. (The Sydney Morning Herald agreed: a "stalemate" between the two houses, it said, would be akin to the kind of peace now being offered by Germany.)62 Not all could fight in Flanders, Hunter said, but there were "scores of thousands of both sexes who...have ached for an opportunity to do something to help this country in her time of need. Here is the

60. Ibid. 20 Apr 1917, pp. 7-8.
61. Ibid., 28 Apr 1917, p. 12.
62. Ibid., 11 Apr 1917, p. 10.
opportunity. An army of voters is wanted to see that the metropolitan Senate vote is polled."63 National publicists even came up with a jingle to jolly this army along.

For the sake of Colonel Ryrie - he's a General today.
But you love the game old Colonel, love the man you sent away -
You must hear his message calling from the field where men are falling,
To remind you of your duty and to bid you go and vote;
Vote for Millen, Pratten, Thomas - get your lesson off by rote,
And remember they're with Ryrie when you vote, vote, vote! etc.64

Whether because, regardless or in spite of their loyalist arguments, the Nationalists won decisively. Senate voting was then on the first-past-the-post system, and the government won all eighteen vacancies, giving it twenty four seats against the opposition's twelve. All ministers were returned.65

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Elections for the House of Representatives, 1914 & 191766

63. Ibid., 4 Apr 1917, p. 12.
64. Ibid., 4 May 1917, p. 4. Granville de Laune Ryrie (MHR for North Sydney, 1911-22; Warringah [NSW], 1922-27; KCMG, 1919) commanded the Third Light Horse Regiment. He was elected to the Legislative Assembly seat of Queanbeyan in 1906; during the campaign he is supposed to have treated voters to "rollicking ballads sung to his own accompaniment." ADB, vol. 11, pp. 502-03, article by A.J. Hill.
65. Sawer, op. cit., pp. 157-5.9
66. The vote was 78.3% of enrolment, an increase of 4.77% on the 914 turn-out. Hughes & Graham, op. cit., p. 315.
Hume Cook told the secretary of the National Union that the election had been won by the addition to the normal Liberal poll of "loyal Laborites". These "moderates", however, would not automatically continue to support the Nationalists, and a continued effort to canvass their votes was required. The Sydney Morning Herald, publishing a photograph of two soldiers striding out of a polling booth tent at the Liverpool army camp, rejoiced in the "soldiers' vote" cast by a dutiful people (Figure 2.1). The Daily Chronicle said that the result demonstrated the Australian people's determination to make an all-out effort to win the war, and their mistrust of Tudor's capacity to lead such an effort. The Daily Mail compared Labor to the Civil War era Democratic Party of which Lincoln said "They are for the war, but against the prosecution of it", while the Financial Times expressed its relief that Labor would not be able to weaken the war effort through the extravagant spending to which it was addicted.  

The election result of May 1917 can been seen as the high point of win-the-war politics. Six months later its limitations were demonstrated again when conscription was defeated at a second plebiscite, but for the moment Australian politics was dominated by Nationalism, a force which all historians of Australia in the 1914-18 war have had to explain. Since the publication in 1936 of Ernest Scott's volume of the official history, Australia During the War, interpretations of the wartime psychology amplified by the Nationalists have changed considerably. Scott could be critical of

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67. Hume Cook to John West, 19 Jul 1917 [copy]. Hume Cook papers: NLA MS 601/2/36
68. SMH, 10 May 1917, p. 7.
The photograph shows the soldiers' polling booth at Liverpool camp on Saturday. It was a "soldiers' vote" that the nation gave in returning the win-the-war government.

Figure 2.1 'The spirit of the elections

*Sydney Morning Herald, 9 May 1917, p. 7*
martial patriotism: he noted, for example, the "hysteria" and "malice" which seemed to motivate the spurious denunciations of German espionage sent to military authorities. Furthermore, he admitted that the conscription controversies were fierce, and that the patriotic consensus apparent in 1914 weakened once the costs of the war became evident. For the most part, however, Scott gave a benign gloss to home-front politics. Australia emerges in his history as a nation innocent of the internal divisions and external feuds of the old world. The legacies of the war included a sense of separate identity among the ex-soldiers, isolationism and pacifism, and, from the 1916 party split, a weakened Labor party and a non-Labor grouping compelled to adopt many items of the Labor program. But war, in Scott's account, did not engender a mood of aggression or chauvinism.  

The contrary view that politics became unusually repressive during and immediately after the Great War is the thesis of most studies of Nationalism published in the last thirty years. Something of a counter-revolution has begun, but most students of the period would contest the assertion by one revisionist that the Australian experience of mobilisation in an ideologically-driven war against German militarism entailed national "maturation", a coming to terms with the world of real politik. In general historians have rejected the official war history argument that the main political effect of the war experience was to unite the people behind a newly-glorified standard. They have instead

emphasised the way in which loyalists sought advantage by dividing the community between patriots and traitors; and the connections between an atmosphere of hate created by the rhetoric of editors and politicians, and the violence which soldiers dealt out to 'disloyalists', such as opponents of conscription. Historians have argued that the experience of 1914-18, especially the conscription controversy, polarised politics, and that non-Labor's shift towards the right involved taking a more negative and conservative attitude to most issues, and that this change persisted for as long as the generation which came of age in 1914-18 held institutional power.

When historians contrast pre and post-Great War non-Labor politics, they often compare unfavourably the extremism and negativity of Nationalist governments, in office 1917-29, with the moderation and creativity of Deakin's Liberal Protectionists. In terms of organisation, the argument runs, the joining in 1917 of Cook's Liberal opposition and Hughes' pro-conscription Labor members set a new, jingo identity for non-Labor. Nationalists were prone to denouncing their opponents as traitors. Nothing could be further from the reasonable appraisal of Labor which was one of Deakin's signature themes. It is also argued that mistrust between 'Irish' and 'British' Australians was deepened by reactions to the Anglo-Irish conflict 1916-21, and that these ethnic, religious, and class conflicts were exacerbated by disputes over the fairest way of meeting the human and economic costs of the war.71

Historians of the principal non-Labor parties have argued that the physical and psychological violence and disorder of wartime conditions weakened liberal and strengthened conservative opinion. The 'discipline and punish' and 'national efficiency' tendencies in social reform politics gained strength at the expense of optimistic 'assist and encourage' reformism. The priorities of liberalism changed: constraint became more, and liberation less important; and this shift from reform to discipline had a polarising effect on the left, weakening reformist compromise and strengthening radical intransigence. In these accounts, non-Labor politicians and their core Anglo-Scottish Protestant constituents were harsher and more divisive in their attitudes after the war than before it. The post-war settlement engineered by the Nationalists is depicted as backward-looking: in domestic politics, committed to resisting the reform of pre-war society; in external policy, clinging to the illusion of British predominance long after the reality of Imperial power was gone. Historians have contended that the glorification of the soldier and the self-sacrificing wife and mother ossified gender relations in the 'separate spheres' pattern of the early Commonwealth and retarded the development of feminism; and that the Anzac cult implied that no changes should be made to the society that produced the diggers.

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For the most part, the account presented in this thesis of Commonwealth electoral politics 1914-17 supports these interpretations, but some qualifications need to be made. Firstly, it is worth remembering that the left also used conspiratorial, extremist, fantastic arguments. The political style of those villains of Nationalist propaganda, the Industrial Workers of the World, paralleled that of their loyalist persecutors: the IWW were emotional and intuitive rather than rational, and saw the motives and plans of their enemies as part of an overarching intrigue. The Left had its enemies within the gate: the profiteer and militarist. Moreover, Labor's vendetta against its renegades revealed an obsession with betrayal which resembled loyalist attitudes. Secondly, Nationalist politics were mostly but not entirely negative. The scarifying rhetoric of wartime non-Labor is vivid, but does not encompass all Nationalist attitudes. Some scholars have criticised the tendency to extrapolate the mood of an entire community from the rhetoric of loyalist groups; and to ignore the wartime fears which made these wild accusations plausible. We should also recognise that, even at the peak of Nationalist alarm over disloyalty in 1917, there was a positive element in their campaign politics: victory, and with it the preservation of the benefits of the pre-war world. Nationalist publicists took these benefits for granted and said little about them: that the Australia of 1914 was worth fighting for was not a proposition which required explicit justification in the discourse of non-Labor, but it was no less powerful for being implied more often than asserted. Without this assumption of the benefits of the British-

Australian world, the rhetoric of threats to the Empire and Australia would not have made sense.
Chapter 3. The Persistence of Wartime Issues, 1919-22

In November 1919, war remained a presence in many aspects of national life. Troops were still returning from Europe; approximately one thousand ex-servicemen a week were joining the Returned Soldiers' and Sailors' Imperial League of Australia; 'Artilleryman' won the Melbourne Cup. At a Royal Society of Saint George peace dinner, Victorian Employers Federation member E.E. Keep implied that Australia's contribution to the war had been shamefully slight; a Labor election meeting at Box Hill included a "Returned Soldier[s'] Grace".1 Party controversy in the Federal Election campaign, November-December, involved threat and loyalty issues derived from the war or reminiscent of it. Politicians and journalists often discussed economic issues in terms of the war: for example, some warned that the responsibility imposed by war debt made sound financial management more essential than before. The phrases 'cost of living', 'sound finance', and 'profiteers' were heavily used by both sides; the government asked voters to endorse a referendum proposal to give the Commonwealth price-fixing powers. Labor politicians regarded the proposed alteration as an unacceptably diluted version of old Labor policy; their responses ranged from indifference to antipathy. According to an editorial in the Australian Worker, nationalisation was the only remedy for profiteering.2

Hughes' policy speech recalled the war record of the parties. After the defeat of the second plebiscite the Nationalists had persisted with voluntary recruitment. Labor, by contrast, had hampered recruiting, and in 1918, when the Germans were in a strong position, pressed for a negotiated peace. Such people were unworthy of citizenship. The *Age* noted that Hughes spoke at length on the peace treaty, but did not report what he said, devoting the rest of the article to the Prime Minister's discussion of domestic concerns. Hughes, for example, recalled that during the war mercantile shipping had been reduced by fifty percent; the government had assisted producers with finance and marketing, and obtained higher than pre-war prices for wheat and wool. The war, Hughes explained, had made goods scarce relative to the supply of money. He implored Australians to raise production, and promised to reduce the issue of paper money. The government would hold a Royal Commission on profiteering, and submit a referendum on trusts, industrial relations, trade and commerce. Nationalists were opposed to the idea of class war promulgated by the Bolsheviks, IWW and One Big Union. The decline of real wages had contributed both to industrial unrest, and to the spread of Bolshevism. In response, the Government would hold a Royal Commission into the basic wage; its policy was also to recognise the legitimacy of workers' representatives and to provide for the quick redress of grievances. Hughes then turned to Australia's prospects in the post-war world. The continent could and should, he argued, support a population of one hundred million. One half of Australia's five million people lived in the cities; the proportion of country residents should be much higher. But before immigration could be increased, agriculture must be made more attractive, and to this end the government had guaranteed prices for wheat and sugar, encouraged the
organisation of co-operatives, and provided cold storage and economic transport in order to give producers an advantage over suppliers. The government would introduce a tariff to encourage new industries and to protect those, including metals, which were started during the war.

But there had been less desirable features of wartime economy. Spending had risen from £23,150,000 in 1913-14, to an estimated £48,650,000 in 1919-20. Tax had to be increased, and the government would continue to raise revenue fairly, exempting producers affected by the drought; a royal commission would enquire into taxation. The public debt was £740,000: a situation which required frugal public spending, and vigorous production. The world was struggling to re-build after the destruction of the war. Finance, goods, and labour would be expensive, Australia's task of national development impossible without social cohesion. The spirit of "our splendid boys" had won the war, and could win the peace. A motion of confidence was moved by supporters, including representatives of the Bendigo Returned Soldiers' Association, and the Australian Women's National League president, Mrs J.H. Craig. Someone gave Hughes a slouch hat, which he put on to cheers and laughter. The meeting closed with the national anthem.3

Labor detected conspiracy in the machinations of the war-time 'profiteers' who kept prices artificially high and the 'militarists' who had entangled

Australia in an unnecessarily costly Imperial war. These attitudes provoked accusations of conspiracy from the Nationalists, not that much provocation was needed. The Government, Opposition candidates argued, could have controlled inflation through the War Precautions Act. Labor promised to protect the sugar industry: to allow sugar to fail would be to admit that white people could not successfully live in the tropics. The Labor campaign was a nationalistic one: Tudor, in his policy speech, accused the Nationalists of accumulating a large war debt by failing to insist that Imperial authorities grant Australia fair terms - for example Canada's financial contribution was proportionately less; their wheat farmers received more per bushel than ours did. The Opposition leader advocated constitutional amendments to implement complete sovereignty; Hughes condemned these as a plot "to cut adrift from all existing ties with our countrymen on the other side of the world." William Watt, the Treasurer, pointed to "the sinister fact" that the Labor Party was trying to incite resentment against Britain's alleged interference in Australian affairs. Labor's 1919 manifesto displayed the anti-militarism which was to characterise the Party during the interwar years: Labor demanded the repeal of the War Precautions and the compulsory clauses of the Defence Acts. The candidate for Ballarat denounced the inculcation of militarism in school children. "As a returned soldier he could say there was no glory in war, and little children should be trained in the gospel of love - not hate." Hughes and the Argus gave much publicity to McDougall's 'Ye are the sordid killers...' poem; in the course of

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4. For example, Paradise, 1 Nov 1919, an ironically-titled election sheet edited by Frank Anstey. Groom papers. NLA MS 236/6/747; Australian Worker, 18 Sep 1919, p. 11, Ibid., 27 Nov 1919, p. 5.
5. Age, 7 Nov 1919, p. 7.
the election a group of ex-soldiers kidnapped McDougall and tarred and feathered him.  

Probably the most prevalent argument in Nationalist campaigning, and one which introduced both economic and loyalty issues, was that Ryan, not Tudor, was the real leader of the Federal Labor Party. Look at Queensland, Government publicists urged, the home of Bolshevism and high prices. Ryan was profligate, and his wartime conduct showed him to be hostile to Australia's bonds with the Empire. Conspiratorial-style denunciations of the former Premier often centred on his alleged Sinn Fein sympathies. Fitzhardinge argues that Ryan himself appealed to sectarian feeling, addressing Irish meetings and welcoming the endorsement of Mannix, "thus encouraging the sectarianism which some elements of the Nationalists were all too ready to invoke...." Hughes; Fitzhardinge insists, "was always careful to confine his attacks to Sinn Fein as a political movement", but Hughes and his colleagues were anything but 'careful' in their approach to the Irish question. The Advocate complained that "a vast number" of anti-Catholic pamphlets "couched in the language of hate" had been distributed throughout Australia. While sometimes professing to support Home Rule if a majority of the Irish people approved it, Nationalists tended to conflate Catholicism, Irish nationality, constitutional Irish nationalism, support for Sinn Fein and armed insurrection, legal criticism of Empire policy, and actual treason. This was evident in Watt's response to a loyalist deputation which demanded the

8. Ibid. Age, 10 Dec 1919, p. 10. For a full account of this incident see King, op. cit.
suppression of the pamphlet *Republic*, issued by the Irish National Association and the Young Ireland Society to coincide with the Irish Race Convention, 3 November. Watt declared the publication of *Republic* during the election campaign "ill-advised", and promised to notify the Prime Minister and to obtain advice from Government law officers. The Treasurer asserted that those who wanted an Irish republic also desired to sever Australia's links with the Empire and to leave the island nation alone in the world. This prospect was all the more alarming now that Congress's refusal to ratify the United States' membership of the League of Nation had "crippled or destroyed" the League. "Although I have never been and never will be a sectarian in politics...", Watt told the deputation, "...you need not entertain any doubt as to where I stand on such a matter, which is not a matter of religion, but of pure nationalism."

At a speech in Moree, the Post Master General, William Webster, warned:

[T]oday we are in a more dangerous position in this country than we were even in the anxious years of the war. During the war we had to face the enemy without...but to-day we are face to face with the enemy within our land. One of the aftermaths of war, when the people are unhinged...is the opportunity afforded those who seek to evade the authority of Government and thus endeavour to thrust upon our free people the fetters of despotism.

Webster had been provoked by Ryan's statement that "this country should have the greatest amount of self-government" which he took to mean that one section should tyrannise the other. Sergeant R.F Tracy, candidate for Bourke, accused De Valera who, he said, was Ryan's friend, of supplying German submarines with fuel and food. Sir Robert Best, member for Kooyong, reminded his audience that Ryan had once been the chairman of the Sinn Fein Convention; abroad, Sinn Fein had perpetrated "every crime upon the calendar" and now "efforts are being made to establish it in Australia." Ryan's Irish nationalism became in Best's speech a paradigm of Labor disloyalty. "In the present conflict the broad issues, apart from a variety of political questions, were to be loyalty or disloyalty. (Cheers)."

Sedition, the Nationalists implied, was a problem which the Commonwealth Government could legislate out of existence. Hughes promised that if re-elected he would "...make a law which would prevent any man preaching in this country...the breaking of the British Empire..."; a pronouncement which led the Sydney Sun to compare him to an Oriental despot. The Prime Minister admitted he had been "somewhat hard on traitors" but pledged

13. Age, 5 Dec 1919, p. 7. Visiting London to raise loans in April 1919, Ryan made a side-trip to Dublin where he met the Lord Mayor, and the leader of the Irish Labour party. "Ryan was also able to have a lengthy interview with Eamon de Valera, and was photographed shaking his hand...He came away convinced that de Valera was the leader Irishmen wanted and that Ireland was now an international as well as an imperial problem which required a solution "in accordance with the principles of self determination."" Irish Times 24 Apr 1919, cited D.J. Murphy, T.J. Ryan: A Political Biography, St Lucia, 1975, p. 413.  
himself to be "harder yet if the people would give him their support. In a generally optimistic speech which otherwise eschewed the condemnation of conspirators, Littleton Groom proposed a law to exclude from Australia foreigners who advocated the doctrines of the IWW or the forceful overthrow of the government.

Nationalist campaigners also concentrated on their party's superior defence credentials: the Japanese, they warned, were increasing their control of the Pacific, so Australia needed a strong Navy; Labor would reduce naval strength and abolish the cadet system. Economic development, Hughes insisted, would bring security as well as prosperity for Australia, "...the last outpost of the white man, hemmed in by the coloured races of the world." The Prime Minister had saved White Australia at Versailles, one Nationalist candidate claimed; there Australia had been "recognised as one of the nations of the world.

But while Nationalists implied that their record of wartime government made them the only legitimate governing party, new non-Labor groups challenged the government's war record and patriotic credentials. Hughes's implementation during the war of agricultural pools and other regulations had aroused hostility in the country, and in 1919 a new electoral organisation,

18. Age, 4 Nov 1919, p. 5.
the Farmers' Union, stood candidates against the Nationalists. Ex-soldiers protested Hughes's plan to pay veterans' gratuities in bonds rather than cash. A group of about five thousand assembled in Martin Place, which resounded to cries of "'we want cash'" and "'where is Billy Hughes'". After failing to gain entry to the meeting Hughes was addressing at the Town Hall, some of the men followed him to his hotel. A group of thirty or forty tried to force their way inside, and one man was charged for throwing a stone at the hotel; another for injuring a policeman. The Prime Minister asserted that "while a few wore badges" the demonstrators were mostly civilian Ryan supporters and their protest against the bond gratuity "mere camouflage". Ryan and his people "proposed to use the soldiers for their own purposes". Four days after the Martin Place demonstration Hughes backed down and authorised banks to redeem the certificates for cash on request, but continued to imply that the protesters were either imposters or dupes. Over shouts from the audience of "'pay up in cash!'" Hughes told a meeting in Adelaide that "[T]here were certain people outside who wore badges. It might be that the soldiers were being made fools of by a section of the people who formerly would have left the soldier to die like a dog." On another occasion Hughes compared barrackers unfavourably to the selfless and virile Anzacs.

'The man that drove me to this place tonight...has only one lung, and has a rib missing. He was at Pozieres. Your fellows took good care not to be at Pozieres. (Cheers and uproar). You could not fight a bantam rooster in a fair fight.' (Cheers and prolonged disorder.)

One of his more disorderly critics at this meeting reminded the Prime Minister of the soldiers who had shamed the A.I.F: a man ejected by police for fighting "would have made a fine soldier at the battle of the Wazir."^{23}

It would be misleading to give the impression that diggers' participation in politics was always turbulent. James McNair's experience of the 1919 election was probably more typical than that of Hughes's hecklers. A twenty-eight-year-old Post Office clerk, McNair returned from AIF service in France to his family home in St Kilda, on 13 December 1919, election day. After a celebratory lunch, the McNairs went to a local primary school and voted; James was pleased to find his name still on the electoral roll after four years.^{24}

Most - but not all - loyalist and veterans' organisations supported the Nationalists. The A.I.F.'s failure in 1916 and 1917 to resoundingly endorse conscription had revealed that Hughes and the diggers were not, as the Prime Minister would have it, of one mind. Now, the President of the R.S.& S.I.L.A., Captain Dyett, expressed astonishment at the sudden change of plan for gratuities, and warned that Hughes's advice to the diggers to "go direct to him with their complaints" threatened to compromise the League's "non-party, non-political, non-sectarian" status.^{25} For the most part, however,

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23. Ibid., 18 Nov 1919, p. 7.
the R.S. & S.I.L.A sympathised with the win-the-war government, and in return was granted an unusual degree of access to ministers.26

Other (and smaller) organisations which claimed to represent veterans were disillusioned with the Nationalists. N.R. Worrall, a candidate for newly-formed People's Federation of Soldiers and Citizens, told an open-air meeting that Watt, while Acting Prime Minister, had failed to deal resolutely with the recent seamen's strike. He had "showed the white feather, and allowed licence and threats and violence to awe him into submissiveness. " Worrall insisted he was applying to Watt's conduct a standard "neither contemptible nor altruistic. It was the standard of the A.I.F." During the war, men weakened by disease and fatigue who "showed basiq in a crucial moment" were court-martialled; Watt, despite Worrall's entreaties, had insisted on shaming the men's relatives by publishing names. Worrall told the audience that the Nationalist had refused his challenge to debate these issues; having failed in his own duty he "'squealed' when a dose of his own medicine was applied.... (Applause.)"27

At times, press commentary on the election anticipated the political concerns of the 1930s. In an editorial addressing both symbolic and practical issues, Benjamin Hoare called attention to the size of the war debt and to the danger of politicians taking the easy and disreputable way out of their responsibilities.

27. Age, 3 Dec 1919, p. 11.
There are only two possible modes of dealing with it - honourable payment or dishonourable repudiation...We can ill afford to pay this heavy debt; but as an honourable people, who value probity as the brightest jewel in the national diadem, we can still less afford the stigma of voluntary default. Therefore repudiation is a word which is abhorrent to all but diseased and tainted nations.  

Another anticipation of 1930s concerns was the way non-Labor people dissatisfied with the Nationalists sometimes found fault in party politics itself. Since the R.S & S.I.L.A.'s formation in 1916, its spokesmen had insisted, publicly, on the need for 'non-party' solutions to ex-servicemen's problems, and the executive had in the last year of the war issued a manifesto calling on the League to transform itself into a "'non-party political organisation.'" Similarly, during the 1919 election an Age journalist, R. Austin, commented in the last days of the campaign that people were tired of the "treachery and deceit" they associated with party politics. Austin advised readers to vote against "[P]arty warfare" by "making a non-party selection." Apparently 'non-party' was a state of mind: he suggested three candidates each from the Farmers' Union, Nationalist, and Labor Parties.  

The Nationalists won thirty five seats, losing ten to the Farmers' Union; and four (in net) to Labor; Labor won twenty six, four more than in 1917. Preferential voting had benefited the two non-Labor parties by allowing them

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28. Ibid. 29 Nov 1919, p. 14. The principal was £400,000, and the annual interest £20,000.  
29. An editorial by W.S. Mathew in The Woman contended that the need for retrenchment was one of the most important issues of the election. 1 Nov 1919, p. 343.  
to exchange preferences; Hughes retained office as the leader of a minority government, which was normally supported by the new rural party. The Government garnered eighteen Senate seats and the Labor Party one; this produced a Nationalist Senate majority of thirty five to one.\textsuperscript{31}

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\textbf{Elections for the House of Representatives, 1917 & 1919}\textsuperscript{32}

\textit{The Woman} argued that the loss of Nationalist seats had been caused by the advent of the Country Party, and the inevitable swing back from the extraordinarily high non-Labor vote of 1917.\textsuperscript{33} George Cockerill of the \textit{Age} thought that the government, which spent lavishly on campaign literature, had been given another "trial" by an electorate which did not trust Labor.

There was no comfort in defeating Labor, burdened as the Party was with a disreputable program of fiscal largess, a "blundering addition to its leadership" (Mannix, perhaps) and "cheap foreign cant" about socialisation and workers' control of industry. The "secret propaganda" of the election had been vicious.\textsuperscript{34}

'Open' (that is, attributed rather than anonymous) propaganda on

\textsuperscript{31} Sawer, op. cit., pp. 185-88.
\textsuperscript{32} The vote was 71.59\%, of enrolment, a fall of 6.71\% from the 1917 turn-out. Hughes & Graham, op. cit., pp. 315 & 320.
\textsuperscript{33} The Woman, 1 Jan 1920, pp. 445-46.
\textsuperscript{34} Age, 16 Dec 1919, p. 8.
mundane questions was probably influential as well: Hughes told a meeting of Nationalist members in 1920 that his promise to rescind the Entertainments Tax "had assisted largely in securing a victory at the last elections."35

In 1920 a group of militant socialists formed the Communist Party of Australia, and applied successfully for membership of the Communist International. The CPA was avowedly a loyal follower of Comintern policy; and this subordination to a foreign political force lent it a more threatening image than that projected by the IWW, which despite its American origins and internationalist rhetoric paid little attention to international organisation.36 This was a time when the example of the Russian revolution, and the disillusioning experience of intransigent Nationalist government and weakened Labor opposition, combined to intensify socialist radicalism in the political wing of organised labour. Syndicalist One Big Union philosophies, which had been influential before the war, flourished in this climate. The expulsion of the Hughes faction had left the party's radicals in uneasy combination with moderates of Irish Catholic origin. The Labor Party's adoption in 1921 of a socialist objective demonstrated the strength of radical

35. Anon, minutes of Nationalist meeting, party room, Parliament House, 14 October 1920. Pearce papers: NLA MS 213/12/1. Admittedly, Hughes was trying to convince Nationalist Senators to pass a bill abolishing the tax (they eventually did so). L.F Crisp, 'New Light on the Trials and Tribulations of W.M. Hughes, 1920-22', Historical Studies, vol 10, Nov, 1961, No. 37, pp. 87-88.
ideas. Admittedly, moderates persuaded the conference to add a reassuring
gloss that Labor only sought to socialise industries when their private
ownership had proved to be socially harmful, but this concession was made in
terms of an agenda established by the left.37

Other effects of events of the war years were noticeable in the persistence of
Catholic-Protestant enmity. The war in Ireland between republicans and pro-
British forces exacerbated Australia's ethnic rivalries, which occasionally flared
up around provocative incidents. One involved Sister Ligouri (Bridget Partridge), a thirty year old nun who in July 1920 ran away from Mount Erin
convent in Wagga Wagga, and was taken in (in both senses of the phrase) by
militant Protestants. The Bishop of Wagga, Dr Joseph Dwyer, had Partridge
detained under suspicion of insanity; at the hearing T.J. Ryan tried - and failed -
to have Partridge released into the custody of Labor MLA P.J. Minahan and his
wife. Partridge was released, remained living with her Protestant sponsors
and, backed by the Orange Lodge sued Dwyer for unlawful imprisonment. The
case, which was won by Dwyer, attracted a great deal of attention in the press,
and was also debated in Parliament. Catholics denounced persecution of the
Church - and drew parallels with the deportation in 1920 of Catholic priest
Charles Jerger for disloyal comments allegedly made during the conscription
referenda and Protestants warned that the Church defied the laws of the state.38

37. Patrick O'Farrell, 'The Russian Revolution and the Labour Movements of Australia and
New Zealand, 1917-1922', International Review of Social History, vol. 8, 1963, p. 187; and
generally, Frank Farrell, International Socialism and Australian Labour: The Left in
Australia, 1919-1939, Sydney, 1981.
348-49; Freeman's Journal, 12 Aug 1920, p. 25; Henderson, op. cit.; NSWPD, vol. 79, pp. 531-
33. [31 Aug 1920].
While the papers were reporting the Dwyer versus Partridge case, Mannix's Irish nationalism continued to be focus for sectarian politics. He had sailed for Ireland but was intercepted by the Royal Navy and diverted to England. Extremist Protestants in Australia demanded that he only be re-admitted to the country after taking a loyalty oath; Hughes considered this, but decided that the Archbishop would only exploit such a measure. Mannix was welcomed back by a large crowd. The Archbishop's rank and popularity seemed to have lent him an immunity unavailable to less influential Irish nationalists, such as the Labor member for Kalgoorlie, Hugh Mahon. At an open-air rally in Melbourne, in November 1920, Mahon had denounced British rule in Ireland as 'this bloody and accursed despotism'. Hughes, who wished to win support from the ultra-Protestant elements in his party, with whom he was unpopular, secured Mahon's expulsion from Parliament on the grounds of disloyalty. Tudor argued that Mahon should be tried by judge and jury, if at all. The Nationalists won Kalgoorlie in the subsequent by-election, giving the party a majority; Mahon never returned to political life. The Advocate and Freeman's Journal, however, remarked in 1921 on evidence that anti-Catholic prejudice had peaked and was becoming discredited in Protestant circles. Among the evidence these Catholic papers cited were the failure of the attempt to impose a loyalty oath on Mannix; the Melbourne Town Hall Committee's refusal to allow the Orange Lodge to use the Hall; and the recriminations in the Protestant World against the sponsors of Bridget Partridge's failed suit against Bishop Dwyer.

40. ADB, 10, pp. 379-80.
41. The Advocate commented of the Argus' decision to report the Committee's rebuke that "Satan reproving sin is a mere circumstance in comparison". Advocate, 4 Aug 1921, p. 22; Freeman's Journal, 11 Aug 1921, p. 23.
Furthermore, dramatic trouncings of disloyalty such as the Mahon expulsion were insufficient to secure for Hughes support among the former Liberals who made up the vast majority of the Nationalist party. In 1922 Hughes was in trouble. Once, "[N]ot even the boorishness of his manner and the tyranny of his power could shake their [the Nationalists'] loyalty". The Nationalist Federation's ex-Liberal majority had hoped that at the end of the war Hughes would terminate such barely-tolerable experiments in state socialism as the Commonwealth Shipping Line. That he persisted in his penchant for state enterprise, and proved reluctant to rescind the War Precautions Act, aggravated tensions within the unlikely coalition. Now that the glamour of the Little Digger's wartime leadership was fading, Nationalist resentment of Hughes's policies and style of leadership manifested itself in rumours of leadership bids, and the Country Party's dislike for the Government was restrained only by a greater antipathy to Labor. Newspapers normally sympathetic to the Nationalists speculated on how long the Prime Minister could survive.

Nor were the Government's problems confined to Parliament. At a party meeting in June,

44. H.E. Pratten, said the *Sunday News*, opposed the Government's control of the sugar industry, and was plotting against Hughes. *Ibid*.
...the Prime Minister pointed out the danger of having an election when there were so many unemployed, and thought that the unification of railway gauges and other large works should be undertaken as early as possible to absorb the unemployed men.46

Two months later Sir Robert Best commented on "a feeling prevailing outside" that the Government profited handsomely from its interest in sugar distribution and could afford to reduce prices. Best thought that this should be done before the election, due in November.47

Cost-of-living issues had been prominent during the inflationary war years, but in other ways politics was changing. As new problems emerged for the combatant nations, some of the political questions of the war receded. The conservative parties in Britain and Australia, however, had found patriotic campaigning to be very much to their advantage and were reluctant to remove the flags from their hustings. So, in 1919 the Nationalists campaigned on their wartime loyalist credentials, just as they had done two years before.

The themes of the menace of Labor socialism, and the necessity of a middle way between capital and labour resounded in the Nationalist campaign. Nationalist slogans resembled those the Bonar Law's Conservative Party: "For Safety First Vote Nationalist and No Sovietism"; "For Your Own Protection,

46. Minutes of Nationalist meeting, Parliament House, 27 June 1922. George Pearce papers NLA MS 213/12/1.
47. Ibid., 10 Aug 1922.
Vote National."  In his policy speech at the Chatswood Town Hall, Hughes insisted his administration had been a national, non-class government, denounced in turn by Bolsheviks and reactionaries. The speech was generally technical, economics-oriented, and positive: for example, Hughes spoke of the need for pastoral development in the Northern Territory and promised an Oodnadatta-Alice Springs railway line, but neglected to mention the Territory's exposure to threatening Asia. Perhaps this approach was appropriate to a time in which the outbreak of another world war seemed possible yet remote. During the campaign Hughes claimed credit for peace, and restated his credentials for war. Of the Washington Conference he announced: "the mad race for Naval Supremacy has ended....the dark clouds of another world war had disappeared." The Government's declaration of support for Britain against Turkey in the Chanak crisis (a confrontation over control of the Straits) had also helped to avert another war by encouraging the Kemalists to back down. Australia's experience in the 1914-18 war had demonstrated that the island nation could not remain aloof from the troubles of other lands, and might yet require the statesmanship of war (see figure 3.1).

We walk today in slippery places...out of the distant and apparently cloudless sky of Foreign Affairs may come blight and ruin to our economic prosperity and our national greatness.  


In 1919, the Commonwealth government offered a prize of £10,000 for the first Australian to fly across the world in a British-built aeroplane. The prize was won by two brothers, Ross and Keith Smith, who flew from England to Australia.50

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For the most part, however, the Prime Minister's policy speech indicated a
turning away from problems of Australia's external relations to concentrate on
the challenges of the economy (of course, trade linked the two issues). For the
farmer, Hughes promised to subsidise exports and guarantee domestic prices.
He pledged to reduce taxes and the deficit; to maintain a strong defence force
while taking advantage of the Washington agreement to cut naval spending; to
continue the disease-prevention work of the Commonwealth Health
Department; to convene a bi-partisan Constitutional convention to consider
the new States question; to encourage civil aviation; and to maintain
compulsory arbitration but to supplement the system with specialist tribunals.
This last point was particularly important to the ideology of Nationalism, with
its positive emphasis on sensible business solutions, and negative
preoccupation with the threats to time-honoured rules and obligations which
arbitration, new as the institution was, represented in Nationalist rhetoric.
There was "no half-way house", the Prime Minister warned, between the
industrial rule of law and the direct action of capitalists and Bolsheviks.51

These were typical of the arguments advanced by Hughes' Nationalist
colleagues and press sympathisers.52 In his opening speech at Dandenong the
Treasurer, Stanley Melbourne Bruce53, warned of the need to repair the

52. The Herald [Melbourne] identified the main Nationalist themes as control of the sugar
industry; encouragement of primary production; the benefits of immigration; new States and
other Constitutional reforms; shipbuilding; retrenchment; and the relative merits of public
and private enterprise. 16 Nov 1922, p. 3.
53. MHR for Flinders (Vic), 1918-29, Nationalist; 1931-33, UAP; Treasurer 1921-23; Prime
Minister 1923-29.
network of international credit and exchange which had been damaged by the war.

If the problem defied the wit of men to solve, the present suffering would be intensified and chaos would be substituted for the existing economic and financial systems. Into this soil so ready to receive it Bolshevism would be flung, and a crop of anarchy and revolution would be garnered that would imperil civilization.

World events, Bruce continued, determined Australian conditions: Australia faced either success or disaster, but a strong government would be needed in either case to facilitate prosperity, or to resist Bolshevism. After this warning, Bruce outlined some of the Government's policies. Nationalists would strengthen the white Australia policy by encouraging British immigration. A growing population must drive economic development, which would nonetheless require public support—cheap water and power, and reliable transport. Debt was a serious problem best met by financing expenditure from revenue, reducing taxes, and restricting loan expenditure to productive schemes. Like the Country Party, Bruce argued, the government supported farmers; unlike them it adopted a broader national outlook. Apart from this question of parochialism, the parties were similar in policies and beliefs. The Herald's 'special correspondent', Martyn Threlfall, who wrote a series of pro-government Campaign Notes during the last fortnight of the campaign, combined in similar fashion idealistic rhetoric with specific policies, often directed at rural voters. In one column, for example, Threlfall defined

Nationalist principles. "What, in a few words, does the National party stand for?....for the Empire; for a White Australia; for stable government by duly-elected representatives of the people." The remainder of that day's Notes were devoted to farming issues - mostly the desirability of the Nationalist policy of voluntary but publicly-financed wheat pools.55

Labor's arguments in 1922 were less concerned with threat and loyalty issues and more rooted in economic or 'limited' problems than in 1919. The Opposition leader, Mathew Charlton56, "visibly disappointed" at an audience of only three hundred, delivered his policy speech at Maitland, New South Wales. His speech was mostly negative: the Nationalist government was composed of party cast-offs and dishonoured by scandal and broken promises. The government had fudged a deficit of £5,598,000 into a surplus of £494,000 by borrowing for normally revenue-financed spending and appropriating from trust funds the proceeds of the note issue. Ministers had made unjustifiable and suspicious concessions to private industries - for example, selling seaworthy ships for scrap - and planned to sell public enterprises, such as the returned servicemen's woollen mills, which were needed to provide competition against private industry. Nationalists wanted to reduce wages to lower the cost of living, but would not discount interest rates, which were "sacred". Charlton also complained of wasteful tiers of government, and in proposals typical of Labor's radicalism in the years following the 1916 split, proposed a Constitutional amendment to give the Commonwealth Parliament

56. MHR for Hunter (NSW), 1910-28; Leader of the Opposition, 1922-28.
"unlimited legislative powers". The amount of land under cultivation had fallen; co-operatives should be fostered to squeeze out "speculative middlemen". Hughes's government had neglected to control the CRA monopoly's ever-increasing prices and profits. Like the Nationalists, Charlton asserted the importance of a viable sugar industry to the survival of the White Australia Policy. Charlton, however, argued that assisted immigration was undesirable: Australia should encourage small-hold farming, then the British would not require subsidies to emigrate. "[V]ested interests" wanted to abolish arbitration, which Labor had created. Labor would strengthen the courts by placing them under single judges. Hughes valued arbitration as a moderator of class conflict and feared that it would be overwhelmed by the forces of it contained; Charlton esteemed arbitration as an instrument of popular amelioration and feared it would be destroyed by a monopolistic clique.

Charlton, as Tudor had done in 1919, pledged to revoke the compulsory clauses of the Defence Act, and to reduce defence spending to pre-war levels. The savings would finance increases in old age and invalid pensions. He promised to take (unspecified) measures against a cartel which controlled banking, manufacturing and shipping. "[T]hese four men constitute the supreme economic council of predatory capitalism", Charlton insisted, reversing the charge often levelled against One Big Union supporters of desiring to supplant Parliament with a workers' 'supreme economic council'. Labor would formulate an independent foreign policy, its executors responsible not to the Imperial government in London but to the Commonwealth Parliament. Hughes, in contrast, had failed to consult parliament before committing
Australian forces to intervene in Turkey. Charlton concluded by addressing Nationalist criticisms of Labor. The 1910 Commonwealth Bank note issue had been derided as "Fisher's flimsies", but now the Bank's success and stability were evident. The land tax had broken up some big estates and increased the quantity of farm land. It was the Nationalists, not Labor, who were controlled by a secret junta. Labor was not anti-property but opposed to monopoly and unfair privilege. The Party stood for human rights and freedom. Charlton's speech ended with a plea to judge Labor on its 1910-13 record.57

In the 1922 election, Labor was challenged by a number of rightwing and Protestant unofficial 'labor' groups. Self-proclaimed moderates within the Party, such as the Secretary of the Painters' Union, H. Watson, complained of Labor's drift from the "constitutional and practical" to the "theoretical and revolutionary." The extremists' ideology was foreign, as the Melbourne Herald explained. "There is a coterie of such theorists in Sydney, where they naturally exert a much stronger influence than here."58 Some, whose antipathy to 'extremism' was strong enough to compel them to campaign against Party candidates, objected most of all to radical socialism; others to deviation from British loyalties.59 The latter tended to speak more of excessive Irish Catholic influence within Australia than hostility to the nation's Imperial links.

59. SMH, 27 Nov 1922, p. 10; Ibid., 12 Dec 1922, p. 9; Age, 3 Nov 1922, p. 11.
The Nationalists were also troubled by disunity. "Mr Hughes has been more bitter in his references to anti-Labor non-Hughesites than to those he is so constantly calling 'Reds'." Normal conservative newspapers criticised the Hughes government. The Melbourne Herald complained that Hughes's egoism and determination to govern alone had lead to appalling (and unspecified by the Herald) administrative decisions. The £25,000 gift to Hughes concerned the public greatly. "At many meetings the point is raised by interjections or questions...." Rival conservative candidates had challenged the Nationalists in 1919. This time, however, although 'Independent Liberals' such as W.A. Watt condemned Hughes's socialistic tendencies, the renegades spoke more of corruption and incompetence than of disloyalty to Nationalist principles. Round Table considered that "[A]n examination of the policies of the various anti-Labor parties reveals no radical differences of principle." One cartoonist, who depicted the crew of the 'Nationalist' boat wearing 'Liberal' lifebuoys, suggested that the mavericks were mostly concerned to preserve the option of forming or joining a new party if Hughes's party failed to win a clear majority. Ideology seemed generally unimportant in these rivalries, although in South Australia the Liberal Union stood candidates against ex-Labor Nationalists.

The official Nationalists faced similar problems in Victoria, where the president of the Victorian Employers' Federation, T.R. Ashworth, campaigned against what he regarded as the autocratic rule of the National Union over the

60. Herald [Melbourne], 18 Dec 1922, p. 4.
61. Ibid., 16 Nov 1922, p. 3.
63. Round Table, 13, 13 Dec 1922, p. 420.
64. Herald [Melbourne], 27 Nov 1922, p. 6.
Nationalist party and government. According to Ashworth there were connections between Hughes's arbitrary rule though War Precautions regulations, which had "made his office the happy hunting ground of concession-schemers"; the Union's ascendency over acquiescent Nationalist Members of Parliament; and the anonymous £25,000 gift to Hughes. Ashworth's other grievance, shared by the recently-formed Victorian Taxpayers' Association, was the Hughes government's failure to reduce expenditure. The *Age* derided the Nationalists as unstatesman-like machine politicians.

When the political machines are allowed to choose the candidates for whom the elector may vote, and to bluff and bludgeon all others from the field, the franchise dwindles in value like the Russian rouble or the German mark.

'Responsible government' was one of the catch-cries of J.G. Latham, one of thirteen candidates endorsed by the Liberal Union, who opposed the Nationalists in Victoria. Describing himself variously as a 'Progressive Liberal' and 'Australian Legion' candidate, Latham stood against Best in Kooyong; his platform advocated retrenchment and the abolition of government trading enterprises. The Australian Legion's manifesto was

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68. Ibid., 22 Nov 1922, p. 11. Sir John Latham, MHR for Kooyong (Vic), 1922-34 (Liberal, 1922-25; Nationalist/UAP, 1925-34); Attorney General, 1925-29, 1932-34; Minister for Industry, 1928-29, 1932-34; External Affairs, 1932-34; Leader of Opposition, 1929-31; Chief Justice High Court, 1935-52; GCMG, 1935.
69. handbill. Latham papers NLA MS 1009/24/1(a).
standard non-Labor fare: loyalty to Crown, Empire and Commonwealth; constitutional government and resistance to both open and disguised Bolshevism; "promulgation of a national sentiment as truly Australian as that of the A.I.F. abroad"; industrial peace in place of class conflict. The Legion charged the Nationalists with subverting responsible government to "monocratic dictatorship" and engaging in dubious business dealings. Australian Legion objectives included the "elimination of machine politics" - evidently this included the Nationalists.70

The expression of such sentiments should have attracted support in a conservative electorate such as Kooyong. Latham, however, suffered from a peculiar disability. A Fabian as a young man, he had since the war years held orthodox conservative views on economy and Empire. The exception was his atheism: he had campaigned against Scripture lessons in State schools.71 This was a provocative form of unorthodoxy in a seat like Kooyong. The Age stated confidently in the middle of the campaign that "...the Nationalist party can no longer raise the sectarian issue and consequently the election will be decided purely on the merits of the candidates."72 After polling, however, the paper commented: "...at Kooyong...the sectarian issue was unfortunately a factor...."73 The 1922 Kooyong campaign demonstrates that loyalism was not monolithic, and that militant Protestantism could be a force for division within non-Labor politics.

73. Ibid., 18 Dec 1922, p. 8.
Latham's opposition to Scripture lessons, along with his endorsement by the Catholic Tribune against Best, featured in a leaflet issued by the Hawthorn branch of the Victorian Protestant Federation.\textsuperscript{74} Tribune, reported the V.P.F., recommended placing Latham first, Jean Daley (Labor) second, and Best third; 'one' Best, 'two' Latham, and 'three' Daley was the V.P.F.'s choice. The Federation warned voters not to be deceived by Latham's literature, in which he described himself as a member of the council of Ormond College, and the son of a prominent Methodist layman. Latham had, nonetheless, been a leading member of the Rationalist Association and had agitated against State school Bible instruction. Best's credentials, on the contrary, were sound: "definite allegiance to the Empire...strong advocacy of Protestant principles...uncompromising hostility to disloyalty and sectarianism." Thus Tribune said of him: "'It would be a great triumph for tolerance if Sir Robert Best were defeated.'" So, "Political Rome's attitude is that SIR ROBERT BEST MUST GO!"\textsuperscript{75}

Walter Albiston wrote to Latham asking his opinion of the V.P.F.'s loyalist objectives. Albiston drew particular attention to objective five (a law requiring the swearing of an oath of allegiance to George V by all who entered the

\textsuperscript{74} F.H. Francis, the official Nationalist candidate for Henty (south east of Kooyong) had no such problems. He was described by the Herald as "...a Protestant Federation man to the backbone....blessed by the women's party in Henty, [presumably the AWNL] of Orange hue...." 11 Dec 1922, p. 5.

\textsuperscript{75} T.J. Hall, honorary secretary, VPF (Hawthorn Branch). 7 Dec 1922. NLA MS 1009/24/7.
Commonwealth) and six (legislation to prohibit the operation of the Ne
Temere decree). The Chief Secretary added,

I may state that we are a powerful Body and will play a considerable
part in the forthcoming Federal fight. We have, in the state of
Victoria, over 265 branches, and a very live membership.

Albiston professed himself "glad to have your reply at your earliest
convenience", but Latham responded simply that he would reply to any
questions from a public platform.76 At a meeting in Canterbury, Latham

...declared that the sort of religion that was introduced into politics
was not that intimate thing that meant such a lot to men and
women. Frequently it was foul, loathsome and dishonest, and he
intended to do his best to keep it out of politics.77

One Hawthorn resident wrote to Latham offering support, but warning of the
strength of Protestant sentiment in Kooyong.

Not long ago there was a municipal election here: two candidates,
one R.C.; after careful enquiry and personal interview I came to the
conclusion that the R.C. was the better man and I voted for him
and he was beaten three to one. Afterwards I talked the matter
over with several of my fellow rate-payers [and] one of them a
notable and very highly and justly respected man and when I gave

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76. W. Albiston to J.G. Latham, 17 Oct 1922; Latham to Albiston, 19 October 1922. NLA MS
77. Sun [Melbourne] 17 Nov 1922. NLA MS 1009/24/425B.
my reasons for thinking the R.C. the better man, he remarked like the other 'O! I wouldn't vote for a Roman Catholic'. To me this is shocking feeling....It has been created by Mannix.

As long as you are not an atheist and not a R.C. I feel pretty sure that on your other merits you may [count?] on substantial support from the Protestant Federation though the 'Orange' section may be less amenable. Wishing you success....78

Another supporter from Hawthorn, a real estate agent, wrote:

[I]n canvassing round[,] some of our friends inform us that you are a Roman Catholic and are run by the R.C.'s and you have undertaken to do something for them. When we tried to explain that it was not so, they informed us that there were reports in the tribune [sic] to that effect....Of course we think it is only an electioneering dodge. We considered it advisable that you should be acquainted with these facts.79

Of course, none of these divisions was serious enough to divert the main Nationalist attack from Labor and its alleged links with international communism. "THERE IS NO MIDDLE COURSE" warned one advertisement.80 The Sydney branch of the Communist Party proposed to support the Labor Party: "'Save us from our friends' will be the comment of most Labor politicians..." remarked the Melbourne Herald.

The Communist Party can swing very few votes in Australia for the [Labor] Party, but, on the other hand, its unsolicited

80. 'Safety First', authorised by Archdale Parkhill, Smith's Weekly, 9 Dec 1922, p. 32; NLA MS 2823/1/2.
endorsement...puts an unsolicited weapon into the hands of the Nationalist leaders, who are declaring that the Labor Party might as well call itself the Communist Party.\textsuperscript{81}

Nationalist politicians were indeed quick to make such assertions, and the theme was reinforced in the party's advertising. One cartoon urged the Australian worker to desert the ramshackle 'Moscow Villa' for the citadel of loyal British citizenship (Figure 3.2). Archdale Parkhill, candidate for North Sydney, claimed that the Socialist Objective was based on the Soviet Constitution. "'The new objective commences with the sinister phrase, The socialisation of industry, production, distribution and exchange. Australian sentiment and White Australia were delegated [sic] to the background....'" Lenin had admitted that socialisation had been a failure - Australia must not learn the hard way. "'We need not plunge our country into economic chaos and inflict famine and pestilence on our people....'"\textsuperscript{82} John Christian Watson also made the point that "as the A.L.P. had decided to embrace communism Russia had decided to abandon it."\textsuperscript{83}

Parkhill suggested that Australia's troubles were part of a world-wide pattern of subversion. Speaking at Longueville, he alluded to the recent "strike riots" in the United States and asserted "...most of the industrial disturbances throughout the world, including Australia, [were] due to an international

\textsuperscript{81} \textit{Herald} [Melbourne], 5 Dec 1922, p. 1.
\textsuperscript{82} \textit{Daily Mail}, 22 Jun 1922. NLA MS 4742, Folio 1. Parkhill withdrew his candidature for North Sydney to make way for Hughes, and stood instead for Parkes.
\textsuperscript{83} \textit{SMH}, 16 Nov 1922, p. 9. J.C. Watson, MLA for Young, (Lab, NSW), 1894-1901; MHR for Bland (Lab, NSW) 1901-06; South Sydney, 1906-10; Prime Minister and Treasurer, 1904; Leader of the Opposition, 1901-04; 1904-07. In 1916, Watson had been expelled from the Labor Party for advocating conscription.
conspiracy of revolutionary comments”. Parkhill quoted Samuel Gompers’ (President of the American Federation of Labor) warning that "red" finance had been sent to America for propaganda. Gompers, Parkhill reported, accused W.Z. Foster, "arch-demon of Bolshevism in America" of fomenting the Gary steel strike.84

Despite their emphasis on the danger of sedition established within Australia, Nationalists sometimes pointed to disruption overseas to warn voters of what might befall them if they allowed the evils of the outside world to penetrate Australia. Hughes told one audience that on his travels throughout Australia

The Better 'Ole'

PORTED AGITATOR: "But you're not goin' to leave us, comrade?"

STRIALIAN WORKER: "Yes. I've kept you long enough, and now I'm going to where I can get a Fair Deal, Honest Government and Loyal British Citizenship!"

Figure 3.2 'The Better 'Ole'

*Smith's Weekly, 16 Dec 1922, p. 32.*

The citadel of Nationalism flies both an Australian ensign, and the Union Jack. See Kwan, op. cit.
he was impressed by the absence of class hatreds. A different order prevailed in Britain, America, Russia - and Africa, where "they bombed strikers from aeroplanes." 85

Hughes also admonished Labor’s financial irresponsibility and wartime disloyalty. Again, dangerous world conditions necessitated economic prudence, the Prime Minister told a meeting at Toowoomba.

The troubles of the world today are caused largely by the depreciation of money. If Russia had to be caricatured it might perhaps be caricatured as constituting a gigantic printing press turning out paper money.

The government, Hughes continued, had reduced the stock of paper money and increased the gold reserve. Charlton’s policy speech, however, contained a proposal of "very sinister significance": to lower the interest rate the government paid on its war loan bonds. This was equivalent to an employer cutting wages after agreeing to pay a certain amount. "[R]epudiation" of war debt would increase unemployment by reducing profits and the supply of credit. "Such a policy...would bring about the collapse of society...It would not only be like the bank smash of 1893, but would paralyse society." The people had turned against Labor, a party enthralled by "false prophets", but they would continue to support the Nationalists, who stood for living standards protected by "competent tribunals". 86

86. Ibid., 13 Nov 1922, p. 8.
Health and welfare were issues on which Nationalists warned of threats of a different kind, and proposed solutions. In 1919 the *Age* had drawn attention to the admonishments of Dr Truby King, the New Zealand infant health expert then visiting Melbourne.

'Breast feeding is absolutely essential in justice to both mother and child, and for re-establishing the health and fitness of the race...Dependence on first born and second born, and bottle-fed babies, together with general unpreparedness for motherhood, largely accounts for our fifty percent of army rejects, and the tendency to drift further and further towards a C3 instead of an A1 population.'

Such were the racial fears which Hughes tried to assuage by extolling the virtues of the new Commonwealth Department of Health. The creation of the Department had made possible by the expansion in Commonwealth functions which had occurred during the war. Following the Second World War, there would be a much greater development of Commonwealth responsibilities for health and welfare, and these issues would become prominent in non-Labor electioneering, but for now the health issue was present in a slight and early form. Hughes explained that the Department was investigating hookworm and tropical diseases: controlling the ill-health of Europeans in the tropics was essential if the

white race was to secure its control of the Australian continent. Health authorities would also combat "the red and white plagues" (syphilis and tuberculosis) while the government intended through its maternity allowance to raise the birthrate and reduce infant mortality. "The National Government aims at a clean, healthy and efficient Australia, realising that successful rearing of healthy Australian children is the only safe foundation for the country."89

Political rhetoric was dramatic, in the fashion of the day, but newspaper summaries emphasised the quietness of the campaign.

When Federal Ministers embarked upon the election campaign they confessed they had never set out in similar circumstances with less idea of the issue that would be likely to become prominent. Even now, within a few weeks of the polling day, it can be said that there is no great outstanding issue before all others which is likely to settle the fate of the parties.90

The parties' efforts to excite the electors had been unsuccessful, commented the Sydney Morning Herald. Only in Queensland had attendance at meetings been "satisfactory"; crowds had been small in Tasmania; the campaign in South Australia "lifeless" according to one minister. Meetings had also been "disappointing " in Victoria, except when Hughes was speaking. Bruce had almost postponed a meeting at Healesville, because of low attendance.

89. SMH, 17 Nov 1922, pp. 9-10.
90. Ibid., 20 Nov 1922, p. 9.
"Federal members have no hesitation in describing the present campaign as the quietest in the history of the Commonwealth."\textsuperscript{91} The \textit{Advocate} was pleased to report that opinion was turning against Hughes, who was heckled by returned soldiers at Horsham, where he had held several successful meetings during the war. Hughes had fed on the irrational passions of the war years, but this spirit was disappearing.

It was easy to understand that during the war emotionalism should rule men's minds, and that those who loudly proclaimed their patriotism would receive office...The public mind, stupefied with the magnitude of world disasters, and distraught with local, national losses amongst the flower of our men, simply ceased to function in its habitual fashion of questioning and examining....all the time various bogies - disloyalty, sectarianism, Bolshevism, and so forth - were conjured up to occupy the naturally suspicious mind of the people with groundless and superstitious fears. This wide-spread mental state lasted long after the war, and we began to think that the swing back to normal would never take place.\textsuperscript{92}

Despite the loyal \textit{Sydney Morning Herald} 's prediction of a working majority for Hughes, the Nationalists failed to win control of the House.

\textsuperscript{91} Ibid., 25 Nov 1922, p. 18. See also: \textit{Herald} [Melbourne], 16 Nov 1922, p. 3.
\textsuperscript{92} \textit{Advocate}, 2 Nov 1922, pp. 25-26.
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*Elections for the House of Representatives, 1919 & 1922*

The Nationalist losses, pronounced the Melbourne *Herald*, were due to a reaction against the autocracy, extravagance and probable corruption of the Hughes government. The *Age* attributed the poor showing of ex-Labor Nationalists to "[T]he war having ceased to be an issue". Liberals had abstained or voted Labor in protest at the government’s arrogance - "since 1914 the country has been governed according to the spirit of the War Precautions Act" - and the dubious propriety of its dealings, particularly the £25,000 testimonial." William Higgs, who had changed from Labor to Nationalist and been defeated in his seat of Capricornia, complained that his opponent had referred to Hughes’s gift and asked what he had received to join the Nationalist Federation. Higgs deplored the poor quality of the local Nationalist organisation. Government sympathisers also tended to blame apathy for the result.

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93. The vote was 59.36% of enrolment, a fall of 18.94% from the 1919 turn-out. Hughes & Graham, *op. cit.*, pp. 320 & 326.
96. Higgs to Hughes, 18 Dec 1922, NLA MS 1538/28/266-7. William Higgs, Senator (Qld, ALP), 1901-07; MHR for Capricornia (Qld), 1910-22 (ALP, 1910-20; Nat, 1920-22); Treasurer, 1915-16.
Our class does a lot of growling about politics but will hardly walk across the street to record a vote...I see that every man and woman in my family and their servants go to the poll. Once there of course, they must please themselves.97

Hughes had dominated Federal Politics since 1916, if not earlier: he had been the most prominent figure in the parliamentary Labor Party long before he became Prime Minister. His period in office had been characterised by strident denunciation of disloyalty, but compared to the fury of 1917 and 1919 his last campaign was the most positive and thus the least typical. Conservatives had welcomed the former Labor leader's Imperialist zeal, but were becoming increasingly hostile to his predilection for state enterprise. A point made in a National Union circular on non-Labor disunity in Victorian State politics in 1924 is apposite. "The war enthusiasms which, induced many people to sink minor political differences...are necessarily waning."98 Now that the extraordinary circumstances which had placed Hughes at the head of a federation of ex-Labor and ex-Liberal members were gone, the unstable combination was inexorably disintegrating.99 Hughes shared his fate with Lloyd George and Massey: the Times remarked: "[O]ne by one the war-time government of the Empire have crumbled away."100 Round Table also found the downfall of Hughes and Lloyd George similar.

98. Anon., 'The Victorian election of June 1924', NLA MS 1924/19/1140.
100. Times, 20 Dec 1922.
In both instances there was a popular revolt against the attempt of 'the man who won the war' to carry on far into the peace a 'one-man government' having most of the characteristics of a war government.\textsuperscript{101}

"By Jove it's pretty bad! I \textit{ought} to feel rotten and depressed: but curiously I do not", Hughes confided to Herbert Brookes.\textsuperscript{102} Once the negotiators agreed to Page's demand to depose the Prime Minister it became apparent that defeat had released Hughes from a difficult situation, and his party from its worst handicap.

\textsuperscript{101} Round Table, 13, 27 Mar 1923.
\textsuperscript{102} 27 Dec 1922, Brookes papers, NLA MS 1924/1/4721.
Chapter 4. The politics of industrial law and order, 1923-29

The scarlet woman
now waves the red flag
the green one is discarded

From the outbreak of the war until the formation of the first Bruce-Page government in 1923, non-Labor threat and loyalty controversies had revolved mostly around the questions of war sacrifice and Empire allegiance. To a large extent Nationalists represented employers and the self-employed, while Labor stood for employees, so industrial disputes contributed to political divisions. But the parties and the communities they had developed from were also divided on ethnic lines - 'Home' was Ireland for some, England or Scotland for others - and in the war years and early 1920s these identities seemed the more powerful. Two interconnected reasons stand out, both flowing from the ways in which events in Ireland and Europe 1914-18 dramatised the problems of Australian relations with the old countries. Firstly, the war in Europe heightened Anglo-Australians' sense of the importance of their British connections, and the troubles in Ireland revitalised the emotional attachments of Irish Catholic Australians. Secondly, politicians were drawn by these different mental bonds through the re-alignment of parties which followed the defeat of the conscription referendum in 1916: the Labor Party became more disproportionately Irish Catholic; the Nationalists by contrast more conspicuously Anglo-Scottish.

1. handwritten note by Herbert Brookes, c. 1923-28. Brookes papers, NLA MS 1924/19/556.
Ethnically, the Nationalists remained Protestant Anglo-Scottish throughout the 1920s while Labor's Irish-Catholic component increased. But the irruption of Imperial and anti-Imperial sectarianism from Easter 1916, its intensity during the Anglo-Irish troubles circa 1916-21, and the sudden decline following the Anglo-Irish truce of July 1921, suggest that the high pitch of ethnic and religious politics was dependent on the stimulus of overseas affairs. 'British-Australian' and 'Irish-Australian' sectarians took it upon themselves to open a second front in the antipodes, where they fought a war without bullets over the idea of Ireland and the idea of Britain. From the Truce of 1921 the Irish were no longer fighting the British: this removed the heat from the vicarious partisanship of Anglo and Irish Australians. The panacea of Home Rule had arrived. But soon, in the civil war of 1922-23, the Irish were fighting each other: Australia's Irish Catholic sectarians became disillusioned and inactive; Ulster-British Protestant sectarians became complacent and inactive. In Britain, the recession of Irish issues was symbolised by the decision, in 1925, of the Unionist Party, so-called since 1886, to change its official name to the Conservative and Unionist Party.

A minority on the Nationalist side continued to mistrust Irish republicans most of all. Albiston told Brookes early in 1925 that he feared the Baldwin

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2. In 1910-16, the proportion of Catholics in the Federal Parliamentary Labor Party (20.8%) was almost identical to that in the Commonwealth Parliament as a whole (20.6%). In the 1917-30 Parliaments, however, the proportions changed to 49.1% and 19.5% respectively. Joan Rydon, *A Federal Legislature: The Australian Commonwealth Parliament 1901-1980*, Melbourne, 1986.

government's refusal to recognise the Irish Free State would fuel republican discontent in the South.

It will be no longer possible to confine the Irish Question to Ireland. Hence I believe our organisation [the Victorian Protestant Federation] will be needed more than ever and should demand a greater recognition of the work we do.

Albiston added that the VPF did not receive the support it deserved. "The excuse that we hear everywhere today is financial stringency."4 Judging from his note on the scarlet woman, Brookes himself, a fanatical anti-Catholic, was now tending to worry more about Communists than Sinn Feiners. Even the Reverend T.E. Ruth, one of the most vociferous Protestant sectarians of the war years, had taken to preaching against Bolshevism.5 So too, to the virtual exclusion of Irish issues, were other Nationalists. The objectives of the Constitutional Club, formed in Melbourne to assist the 1925 Nationalist campaign, could have been those of any non-Labor association formed in the previous decades: members were "pledged to loyalty to the Throne and Empire and the maintenance of constitutional government".6 But the Club's fighting platform was anti-Communist rather than anti-republican. When Sir William McBeath, chairman of the National Union executive, initiated a fundraising appeal to businessmen, to rejuvenate Nationalist Federation branches in preparation for the election, the slogan he used was "Insurance

against Bolshevism." 7 L.V. Biggs, National Union organising secretary, described the National Publicity Bureau as "a general publicity office for anti-Communist propaganda". 8 Archdale Parkhill's comments in the last year of the civil war (1923) are also revealing of the change in non-Labor priorities. According to Parkhill,

...recent private advices from England indicated that the anarchy & bloodshed now in progress in Ireland were largely promoted by Bolshevik agents....Just as Germany was behind the 1916 rebellion, so the Soviet Government of Russia was behind the red republican army today....These international revolutionaries...are attempting the same tactics in Australia and it behoves us to be warned against them. 9

This sort of rhetoric was also characteristic of the new Prime Minister, Stanley Melbourne Bruce, who had secured the support of the Nationalist and Country Parties during the negotiations which followed the 1922 election. Like Hughes, Bruce's patriotic credentials were impeccable - he had served with distinction in the war - but unlike the Little Digger, his attitudes to state intervention were orthodox. Bruce was born in Melbourne in 1883. His father owned a successful softgoods importing company; and S.M. Bruce grew up in a family whose business interests and cultural ideals were centred on England. Educated at Melbourne Grammar School, where he was captain of the cadets, the young Bruce was said to have been extraordinarily self-controlled. He spent three years at Cambridge, devoting more effort to rowing

7. Ibid., p. 60.
than to study; and after graduating in 1905 took articles with a London firm specialising in commercial law; he was admitted to the Bar two years later. In 1914, Bruce enlisted in the British Army, and saw action at Gallipoli. After being wounded in the knee, he was discharged from the Army in 1917, and returned to Melbourne to manage the family business. Bruce's marriage to Ethel Dunlop in 1913 had brought connections with Victorian non-Labor politicians; and the next year he was recruited to stand as Nationalist candidate in a by-election for the rural seat of Flinders. The Country Party abstained from standing a candidate in return for the introduction of preferential voting for the Representatives; a concern with maintaining the support of the Country Party was notable throughout Bruce's career in federal politics. Bruce feigned indifference to political rank, but his ambition and quick wits allowed a rapid ascent in the parliamentary Nationalist party. He remained a mystery to his colleagues and supporters, one of whom nominated his virtues as: "Self-controlled // Patriot[ic] // Open-minded", and remarked "Seems to struggle to keep himself free from human entanglements and friendly attachments. Has never been humanised by possessing children. // Seems sufficient unto himself. // Is as indifferent to foes as he is to friends apparently." Bruce's upper class Anglo-Australian demeanour was lampooned by Labor as a symbol of his government's Anglophile conservatism; the image he projected to the Nationalist constituency was that of the strong leader, determined to quell industrial turmoil, and so to allow Australia to prosper as a trading nation within the British Empire.10

In keeping with the heightened fear of Bolshevism, during Bruce's period of office industrial disputes became the principal focus of conservative conspiratorial argument. The government blamed foreign agitators and legislated accordingly, amending the Immigration Act in July 1925 to prohibit the entry of

...any person declared by the Minister to be in his opinion, from information received from the Government of the United Kingdom or any other parts of the British Dominions or from any foreign Government, through official or diplomatic channels, undesirable as an inhabitant of, or visitor to, the Commonwealth.11

The 1925 maritime strike heightened the apparent urgency of the problem of sedition, and provided an emotive catch-cry for the Nationalists. Hughes put it this way:

Although the issue of Constitutional Government versus revolution is presented to the people in much clearer outline than at any previous election it is not new. The 1917 and 1919 elections were turned on this very point.12

11. Immigration (Amendment) Act, No. 7 of 1925. 2. (b).
Strikes presented by Nationalists as revolutionary plots more probably derived from particular workplace grievances. Arbitration could be frustratingly slow for unionists, whose demands were nearly always limited ones: improved wages and conditions, job control. There were among union leaders, however, some members of the Communist Party, and it was this combination of striking workers with union leaders affiliated to a party of international revolutionary socialism that provided the main threat in the non-Labor rhetoric of the 1920s.

Historians have noticed that the Nationalists made industrial law and order and the influence of Communists on unions one of the major elements of their campaign rhetoric; that the penal laws which the Bruce-Page government introduced to control strikes featured in government election campaigns; and this politics is sometimes regarded as an early example of the red scare tactics used by Menzies in the 1940s and 1950s. It has also been established that Bruce regarded industrial conflict as a threat to his rural, immigration-driven, Empire trade ideal of economic development. It is the theme of this chapter that these two aspects of Bruce’s politics were connected:


Bruce feared that strikes and subversion would undermine that prosperity in town and country which an industrious people could win (see figure 4.1), and he also calculated that an industrial law and order platform was popular with the Nationalist constituency. As one historian has pointed out, the Bruce government was the most eager to defeat strikes which seemed 'political', in the sense of posing a threat to the authority of the government. At a time when some non-Labor people were attracted to the image of public order and authority projected by Mussolini's Italy, and joined groups dedicated to the preservation of patriotic and law-abiding values, the Nationalists endeavoured to maintain the image of a party committed to resisting the illegitimate dissent which political strikes represented in non-Labor thinking.15

In 1925 Bruce justified calling an early election by citing the need to obtain additional Federal powers over industrial relations. The State governments (all except Victoria's were Labor) were unwilling to cede the desired powers and some had been provocatively unco-operative: Phillip Collier, the Western Australian Premier, had refused to appoint extra police to deal with rioting maritime workers; New South Wales Premier Jack Lang had declined to allow State police to serve summonses on two unionists: in response, the Federal government passed the Peace Officers Act which created a uniformed Commonwealth police force.16 Bruce was vague about the extra powers he

Figure 4.1 'Prosperity in the towns...prosperity in the country'

Details from Nationalist advertisement for 1925 election

wanted, although he promised to amend the Crimes Act to punish disruption, and to require secret ballots in union elections.¹⁷

The waterfront was the source of much industrial trouble, and maritime union issues contributed to the questions which predominated in the 1925 election. Waterside workers had placed a ban on overtime late in 1924 in an effort to destroy the Overseas Shipping Bureau which had been formed during the war organised strike-breakers, and continued to provide non-union labour. The campaign was also supported by the seamen, and the strikers' grievances expanded to include pick-ups of seamen, and the use of non-union labour generally. Following the refusal of the Seamen's to return to work, the Arbitration court deregistered it. Bruce rapidly passed two Bills to deal with the dispute: an amendment to the Navigation Act allowing the introduction of low-wage foreign crews to shipping in Australian waters; and an amendment of the Immigration Act permitting the deportation of foreign-born unionists found guilty by a tribunal of disrupting Australian industry. The dispute was resolved by the employers acceding to most demands. Shortly after, however, the Union again went on strike, in support of a campaign by British seamen in Australian ports.¹⁸

Two unionists, Tom Walsh and Jacob Johnson, were the subjects of a test of the new deportation procedures. Walsh was President of the Federated

¹⁷. *Round Table*, vol. 16, 29 Dec 1925, p. 393.
Seamen's Union of Australia and Johnson assistant secretary of the Sydney branch. Walsh had emigrated from Ireland to New South Wales in 1893; Johnson came from Holland in 1910 and was naturalised in 1913. Sydney barrister A.R.J. Watt, with his junior counsel H.V. Evatt, represented the unionists before the deportation tribunal, which recommended their deportation. Then, the Supreme Court upheld Watt and Evatt's appeal for a "rule nisi for habeas corpus". E. Lamb, KC, for the Crown, appealed to the High Court, where Evatt contended that because Walsh and Johnson had been permanently settled in Australia for a number of years they were no longer immigrants, and because they were no longer immigrants the Commonwealth could not deport them under its immigration powers. The case was proceeding during the elections but the Court did not make a ruling until after polling day.

During the 1925 campaign, the turmoil surrounding the maritime strikes and the Walsh-Johnson case was cited by Bruce and his colleagues as the antithesis of their variety of national leadership. Commenting on the election of the Bonar Law Conservative government in 1922, the Sydney Morning Herald predicted that: "Mr Bonar Law's policy would be sobriety, not fireworks; his watchword would be stability, not sensation. The whole country...wanted a


20. Interestingly, in 1923 Evatt and Watt had appeared before the High Court on behalf of two Irish envoys (on British passports) threatened with deportation. They lost the case. Ibid., p. 46.

21. Ibid., pp. 48-49.
period of quiet in which to restore the equilibrium after war."22 This could have been a statement of Bruce's credo, however much the intention and the effect of his law and order policies differed. Stability and order were the principal themes of Bruce's policy speech delivered at Dandenong. (This was the first Commonwealth policy speech to be broadcast on radio.) The Prime Minister spoke of the need for industrial peace and the control of agitators. He sought a new mandate because the authority of parliament and "law and order [were] threatened." Trade unions had been captured by extremists: Bruce, like Hughes, claimed to oppose extremists of both left and right. To stabilise industrial relations Bruce proposed to implement lifetime tenure for Arbitration Court judges, and compulsory secret ballots for unionists.

Nationalists would seek the "rule of law both in the national and international spheres". Accordingly, Bruce promised a variety of policies designed to strengthen national security and speed economic development. The government was expanding the Navy and supported disarmament and international negotiations through the League of Nations. Also, a Bruce government would seek the happy medium of independent national policy within a unified Empire. At home, the Prime Minister promised to introduce national insurance, and to provide more funding for roads, home loans and economically-useful scientific research. Bruce proposed national insurance as a solution to the labour problem. Much industrial unrest, he explained - deviating atypically from the conspiratorial theory of strikes - was caused by the fear of privation, which an insurance scheme would alleviate. National

development required a scheme of encouraged immigration, which the Bruce government would assist by providing loan funds to the States. More was at stake than prosperity. Immigration was "imperative, in the interests of our national safety and if we are to retain this country." Bruce concluded by returning to his main point that "the paramount issue in this campaign is the maintenance of law and order, and the supremacy of Constitutional Government."23

Bruce's manifesto had been negative in that he concentrated on the severity of Australia's industrial problems, yet he proposed a number of concrete solutions. Charlton's policy speech, delivered at the Sydney Town Hall, was predominantly negative and defensive. The Opposition leader criticised the government on a number of issues, and attempted to rebut the charges made against Labor. Earle Page24 had been a profligate Treasurer, whose accounting methods were dubious. The government encouraged immigration, but there was not enough work available for people already in the country. Munitions should be manufactured in Australia, and defence must rely on submarines and aeroplanes rather than big ships, such as the two cruisers which were, mistakenly, being ordered from England. Charlton promised to continue the embargo on "black-grown sugar". As Sawer points out, Charlton significantly relegated the maritime issue to the end of his speech.25 The deportation law was unjust, he claimed: Walsh would not be deported if he were convicted of

robbery with violence; furthermore, deportation was being carried out not by order of a court but at the discretion of a government "star chamber". The law was also unnecessary and counter-productive. Bruce had inflamed the dispute for his own political advantage. His policy promoted disorder.

In countries where no Labor party exists, where union leaders are freely sent to the penitentiary, where the employers can call armed troops into the field in defence of their interests, there is not more peace, there is less.

Charlton urged voters to look beyond the artificial crises manufactured by the Nationalists, who dealt in

imaginary terrors...[and]...organise fakes, fears and frights, and conduct elections while the fright is on...[T]he only variation is the name of the horror doing 'scarecrow duty' in this or that place or time.26

Whether or not the frights were fake, fear certainly played a major role in the Nationalist campaign, which rested on accusations that Labor connived in industrial trouble-making, and through inaction remained suspiciously close to the Communists. The Nationalist organisation had been preparing information on Russia and Communism during the course of the year. Organising secretary L.V. Biggs noted in a post-election report on the National Publicity Bureau that "[N]early every book on Russia (in English) published

within the last nine months has been purchased, and added to the small library which has been built up, and frequently used during the Winter months."^{27} Nationalist propaganda emphasised the enormity of the Communist threat, and the necessity of making a stark choice between freedom and slavery: Nationalists seemed to have been encouraged by the apparent success of Conservative anti-Communist propaganda in Britain. During the 1924 general election, the vehemently Conservative *Daily Mail* had obtained a copy of what appeared to be a letter from the head of the Comintern ordering British Communists to intensify their revolutionary agitation; the final week of the campaign was dominated by accusations from the Press and the Conservative Party that the Labour government had suppressed the letter and was implicated in Communist-inspired subversion and industrial disruption. The origins and authenticity of the 'Zinoviev letter' have never been established. Nor is it certain that this stunt was the most important factor in the Conservative victory; but it seemed, as the deputy director of publicity at the Party's Central Office was to recall, to have exploited an "elemental prejudice" that Labour was the party of disorder and working class rebellion.^{28} Whoever compiled the Nationalist speakers' notes hoped that British Labour radicalism might influence Australian voters against Labor. Speakers were provided with a series of quotations from leftwing British labour leaders. For example, Glasgow MP Neil Maclean was quoted as stating that "Labor does not want nationalisation of this or that. What we want is socialisation, which is vastly different" - to which the compiler added this gloss:

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27 L.V. Biggs, 'National Publicity Bureau': see note 8.
The essential unity of the Bolshevik forces throughout the world is demonstrated by fresh proofs every day. Though the virus has not poisoned the whole of the working classes of any country, the so-called leaders of the workers in politics make no attempt, except at election time, to hide the anarchistic extravagance of their view or the bloodthirstiness of their designs.

Thinking - as the people of Australia have always accustomed themselves to think - of Great Britain as the central citadel of constitutionalism, of law and order, of justice and honour, of individual and national freedom, it has been difficult to imagine there the existence of a Bolshevik party. Yet by their fruits shall ye know them.... Mr Ramsky MacDonald, during his brief Parliamentary reign, deliberately sought to sell Great Britain to the Moscow devil.29

Nationalist speakers were provided with material on which to base similar attacks on Australian labour leaders, particularly the former Queensland Premier, E.G. Theodore, and the secretary of the New South Wales Trades and Labour Council, Jock Garden.30 Theodore had resigned the Premiership in 1924, and in Autumn 1925 took a prominent role in the successful State Labor campaigns in New South Wales and Victoria. His election to the Queensland seat of Herbert was generally accepted by press and politicians to be a certainty.31 Theodore, like as Ryan before him, was a rising personality in a party noticeably bereft of parliamentary talent, and thus became an attractive target.

30 Edward Theodore, MLA for Woothakata (Qld), 1909-12; Chillagoe 1912-25; Premier of Queensland 1919-25; member for Dalley (NSW), 1927-32; Treasurer, 1929-30, 1931-32; John (Jock) Garden, Secretary, NSW Labor Council, 1918-34; founding member of the Communist Party, 1920; ACTU, 1927;
The ex-Premier was, government campaigners were encouraged to proclaim, "A POLITICAL CHAMELEON". His flexibility was demonstrated by the way in which he had changed his tune on the Federal Labor Party and Communism since 1921. At the inter-State conference that year, Theodore had denounced the socialist objective, saying "...you may as well change the name of the party and call it the Communist Party." Now he had forgotten this attitude and sought the Labor leadership.  

Theodore was a Labor parliamentarian who acquiesced in Communist infiltration; speakers' notes depicted Garden as the source of the malaise itself. Garden had renounced the Communist Party and re-joined the Labor Party. But there was "no need" for Garden to formally join the ALP as he "practically controls one wing of it." The notes repeated the frequently-made charge that Garden, at a meeting of the Comintern in Moscow, 1922, boasted that although the Communist Party had only one thousand members it controlled 400,000 unionists through its majorities on Trades Hall executives; and added a comment from the president of the Sane Democracy League, "'[C]an the Ethiopian change his skin, or the leopard his spots?'" 

This was the evidence for the seditious ideology of labour leaders, but what were the implications - according to Nationalists - for ordinary people? One newspaper advertisement announced that a Labor government would put even the humblest private property at risk.

32. National Campaign Notes, No. 1, 20 Aug 1925, pp. 11-12. NLA MS 5000/9/333.
33. Ibid., No. 2, 7 Sep 1925, pp. 13-14.
Individual Freedom, Good Wages, the Right to Arbitration, and the ownership of property are at stake.

...socialisation of industry strikes at every class, and more particularly at the worker who owns his own home and possesses a Savings Bank account.

The majority of the depositors in the Savings Banks are workers. To them it is imperative that what has been built up shall not be destroyed.

THE BRUCE-PAGE GOVERNMENT GUARANTEES that no Confiscation, Repudiation or Fantastic Social Experiments will take place. By granting secret ballots, eliminating the strike curse, and upholding arbitration against brute force, it will MAINTAIN ALL THE ADVANTAGES THE WORKERS HAVE WON. Compare it with the tear and rend programme of the Extremists, and ask which is better for yourself, your wife and your home.34

The all-or-nothing choice was expounded in a tract which presumably constituted a major item of Nationalist publicity, a printed card authorised by the Sane Democracy League but funded and distributed by the Nationalists, which was posted to 200,000 addresses. The front showed a picture of the red flag and the blue ensign crossed over a map of Australia and warned: "[I]t has come to this at last! WHICH IS IT TO BE? You must decide on November 14 at the Ballot Box." On the back was an explanation: one flag stood for "equal rights, justice, united Empire", the other for "confiscation, despotism and bloodshed."35 A sympathetic editorial writer for the Age explained that extreme choices had been necessary since the war, when the "sharp political cleavage" was between supporters and opponents of "Australia's war policy....[but]....The line of demarcation is now between those who desire an

34. 'Unionists, Home Owners, Depositors in Savings Banks', Advertiser, 11 Nov 1925, p. 20.
35. NLA MS 1924/19/1150.
Australian government...and those who want a government influenced more or less by foreign Communists."

Charlton made imputations of his own against the government's loyalty. One sally - featuring the foreign agent of an undemocratic foreign political movement - seemed to be a mirror image of rightwing accusations regarding Communism. "The Fascist movement", Charlton alleged, "was being established in Australia..."; and Labor's first task in government would be to suppress it. Charlton and his colleagues also claimed that Bruce and Page "did not represent a truly Australian spirit": Bruce would "place Australia at the mercy of the Empire Council."

Counter-attacks such as these aside, the Nationalists' accusations normally forced Labor to follow a defensive campaign: propagandists devoted much space to responses to the charge of Communistic collaboration. Australian Labor politicians argued that the Communist menace was exaggerated. Lang's riposte was more forceful than most. Bruce had been in office for three years, he noted, but had done nothing about the Communist threat. The government was actually aiding Communism by giving it unwarranted attention: "the glorious advertisement now being given to Mr Garden and his handful of non-descripts" - who could not gain admission to the ALP nor

38. Round Table, 16, 29 Dec, pp. 397-8. By 'Empire Council' Charlton might have meant an executive of the Imperial Conference.
election to any parliament. That Communists were weak was due not to employers' criticisms but to the appeal of "Labor ideas and the agitation of Labor leaders." Labor campaigned against the Communists, with no help from the Nationalists. Australians had no history of Czarism and were too well-educated to succumb to Communism, but "Coercion and Deportation Acts" would arouse resentment and create "a Communistic atmosphere." John Keane, the ALP organising secretary for Victoria, pointed, as Lang had, to the conservatives' failure to prove their accusations. It was "but British justice" that the Melbourne Herald and other critics should produce evidence to substantiate their charges that Labor was "sheltering Communist wreckers".

The Prime Minister, Keane continued, was

...on the horns of a dilemma. Either he knows that these people are in Australia, and has failed in his duty to suppress them, or he does not know of them, and is simply trotting out another bogey to take its place with so many that have been trotted out in the past....

A newspaper advertisement announced that the Labor had at its 1924 Federal Conference voted to prohibit Communists from belonging to the Party, and that Communism was a "screen" designed to hide government failings, including the sale of the Geelong wool mills, restrictions (unspecified) on the Commonwealth bank, the building of cruisers overseas, the poor performance

of Page as Treasurer and the "unrestricted influx of a low type of foreign immigrant." 41

Apparently, none of these defences was sufficiently effective: the poll was an unambiguous victory for the government, which won fifty seats in the House of Representatives to Labor's twenty three, and took all eighteen normal Senate vacancies, as well as the three caused by the deaths of sitting members. 42

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Elections for the House of Representatives, 1922 & 1925 43

Most commentators attributed the government's performance to the maritime strike and Red peril issues. Typical of press commentary was the Sydney Morning Herald's opinion that the Nationalists' secret ballot policy had attracted working class votes, but "without doubt the greatest factor of all in bringing about the defeat of Labour was its association with the Red forces of socialism as represented by men like Mr Garden and Mr Grant." 44 Round

41. 'Voters! This is the Truth!', authorised by F.F. Ward, Advertiser, 6 Nov 1925, p. 8.
42. Sawer, op. cit., pp. 259-60.
44. See, for example: Sydney Morning Herald, 16 Nov 1925, p. 10. The Melbourne Herald agreed: 17 Nov 1925, p. 6; as did the Age: 17 Nov 1925, p. 9. Donald Grant was an IWW
Table commented that the Nationalists benefited from the continuance of the strike throughout the campaign. Its correspondent considered, however, that the substantial Labor vote (1, 262, 839 to the government's 2, 798, 634) indicated that "a great number" of voters did not accept the Nationalist argument that the election was a contest between Communism and freedom. Communism did not seem to the electorate a likely prospect in affluent, well-educated Australia. On the other hand Labor was undeniably associated by voters with strikes, which the Party refused to condemn. The extremism of the Lang government - especially to abolish the Legislative Council - also alienated New South Wales voters from the Federal ALP.

That the extremity of the issues had made the election unusually tense was the verdict of L.V. Biggs in his assessment for the Nationalist Federation of the effect of compulsory voting, introduced for the first time in 1925. Compulsion, Biggs noted, had increased the percentage of enrollees voting from 59.36 in 1922, to 91.08. Biggs acknowledged that the high turn-outs at the 1916 and 1917 referenda (82.75 and 81.34 percent) suggested that when issues were considered important, people would vote in large numbers without the need for compulsion. Biggs considered, however, that mandatory voting was necessary at quiet elections to ensure the participation of "the political shirker". "Some elections", Biggs commented (regretfully, perhaps) "cannot be narrowed down to a single issue such as Communism versus Constitutional Reform or

activist jailed from 1916 to 1920 for conspiracy to commit arson and to pervert the course of justice, and incitement to sedition. He broke with the IWW in 1923. Associated with the 'Trades Hall Reds', he stood unsuccessfully as a Labor Senate candidate in 1925. ADB, 9, pp. 75-76. article by Frank Farrell.
46. Ibid., pp. 398-99.
Industrial Anarchy versus Arbitration within the Law. 1925, however, was certainly one of these stark choice elections.

The entire circumstances...are without precedent: the lead given by the Prime Minister...was superb; the support given to the government...by the powerful press of this country was overwhelming in its strength and influence; the volume of voluntary work tendered by tens of thousands of earnest men and women in the Nationalist and Country Party and Labor Party was without parallel. Throughout Australia there was a feeling that nothing short of a record poll and an unequivocal verdict would meet the needs of a country which had reached the parting of the ways. The Government went to the people in the psychological moment in the life of a people and both the contending armies fought with an intensity which developed an extraordinary degree of public interest.47

So said other Nationalist activists and sympathisers. An accountant who examined Nationalist book-keeping for the election attributed the surprisingly low cost to the campaign's constituting "...probably the biggest voluntary effort ever made in a political way." A constituent writing to congratulate Groom on his re-election went so far as to state that "[D]uring the history of our land never has the results of an election been fraught with such possibilities and never were thousands of people so interested in the results." Another Groom supporter commented, "I never found a canvass so easy."48

48. E.A. Holden to Ivy Brookes, 10 Dec 1925, NLA MS 1924/19/504 (Holden did not specify the cost); James W. Curtis to Littleton Groom, 18 Nov 1925, Groom papers, NLA MS 236/2/3430; R.A. Howell to Groom, 16 Nov 1925, NLA MS 236/2/3456.
To what extent voters returned the Bruce-Page government because they believed its arguments about strikes and agitators is impossible to say. Certainly the congratulatory letters to Groom from his rural Queensland constituents reveal that some conservative-minded people adopted the language of the Nationalist campaign. E. Patrick of Crows Nest bade the government to "rid Australia of the Moskowitskies". J. Dean considered that the electorate had chosen "law and order and commonsense government." "I now hope," revealed Qantas founder, W.H. Fysh,

to see all extremists deported and all inflammable literature suppressed and industrial disputes settled within the law...In the secret ballot I would like to see married men given two votes to the single men's one, it is generally the young and irresponsible that favour strikes.

The hope and belief of the Reverend Samuel Atherton of Toowoomba was that "Prime Minister Bruce will effect a cleaning up of Australia now." According to Harold Thomsett, the result was "an undoubted expression of the people's opinion, in favour of the Empire and law and order." 49

If this mobilisation of opinion around the issue of industrial militancy had swung the Nationalists' 'natural constituency' behind them, and provided a cause which unified the disparate forces of non-Labor, the industrial victory

and political defeat of 1925 threatened to intensify the divisions within the Labor Party. The new Governor General, Lord Stonehaven, commented that "[T]here is a devil of a fight going on in the Labour Party between the Communists and the real labour men, but no results to report yet." W.G. Spence predicted before polling that a severe defeat would precipitate for Labor a "purification from all disrupting elements." Former Hughes minister Walter Massy Greene considered Labor's failure would prompt "the searching of hearts" and an eventual split between moderates and "extreme industrialists". Labor "may succeed in avoiding an open breach now. I think it must come sooner or later."

Three weeks after polling day the High Court forbade the deportation of Walsh and Johnson under the amended Immigration Act. This was the beginning of the steady decline of the Bruce-Page Government. Bruce had won two elections fighting an industrial law and order line, but his autocratic leadership, and the policies which he and his ministers, most importantly George Pearce, and the new attorney general, Latham, introduced to try to prevent strikes seemed, in the period between the 1925 and 1928 elections, to be causing as many problems for the government as for Labor and the unions. The government was divided on the issues of tariffs and arbitration, with Page and his colleagues favouring less of each. Many city Nationalists, in keeping with business opinion, were also becoming disenchanted with arbitration;

50. Lord Stonehaven to Lord Forster, 11 Dec 1925, Stonehaven papers, NLA MS 2127/1/55.
51. Herald [Melbourne], 29 Oct 1925, p. 6. W.G. Spence, founder Amalgamated Shearers' Union, 1886; general secretary AWU, 1894-1917; Labor MHR for Darling (NSW), 1901-17; Nationalist MHR for Dawin (Tas), 1917-19; Postmaster General, 1914-15;
52. Walter Massy Greene to W.M. Hughes, 19 Dec 1925. Hughes papers: NLA MS 1538/1/515.
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51. *Herald* [Melbourne], 29 Oct 1925, p. 6. W.G. Spence, founder Amalgamated Shearers' Union, 1886; general secretary AWU, 1894-1917; Labor MHR for Darling (NSW), 1901-17; Nationalist MHR for Darwin (Tas), 1917-19; Postmaster General, 1914-15;  
52. Walter Massy Greene to W.M. Hughes, 19 Dec 1925. Hughes papers: NLA MS 1538/1/515.
prominent) who regarded the policies and ethos of Bruce and his coterie as the antithesis of the early Commonwealth ideal of accommodation between capital and labour. So, Bruce's peremptory methods fuelled personal and ideological discontents on the backbench. Disaffected government members would later destroy his government. These internal problems were caused by politicians disagreeing on how to respond to more important troubles in the country and in the world. The government's economic advisers were beginning to apprehend public indebtedness and the contraction of international trade as serious dangers. Furthermore, bush grievances were deepened by poor international prices and difficulties in finding overseas markets.\textsuperscript{53} The industrial situation continued to deteriorate: there was another major wharf strike in December 1927; the marine cooks went out in March 1928, and by early June the strike affected all interstate shipping.\textsuperscript{54} Bruce's determination to keep the wheat ships moving was increased by the precariousness of Australia's export markets and, no doubt, the demands of the Country Party. The government's legalistic solutions aggravated maritime strife still further. \textit{Latham amended the Crimes Act to declare the Communist Party an illegal organisation}. A referendum to give the Commonwealth greater powers over industrial relations was rejected by the voters in September 1926.\textsuperscript{55} In October 1927 New South Wales voters elected a Nationalist-Country Party government under Thomas Bavin; but perhaps the removal from power of Lang, the villain of the \textit{Sydney Morning Herald}.


\textsuperscript{54} Cumpston, \textit{op. cit.}, p. 83.

\textsuperscript{55} \textit{Mercury}, 26 Sep 1926, p. 7.
was to the Federal government's disadvantage. 56 In the last days of the Parliament the government passed a one-paragraph Transport Workers Act granting regulatory power to licence transport workers (most importantly, wharf labourers) and to prohibit the employment of unlicensed workers. According to Bruce,

' [W]e'd had that legislation up our sleeves for some time. But we were as good as into the election. Parliament was practically dissolved when Pearce came to me one night and said: 'We've got to put that Licensing Bill through before we go the election."

Bruce's 1928 policy speech, delivered at the Boomerang Picture Theatre, Dandenong, on 8 October, was similar to his 1925 manifesto in that it concerned industrial unrest and the necessity to maintain law and order (before the start of the speech, Bruce condemned the "revolt" of the WWF.)58 This time, however, Bruce seemed to apprehend the approach of war; and to re-affirm his commitment to the White Australia policy with even greater vehemence. The Prime Minister began by outlining the ideals of Nationalism: loyalty to Crown and Empire; strong defence, most importantly, through the Royal Navy; a White Australia; constitutional government, and the rule of law.59 The way Bruce developed each of these points revealed some of the new pre-occupations of the late 1920s. Bruce hailed the Empire's role as "the greatest force in the world for peace...the mainstay of the League of Nations"

56. SMH, 10 Oct 1927, p. 11.
57. Bruce and Latham were reluctant to introduce the Bill so late, but Pearce prevailed. Latham drafted the Bill. Edwards, op. cit., p. 145.
59. Ibid., pp. 3-4.
and a leader in disarmament. No one could doubt the Nationalists' commitment to this protective British union, but Labor's views were "differing and uncertain"; some Labor people favoured the Empire's destruction, and therefore the destruction of Australia "as a white democracy". On defence, Bruce pledged support for the League of Nations, disarmament, and the recently-signed "Pact for the Outlawing of War"; and, despite these hopeful and pacifistic sentiments, warned against Labor's own mixture of pacifism and wishful thinking: namely, avoiding the need for a substantial army through complete reliance on aeroplanes and submarines. Nor, the Prime Minister continued, could Labor be trusted to keep Australia white when its fraternal Australian Council of Trade Unions was affiliated to the Pan-Pacific Trade Union Secretariat, which opposed immigration restriction. The parliamentary Labor Party's failure to deal with transgressions such as the PPTUS affiliation demonstrated the labour movement's domination by "a few extremists who are avowedly un-Australian in inspiration, sentiment and outlook." These were presumably the same "men in our midst" whose ambitions to substitute soviet for parliament endangered the survival of cherished institutions of authority.

Having outlined Nationalist ideals, magnificent yet so fragile, Bruce explained his policies for aggrandising Australia, "the greatest undeveloped whiteman's country". National development, like the Empire, was essential not only for

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60. Ibid., 4-5.
prosperity but for security. "If the ideal of world's peace is not realised, we may be called upon to defend this great heritage." To expand population and production Australia needed many immigrants, of the right sort. The government had maintained the British proportion at ninety eight percent: in claiming otherwise the Labor Party "played upon the prejudices and ignorance of the people." Furthermore, the Opposition had warned that the government's decision to end cabotage by repealing the coastal clauses of the Navigation Act would allow the substitution of coloured for white Australian crews on coastal voyages, but the Government would prevent this by introducing prohibitive tariffs. Development also depended on industrial peace: Bruce would convene a conference to foster amity and co-operation. He also pledged to found a national insurance scheme, and labour exchanges; and, once the Royal Commission on the Constitution had reported, to seek a referendum to endorse its recommendations. The government had placed the Commonwealth Shipping Line under the control of an independent board in 1923, and had since then saved half a million pounds each year. After all this detail, the Prime Minister concluded with a rhetorical flourish:

Today, Australia is being challenged by extremists who are seeking to disrupt the Empire; who are fomenting trouble in trade and industry, and are working insidiously to overthrow our national institutions. With these men there can be no compromise. We throw down the gage of battle, determined to keep the Empire

63. Ibid., pp. 13 & 46.
64. Ibid., pp. 18-19.
65. Ibid., p. 21.
66. Ibid., pp. 29-31; 32; 39; 35. Bruce proposed that the national insurance scheme should be administered by friendly societies and insurance companies, and distribute funds contributed by the Commonwealth, employers, and employees.
united, Australia white, the Law supreme, and our policies and institutions pure.67

Defeated in 1925 by a campaign featuring just this sort of rhetoric, the ageing Mathew Charlton had resigned in April 1928; the new Opposition leader, J.H. Scullin had delivered Labor's policy speech in Richmond Town Hall on 4 October. Bruce's and Scullin's speeches were similar in the conventional wisdoms each espoused. Scullin, like Bruce, refused to compromise on white Australia, and preferred prosperity to poverty, peace to war.

The possibility of another war, in which new scientific discoveries would be employed to serve the most destructive purposes, are too horrible to contemplate.68

Some differences emerged in the detail of policy. While Nationalists favoured co-operation with the Royal Navy, Labor's defence program - the main proposal was to improve coast-interior air routes - emphasised self-reliance and civilian economic benefit; and, as mentioned above, rested mostly on the use of aeroplanes and submarines.69 Scullin railed against financial laxity

67. Ibid., p. 51.
69. Ibid., Commonwealth Bank: p. 9; Land Tax: pp, 7-8; shipping: p.13; Aboriginal policy: 20; defence: p.19. J.M McCarthy comments that the Labor Party made much of the role of air power because aeroplanes (and submarines) seemed to promise a relatively cheap form of defence. Furthermore, Labor was attracted to air defence for reasons which derived from the Imperial and anti-Imperial politics of World War One: fuel constrained aircraft to fly only short distances; for this reason the aeroplane seemed suitable for defence sorties from the coast, but not for Imperial operations in Europe or the Middle East. Furthermore, personnel
(rising taxes and debt) in language - notably the great swear word "drift" - which would in 1930-31 characterise conservative attacks on his own government. The Labor leader, however, blamed excessive overseas borrowing and inadequate tariff protection, whereas non-Labor critics tended to denounce industrial unrest. Scullin's faith in the state as a force for egalitarian reform was evident in proposals to extend the operations of the Commonwealth Bank in order to make it a "people's bank" (Scullin did not explain what that meant); to rescind reductions in the Land Tax; and also in his criticism of the sale of the National Shipping Line, which had placed shipping costs "at the mercy of wealthy sea lords". There was also a pledge on Aboriginal welfare: Scullin promised to acquire more land for reserves, but to discontinue segregation. Returning to his main theme, the living standards of white Australian citizens, Scullin introduced populist arguments: the lords of capital, he insisted, dominated the Nationalist Party as surely as they dominated Australia's sea-links with the world. The Nationalists had adopted the Labor Party structure of platform and conference. "But behind the operations of this apparently harmless machinery is the dominant influence of wealth gathered into the hands of a few masters, who are the real makers of the Anti-Labor policy." Scullin must have known that industrial relations would be one of the main election issues, and it was on this question that he pointedly differentiated between Nationalist and Labor policy. Bruce had spoken of the need for conciliation, but spoke more of criminal sanctions against the agitators who, Nationalists averred, fomented strikes. They were few and highly trained: no government could conscript an airforce. The Federal caucus rarely discussed defence. This changed circa 1936 ("The Australian Labor Party and the Armed Services: Theory and Practice", Labour History, No. 25, Nov 1973, pp. 62-3) as we shall see in chapter 6.

70. Labor Policy for the Commonwealth, pp. 5-6.
71. Ibid., p. 21.
respectable and legitimate, Scullin told his Richmond audience, as he promised to amend the Crimes and Immigration Acts so that these laws would "apply only to criminals, and not to decent working men".72

Union rights, male unemployment, and racial purity were prominent issues in the Labor campaign. The Westralian Worker warned that the purpose of the Transport Workers Act

...was to smash the unions concerned, just as Mussolini, who is so much admired by Mr Bruce, did in Italy....When men are to be employed only and solely because they are licensed to work it is an end to unionism... If the Labor movement does not stir itself to the utmost to change the government in the next Federal Parliament the next three years may see no liberty at all left to the workers.73

Addressing a meeting at Queanbeyan, Labor candidate John Cusack accused the government of favouring wealth with its reductions in the land tax, and encouraging immigration at the expense of sounder methods of increasing population: child endowment and free education. Immigration cost men jobs. "An unparalleled number of [the] virile manhood of Australia is seen today 'Waltzing Matilda'."74

72. Ibid., p. 16.
73. Westralian Worker, 12 Oct 1928, p. 4.
74. Queanbeyan Age, 9 Oct 1929. No page numbers.
Much of the Nationalist campaign concentrated on strikes and subversion, but there was also a strong positive emphasis on welfare and prosperity. The government's national insurance promised to assuage the "...two chief fears of the small wage or salary man...sickness and old age." The scheme would provide old age, permanent disability, widow's, and orphan's benefits. Ordinarily men and their families would also profit from the £20, 000, 000 provided by the Commonwealth to the States for home loans: "[H]ome proprietorship by periodical payments is the desire of the average man...." 'Vote for Nationalism and progress' implored one pamphlet, which featured a graph charting the growth of per capita factory production and wages. These benefits, however, were threatened. Speaking at Marrickville, Bruce deplored industrial unrest as a manifestation of division and selfishness which dishonoured the common purpose of the war years, and inhibited Australia's economic development:

...if the people today remembered the sacrifices made in the war by the men who fought at the front, and by the women at home, it was not likely that they would allow to continue some of the conditions existing at the present time, when class was being set against class, when there was dislocation in industry....The greatest necessity in Australia today was that the discontent which existed as a result of the efforts of the extremist agitators should be got rid of, and that the people should settle down to the task of developing the country, which had possibilities of future development which no other country had ever known.

75. You Are Entitled to Comfort in Old Age, Sydney, 1928. Sickness benefits (per week) were to be set at 27/6 for male adults and married minors; 20/- for female adults and married minors; and 15/0- for unmarried minors of either sex.
76. £20, 000, 000 for Homes for the People, Sydney, 1928.
77. Smoking Chimneys and Ringing Anvils, Sydney, 1928.
78. Sydney Morning Herald, 15 Oct 1928, p. 12. Bruce was introduced by the Mayor of Marrickville as a man who had "done his bit" in the war.
Nationalist leaders clearly hoped that the 1928 poll would be dominated, as the last had been, by the issue of strikes and Communism. Literature contained much prosaic information and argument on topics such as taxes and debt, and also some conspiratorial linkage between Communism with miscegenation. "THE ISSUES WHICH FACE THE ELECTORS TODAY ARE OF A SIMILAR CHARACTER TO THOSE OF 1925", announced Nationalist speakers' notes, hopefully.79 Once again, Nationalist threat and loyalty rhetoric emphasised the nexus between Labor and Communism, and the global dimensions of organised revolutionary socialism. ""The shadow of Communism is over the Labor movement"" warned a Nationalist pamphlet, quoting the 1924 annual report of the Sydney Trades and Labour Council. That the shadow was cast by an international revolutionary organisation was implied by Pravda's hailing strikes in Australia, Poland and Czechoslovakia as part of a new global surge of proletarian militancy. The cover of the pamphlet showed the red flag and the Union Jack crossed, and asked 'Under Which Flag?' Clearly, the Empire was the only union strong enough to shield Australia from such a far-reaching conspiracy: "[S]tand by Australia and the Empire: Vote Nationalist."80

Jock Garden provided evidence for Labor's entanglement with Australian communists, and Australian Communists' subordination to Russian Communists. In 1925 the scandals surrounding the British Labour Party and Communism had featured in government propaganda; in 1928, the 'anti-

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white Australia' Pan-Pacific Trade Union Secretariat was prominent. As in 1925, Garden's boast to Comintern delegates in Moscow, 1923, of controlling the majority of New South Wales unionists was repeated in speakers' notes. A new twist was provided by Garden's membership of the committee assisting Theodore as campaign director, and his editorship of the *Pan-Pacific Worker*. The PPTUS was "...another Moscow offshoot - which aims to link up the black, yellow and brindled races bordering the Pacific...to forward the propagation of revolutionary socialism." 81 ACTU affiliation brought this danger closer to home; Scullin refused to comment on the issue. By voting against Labor politicians who "are concurring in or at least are not resenting" ACTU membership of the Secretariat, workers would be "repudiating" the PPTUS "and all its works".82 The front of one pamphlet showed a cartoon of Garden as a red rooster perching on the ACTU roof; looking over the fence were two sinister faces, Russian and Chinese. The caption quoted Garden: "'We of Sydney want Internationalism....We want to help all our brothers - black, brown or brindle''; and responded: "Australians are not 'Brindles'".83 Nationalist campaigners felt obliged to admit the moderation of Scullin's personal views, but insisted that he was compelled to follow the Labor platform or be dismissed; thus he was the captive of the extremists who had gained control of the Party and union bureaucracies.84

82. Ibid., p. 140.
83. *Keep Australia White*, Sydney, 1928. Under the heading 'European Aliens // Checking the Influx' the pamphlet also that "[T]he 'ninety eight percent British' principle has never been in jeopardy."
84. *Judge a Man by the Company he Keeps*, Sydney, 1928.
This matter-of-fact comment on the South Australian campaign by the Liberal Federation president and prominent backbencher, J. Duncan-Hughes, suggests the advantages which government campaigners believed the maritime strike provided.

The strike has of course made a great difference to things here, on the political side as well as others: when I got back here it seemed to me that our people hadn't wakened up to the position- but they have now, and for the moment are quite tolerably disposed to the Liberals, - seem to have temporarily quite forgotten about the taxation put on by the State Liberal Government!...Parsons has of course been out some time flitting from township to village, telling them (I suspect) less of what he will do in the future than of his great deeds during the last Parl.; Verran is roaring against the 'dirty rebels ' in a way which out-Fosters Foster and with great effect; Lucas - who at the moment is my mate - holds forth, less successfully, about Russia, China, America and the Pan Pacific Sect.t!85

The government was returned, but lost 7 seats to Labor, including Duncan-Hughes'.

The Westralian Worker took comfort in an apparent "censure" of Bruce's provocation of the WWF and his attempt to exploit the unpopularity of the resulting strike. The Nationalists had lost those seats "most closely associated with the issues on which he forced the popular judgement" - that is, urban

85. J. Duncan-Hughes to J. Latham, 17 Oct 1928. Latham papers, NLS MS 1009/1/1830. John Duncan-Hughes, MHR for Boothby (SA), 1922-28; for Wakefield (SA), 1940-43; Senator (SA), 1931-38; Walter Parsons, MHR for Angas (SA), 1925-29; John Verran, Senator (SA), 1927-28. I have been unable to identify Lucas.
seats were lost on industrial relations issues. Frederic Eggleston commented, "[T]he strike certainly did not have the effect on the elections which was anticipated. It dominated the discussion on the hustings but evidently deeper considerations were operating." These were intimations of economic malaise: tariffs which had not produced profitable export industries; the failure of closer settlement; and the stagnation of real wages: "...the people were feeling a pinch which their leaders had not admitted to exist." There was "a feeling of doubt about our prosperity": the weakness of the interwar orthodoxies of rural subsidy and industrial protectionism was a common theme in Eggleston's writing, although on this occasion he also attached much weight to the unpopularity of taxes imposed by Nationalist governments in South Australia and New South Wales, the states where Labor gained the greatest number of lower house seats from the government.

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**Elections for the House of Representatives, 1925 & 1928**

86. *Westralian Worker*, 23 Nov 1928, p. 3. Wharf strikes, however, were generally more unpopular in farming than in urban electorates.

87. *Australian Quarterly*, vol. 1, No. 1, Mar 1929, pp. 13 & 20; Osmond, op. cit., p. 149. Frederic Eggleston, lawyer, writer, politician, and diplomat, was prominent in the Round Table movement, and the Bureau of Social and International Affairs, and wrote frequently on Australian public life. He was independent Liberal, then Nationalist MLA for St Kilda, 1920-27; Minister of Railways, 1924-26; Attorney General and Solicitor General, 1924-27; Chairman Commonwealth Grants Commission, 1933-41; Minister to China, 1941-44; Minister to the United States of America, 1944-46; Kt. 1941.

88. Hughes & Graham, op. cit., pp. 331 & 337.
Round Table's correspondent remarked that the attempts by Nationalists and Labor to defend the white Australia policy, the entrenchment of which in the Australian political settlement no one could seriously doubt, gave the campaign an unreal quality; perhaps this was why the election proved "one of the dullest on record".\textsuperscript{89} Round Table attributed Labor's good performance in New South Wales not only to the Bavin government's tax proposals, but to State government members canvassing a reduction in the basic wage. Wage cuts provided Labor with a false and effective "'election cry'...Australian politicians know that seat are won and lost on emotional appeals." Round Table reported on other explanations which people had advanced for the Nationalist losses, including the fear of Italian immigration; the (unspecified) discontent of the outlying states (West Australia, South Australia and Tasmania); government extravagance; and particularly, unemployment. The Labor Party, however, was still distrusted by voters because of its connections with the wharf strike, conflict between and the Party and the AWU, and the prevalence of extremism.\textsuperscript{90}

Not surprisingly, defeated New South Wales members, such as Thomas Ley, blamed the Bavin government's insensitivity. Elliot Johnson also attributed his defeat to

Mr Piddington's declaration as to the probable reduction of the basic wage for New South Wales and [to] the unpopularity of the

\textsuperscript{89} Round Table, vol. 19, Dec 1928, p. 416.\textsuperscript{90} Ibid., pp 422-23.
Duncan-Hughes was disappointed in the effect of the strike, and in the reputation of the South Australian Liberal government:

...it is true that the strike was temporarily in abeyance, but the excitement of it was only just passed and might fairly have been expected to outweigh the fact that Liberals were not popular here on the Federal side and distinctly unpopular on the State.92

Eggleston had commented in the March 1929 Australian Quarterly that the swing against the government had been a reaction to an economic downturn which the government had failed to address. This was also the advice he gave privately to Latham:

....I think you are in for a very difficult time. The finances of the States are so bad, and the failure of government intervention in economics is so conspicuous that I don’t think any government can do what ought to be done without losing office. You people

91. Thomas Ley to Littleton Groom, 26 Nov 1928. NLA MS 236/1/2833. Ley admitted that his seat was marginal, but told Groom that he did not expect to lose it in 1928. Thomas Ley, MLA for Hurstville (NSW), 1917-25; Minister for Public Instruction, Labour and Industry, 1921; Justice, 1922-25; member for Barton, 1925-28. Elliot Johnson to Littleton Groom, 22 Nov 1928. NLA MS 236/1/2827. Johnson described Lang as comprising roughly equal proportions of industrial workers and middle class public servants; Sir William (Elliot) Johnson, MHR for Lang (NSW), 1903-28; Speaker of the House of Representatives, 1913-14; KCMG, 1920; Albert Piddington, NSW Industrial Commissioner, 1926-27; President, Industrial Commission, 1927-32.
92. J. Duncan-Hughes to J. Latham, 31 Dec 1928. NLA MS 1009/1/1847-50.
Latham insisted that the people had indeed been prepared: Bruce had made no significant promises and had foreshadowed an enquiry into tariffs - the aspect of economic policy which, along with arbitration, was most frequently criticised by proponents of laissez faire solutions to the late 1920s malaise. He agreed, however, that 1929 would be a difficult year.94 As it transpired, the radical 'change in policy' which the Prime Minister took in response to the slide to depression forced the government to contest another election less than a year after its return.

In the late 1920s doubts about the viability of the Australian economy led to a restriction of borrowing in London, and the resulting retrenchment in State public works caused unemployment to rise. Bruce told the Premiers Conference in May that the current recession was worse than previous slumps and, unlike these, would not be cured by a good season. Falls in commodity prices were compounded by an intensification in overseas competition, but Bruce had decided that the essential cause of the problem was industrial conflict and excessive wages.95 He blamed strikes for high costs and dual control for strikes, and asked the Premiers to cede industrial powers to the Commonwealth. When they refused he announced a panacea: the
government would withdraw Commonwealth responsibility for arbitration in all except maritime industries. Then he notified Nationalist members of his decision.96

At the Premiers’ Conference Bruce was able to cite two current strikes in the timber and coal industries as evidence that the Federal industrial relations system had failed utterly to produce industrial peace. In January, Justice Lukin of the Federal Arbitration court handed down an award for the Timberworkers’ Union which increased the working week from forty four to forty eight hours, made piece work obligatory, and substituted juvenile for adult labour.97 Unionists in New South Wales, Victoria, South Australia and Tasmania refused to work under the new award, and their employers locked them out. The labour movement regarded the Lukin award as particularly harsh. Other unions levied their members for timber workers’ strike pay, and Labor parliamentarians upheld the union’s refusal to work under the new award.98 Theodore, who had been elected deputy leader in February initially

96. Dagmar Carboch, *The Fall of the Bruce -Page Government*, Melbourne, 1958, p. 141. “This will unquestionably cause about the biggest political turmoil we have ever had in Australia.’’, Bruce confided to Casey, 22 May 1929 cited Richmond, *op. cit.*, p. 253. Richard Casey: political liaison officer, London, 1924-27, 1927-31; MHR for Corio (Vic), 1931-40; Honorary Minister 1933-35; Treasurer, 1935-39; Minister for Development, 1939-40; Australian Minister to the United States, 1940; Minister of State for the United Kingdom in the Middle East, 1940-44; Governor of Bengal, 1944-46; President of the Liberal Party, 1947-49; member for La Trobe (Vic), 1949-60; Minister for Works and Housing, 1949-51; for Supply and Development, 1949-50; in charge of CSIRO, 1950-60; for External Affairs, 1951-60; Governor General, 1965-69; GCMG, 1965; life peerage, 1966.
97. Lionel Lukin (1868-1944), justice of the Queensland Supreme Court, 1910-26; justice of the Commonwealth Court of Arbitration and Conciliation, 1926-30.
98. NSW labour regarded the Lukin award as the first step in a general campaign to increase hours for New South Wales following the reductions made during the Lang government, 1925-27. Lukin’s award was also part of the reduction in the late 1920s of the relatively generous conditions established by Justice Higgins, whose court had awarded a reduction of the working week from forty eight to forty four hours in 1920. Miriam Dixson, ‘The Timber Strike of 1929’, *Historical Studies*, vol 10, No. 40, May 1963, pp. 479-81.
"played a prominent part" in supporting the strike, telling a meeting at the Sydney Town Hall,

'I am a believer in Arbitration...but not Arbitration as it is perverted by the Bruce government...as it has been administered by the prejudiced court which makes crimes of those claims that are only the workers' due.'

Using the powers granted by the 1928 amendment of the Conciliation and Arbitration Act, Lukin ordered a secret ballot. Garden led a wild scene in which workers burned ballot papers in front of the Trades Hall, and then marched to the Domain and hanged the judge in effigy. The forty percent of papers which were returned showed a heavy 'no' majority. Lukin alleged corruption of the ballot. Further attempts to use the government's industrial legislation to quash the strike failed: the Federal Court fined the Timber Workers £1000 for striking against an award, and Victorian Trades Hall secretary E.J. Holloway £50 for inciting them. Neither fine was collected. Recession stacked the odds against the union: the timber business was slow, and employers were able to recruit strike-breakers from among the growing number of unemployed; the timber workers returned under the new award in June (Victoria) and October (New South Wales), but not before there had been violent confrontations between pickets, non-union workers, and police. The

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99. Sydney Morning Herald, 19 February 1929, cited Fitzgerald, op. cit., p. 219. Theodore, fearful of the unpopularity, drew back from public support for the strike but later "reluctantly withdrew from the dispute as much for political expediency as anything else, thus angering those Labor supporters who expected more of him." Ibid.
violence associated with the strike - especially intimidation by the 'basher gangs' - was heavily publicised by the Bavin and Bruce-Page governments.100

The timber strike provided grounds for Nationalist politicians to complain of Labor complicity in union lawlessness. Bruce's policy on the coal dispute, which began in the northern New South Wales fields in February, gave Labor politicians all the evidence they could wish of the Nationalists' plutocratic bias. Ten thousand miners had been locked out by the Northern Collieries Association, which insisted that pay reductions were the only way to keep the industry working. Repeated attempts were made to resolve the dispute in federal Arbitration Court hearings and conferences, but each side was intransigent.101 Latham had initiated a prosecution of one of the colliery owners, John Brown, for breaching an award under the Industrial Peace Act, but in April Bruce announced that the government had decided to withdraw the action because prosecution was unlikely to succeed, and would not resolve the dispute. It transpired later that the chairman of the Association, Charles McDonald, had made it clear to Bruce that negotiations could not succeed under the shadow of prosecution.102 The government had been zealous in prosecuting unionists, and this leniency caused an outcry.

100. Holloway was prosecuted under the War Precautions Repeal Act (1920). Dixson, op. cit., pp. 484-89; Carboch, op. cit., pp. 130-31.
The government's embarrassment increased when Parliament resumed in August. Theodore based a no-confidence motion on the government's partial administration of justice. The government response was, again, that prosecution was futile and Labor's criticism hypocritical: if the gambit had succeeded there would have been no complaints. Theodore made a wide-ranging attack in which he alleged that the Bruce-Page governments had always treated the rich with clemency (he cited the withdrawal of the prosecutions for tax evasion against the Abrahams brothers) and the workers with severity, as was shown by the jailing of Seamen's Union official Jacob Johnson. Hughes and three other Nationalists sided with Labor and the government won by only four votes.

In the same session Page brought down his budget, which instead of the estimated surplus carried a large deficit - an outcome he attributed to an unexpected shortfall in customs revenue. His remedies were a five percent tax on the gross receipts of amusements business, mostly cinemas, taking in over £100 per week; and an excise on luxuries - including those popular staples, beer, spirits, and tobacco. The balancing of budgets was widely considered to be a moral as well as an economic virtue and the government's credibility suffered greatly as a result of this debacle.

103. Carboch, _op. cit._, p. 137
105. Carboch, _op. cit._, p. 139.
106. The estimated surplus had been £12, 996, and the deficit was £2, 358, 975. _Ibid._ p. 140.
The budget was never debated in this parliament, however. On 23 August Bruce introduced the Maritime Industries Bill to create a new tribunal to arbitrate in maritime industrial disputes under the Commonwealth's foreign and interstate trade, rather than industrial powers. The Bill would have repealed the Conciliation and Arbitration, and Industrial Peace Acts - "a legal and industrial revolution."107 This break with the past provoked genuine disquiet in Nationalist ranks: "[T]he old liberalism that Mr Deakin stood for is dying", lamented Massy Greene.108 Abolition also provided the opportunity for a group of members who nursed personal grievances against the government to have their revenge. The Bill passed its second reading, but due to the rebellion of Hughes and several other Nationalists was defeated in Committee. Bruce, as he had warned the House, treated this as a vote of no-confidence and on 12 September secured a dissolution of Parliament.109 The election was dominated by this extraordinary adventure in rightwing radicalism.

Bruce's policy speech, delivered, once again, at the Boomerang Picture Theatre, Dandenong, was exclusively concerned with industrial relations. The Prime Minister argued that his policy was designed to bring about 'Sanity in Industry': cessation of disputes, "continuity of work"; and "the highest...[wages and conditions]...industry can provide".110 Opponents had tried to misrepresent the Maritime Industries Bill; Bruce explained that its purpose was simply to

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109. Ibid. p. 311.
110. Sanity in Industry, Melbourne, 18 Sep 1929, p. 1. Capitalised phrases are from the subheadings to this pamphlet.
ensure that State and Commonwealth parliaments should legislate only for those industries over which they possessed Constitutional powers.111 The Prime Minister explained how the present strike-prone system had developed. The 'Evils of the Past' - sweating, the great strikes of the 1890s - had led to arbitration; but Colonial politicians had been reluctant to cede functions to the new Commonwealth, which acquired a power limited to interstate disputes.112 Unions seeking access to Federal arbitration created 'Artificial [interstate] Disputes', which resulted in the overlapping of State and Federal jurisdictions (that is, one workplace or industry and two or more jurisdictions). The result was "confusion, wasteful expense, and constant industrial friction".113

Bruce then explained why drastic action was both necessary, and justified by an electoral mandate. Prospects for constitutional reform were poor: the electorate had rejected augmentations of the Commonwealth industrial powers in 1911, 1913, 1919 and 1926. The government had done it all it could: consistently urging industrial co-operation; trying unsuccessfully to negotiate a more sensible division of State-Commonwealth responsibilities; and, since 1925, introducing laws "to improve the machinery dealing with industrial matters" - most recently the Transport Workers, and Conciliation and Arbitration Amendment Acts (1928) which were designed to reduce 'overlapping', promote conciliation, enforce compliance with awards, and ensure membership control of unions.114 The government's mandate to use its new legislation, however, had been frustrated by the timber workers' violent

111. Ibid., p. 3.
112. Ibid., pp. 3-6.
113. Ibid., p. 7.
114. Ibid., pp. 8-9.
defiance of the Federal Court. Without a police force the Commonwealth could not protect "citizens" against these "outrages"; the States had police but no jurisdiction. The timber dispute provided final proof of the lawlessness endemic in Federal arbitration.115 "The fundamental principle of Arbitration is legal acceptance of the awards of the Court, whether these awards are favourable or not."116 Other unions had flouted this principle by raising a levy for the Timber Workers; Labor politicians lacked the courage to denounce the strikers. Yet despite this defiance of arbitration, the success of the Transport Workers Act in promoting award obedience and "continuity of work" on the waterfront had demonstrated the efficacy of laws made under the trade and commerce power.117 In sum, Bruce averred, the government had tried its utmost to make arbitration work but had been frustrated by extremists who "exploited for their own ends the spirit of loyalty in trade unionism."118 Recent strikes had dislocated industry, compounding other economic problems: scarce and expensive credit; falling revenue, and wheat and wool prices; increasing competition from overseas manufactures; rising unemployment.

All these factors contributed to the realisation that there was something wrong in our industrial and economic life, and that we must take some action immediately to remedy the position.119

115. The Brisbane Courier (19 Sep, p. 13) gave the headline 'How Federal Arbitration was Ruined by Union Extremists' to its report of Bruce's policy speech.
116. Sanity in Industry, p. 11.
117. Ibid., p.12.
118. Ibid., p. 13.
Bruce anticipated the Labor argument that the government would reduce wages. He pointed out that Federal awards did not produce uniform conditions: only twelve of one hundred and fifty four applied in all States. But in any case, the government's policy would raise living standards. In place of the nominal wage increases of recent years, which had been rapidly eroded by inflation, the reduction in strikes would lower production costs and bring about a fall in the cost of living and a real improvement in standards. Nationalists would remove "obstacles" to Australia's economic development, and Bruce concluded by asking voters (especially "the workers") to consider his proposals "carefully and dispassionately". If they did so they would see that the government's objects were to strengthen rather than weaken "industrial regulation"; "protect and advance the standard of living"; foster co-operation and amity; and remove "pressing problems in our industrial and economic life".120

Scullin delivered his policy speech at the Richmond Theatre, Melbourne, on 19 September.121 Bruce had acknowledged that the problems of sweating and strikes had in the 1890s and early Commonwealth period required statesmen to create the means of intervening in labour relations, but concentrated on the ruination of the Federal system in the 1920s by artificial disputes and the defiance of powerless tribunals. Scullin briefly alluded to contemporary

120. Ibid., pp. 22-23.
121. The following account of Scullin's speech is from Labor Call, 26 Sep 1929, p. 2.
120. For example, very similar arguments were made by the Country-Nationalist candidate for Moreton, Joseph Francis, and Sir George Pearce. Brisbane Courier, 25 Sep 1929, p. 19. West Australian, 26 Sep 1929, pp. 19-20.
imperfections but affirmed the past and present greatness of arbitration. He rallied Labor to defend

....one of the proudest pages in our book of nationhood....In this we have led the world. It has been a giant task. Probably there are few in this room who remember the beginnings of it - few who remember the great men who in the early days of Federation set upon our feet upon the path of progress. What would these men, if they were living to-day, say of the attempt to undermine the whole superstructure so laboriously built up on the foundations that were laid a quarter of a century ago.

Scullin hoped by evoking history to inspire his followers to defend arbitration for its value in the present. Bruce, he recalled, had proclaimed his belief in the principal of arbitration, but

[B]ecause the system is not perfect, because it still needs mending, he would end it, and cast hundreds of thousands of workers into the open economic ring, where for years wage-earners fought so many unequal fights.

The inconsistency of government industrial relations policy, and its unfair and incompetent financial management, provided Scullin's other points. The Nationalists claimed a mandate for repeal: this should be rejected as "an insult to the intelligence of every thinking man and woman", for the government had been returned in 1928 with a mandate to retain Federal arbitration. Furthermore, Bruce's and Latham's statements gave the lie to their policy: the
former had maintained that shearing and shipping were not the only nationally-significant industries; the latter had admitted at the close of the last Parliament that abolition would exacerbate industrial conflict, and that most Federally-registered unions were peaceable. Abolition, however, was not to be welcomed even as an end to the punitive and one-sided legislative program engineered by the attorney-general. The same unfairness was manifested in the government’s fiscal policy. The amusements tax and new excises drew money from “the mass of the people, irrespective of the amount of their income.” But “...the first thing to be done is to save Arbitration. Return the Labor Party to power and you will have saved that. The rest will follow.” He concluded by warning of the powerful commercial and financial forces behind the Ministry that would seek to dictate the policy of the nation, and would at this time in our history put the clock back thirty years and more to repeat the evils of the nineties. It was out of the terror and travails of those times that the Labor Party was born. Those days will not return, because the people of Australia have resolved that the men who spent their lives fighting for the righting of our wrongs shall not have fought and suffered in vain. (Cheers).

Government candidates generally repeated the points made in Bruce’s policy speech, and added local variations. They claimed that the current system had produced few benefits for workers; denied that Federal withdrawal would

122. Facts for Use of National Campaign Workers, Melbourne, 1929, p. 1. These notes reiterated many of the justifications for the abolition of Federal arbitration which Bruce had advanced in his policy speech, for example that: the government had intimated that Federal arbitration could be abolished - Ibid, (3-4); Federal arbitration was unnecessary to protect conditions (6 &32); the Transport Workers’ Act demonstrated that the Trade and Commerce power could be used to prevent maritime strikes (11); the timber strike finally demonstrated the worthlessness of Federal arbitration (21).
degrade wages and conditions; and asked voters to support a policy of strength. Nationalist speakers' notes opened with a statement of the Party's philosophy of industrial life.

It is the right of every man to work...without interruption at the task he has chosen in life; to know that, so long as he continues to give of his best, others cannot embroil him in their quarrels; and to know that his home will remain reasonably free from the poverty induced by industrial strife.123

The damage which industrial conflicts inflicted on working class living standards featured in the Nationalist campaign. One frequently repeated statistic was the £18,000,000 of wages lost in strikes since 1911. That "[T]he workers" had only gained seven and a half pence per day in the past eighteen years made Federal Arbitration The Great Illusion, according to one pamphlet.124 The candidate for Oxley, J.G. Bayley, told the Queensland Women's Electoral League that the coal miners had already lost £1 200 00 in wages; if they had accepted the owners' wage reductions they would only have been £120 000 out of pocket.125

123. Ibid., p. 1.
As well as criticising the status quo, the composers of Nationalist literature defended their proposals for change. They were particularly concerned to assuage fears about the basic wage.

Don’t be misled. The basic wage will not be repealed either Federally or in the States. The Labor Party is trying to gull the workers with this catch-cry....the workers of Australia will be amply protected under the proposed STATE CONTROL....THE BASIC WAGE IS NOT IN DANGER.126

The government campaign also stressed that Nationalist policy was resolute and deserved popular support in this time of national trouble: “The Prime Minister...now asks you to strengthen his hand in his endeavour to stop the disruption that is caused by the conflict between Federal and State Awards.” Devolution promised to “end this confusion in favour of a system of single authority”.127 A self-styled ‘old pioneer of Queensland’ told the Brisbane Courier that

...one award is quite sufficient for Queensland....Queensland ought to be sick and tired of strikes. We remember the sugar strike, when farmers were compelled to step in and safeguard their produce. Then take the timber workers. A free labourer isn’t sure of his life because of bomb-throwing etc. Let us strive for peace by all means. Strikes are only a waste of money to the workers and to the country in general.128

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126. The Great Illusion. Victory bore the headline: ‘No Reduction in Basic Wage’
128. letter from H. Heinemann, Mt Cotton, Brisbane Courier, 9 Oct 1929, p. 12.
Western Australian Nationalists contended that the State Court could provide jurisdiction which was cheaper (there would be no need to send advocates to the Eastern states) and, because the State justices knew local conditions, more acceptable to unionists and managers. Federal arbitration was an Eastern states evil. Confusion between State and Federal courts, explained Archdale Parkhill, in a column for the *Sunday Times* [Sydney], ensured that "no respect is accorded either". Yet,

[T]here is in our Midst the will to industrial peace. The problem is how to make that will prevail, and to check those agitators, who see in Fed Arbitration a refuge from law and order. The States can take measures to police their awards; the Commonwealth is too far removed from the industrial field to be able to act in that way.

These were some of the positive arguments. The government also sought to undermine the opposition's credibility as a guardian of Arbitration: Labor politicians hypocritically claimed to support a system which they and their militant unionist comrades had damaged beyond repair. Speakers' notes quoted denunciations of the Timber Workers award by J.S. Garden, Senator Arthur Rae: "[I]t [the Lukin Award] is a law made to be broken. Workers should consider it a duty to break it. E.G. Theodore, now deputy leader of the FPLP, was quoted as saying, "I agree heartily with the action taken by the

131. Ibid. See also: *Brisbane Courier*, 8 Oct 1929, p. 17; *Brisbane Courier*, 26 Sep 1929, p. 15.
Timber Workers of Australia. I believe in Arbitration, BUT NOT ARBITRATION AS ADMINISTERED BY A PREJUDICED COURT." All these statements were evidence of the labour movement's "contempt for law". 132 Facts also reproduced unionist denunciations of Arbitration as a bourgeois sop as evidence that allies of the Labor Party were bitterly opposed to the regimen which that Party claimed to defend.133

Nationalists depicted Scullin as moderate but weak, and the Sydney Trades Hall Reds, and Theodore, as the real powers in Labor Party. Bruce told a meeting in northern Tasmania that Scullin

....was a man for whom he had great respect, though he disagreed entirely with his views. [But] If Labor won, Mr Scullin would become the Prime Minister, and in about three months time he would be put out by the extremists and the government would be led by Mr Theodore who had ruined Qld.134

Theodore was criticised for condoning industrial lawlessness; and was also alleged to be corrupt. The front page of Victory warned "A Nationalist Vote not Recorded is a Vote for Theodore", and "The Issue: Bruce or Theodore. No Middle Course."135 Theodore was alleged to have ruined Queensland with taxation and extravagant spending and borrowing.136 A week before polling

133. Ibid., pp. 16-17; 26-30. Similar quotations were reproduced in Arbitration the Only Issue.
134. Sun, 2 Oct 1929. NLA MS1538/33. Subseries 2, Box 3, Folder 26, Item 47.
136. Ibid., 23 Sep 1929, p. 12; Brisbane Courier, 27 Sep 1929, p. 15.
day, however, a member of the Queensland parliament alleged that Theodore, along with former Premier William McCormack, had "utilised public funds and prostituted their high office" by dealing in shares in the Mt Isa Company silver mine. Allegations about the involvement of members of the Ryan and Theodore governments in corrupt mining business at Mt Isa and Mungana had been circulating in Queensland politics since 1926, and were the forerunners of the major scandal which erupted in 1930. For now these charges against Theodore were an embarrassing distraction from the arbitration issue. The Queensland government announced a Royal Commission into Mungana on 9 October, three days before polling day. A 'last minute appeal to the voters' issued by Premier A.E. Moore on the eleventh capitalised on this event.

The times called for

...the highest attributes of statesmanship and for honest and patriotic endeavour.

In these circumstances you cannot afford to entrust your affairs to the kind of government that was exemplified under Mr Theodore's Premiership in this State. In the Commonwealth sphere a Labour-Socialist Government would mean damaged credit, extravagant administration, foolish experiments, lack of

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137. Premier of Queensland, 1925-29.
138. Country-Progressive Nationalist MLA for Nundah (Qld), W. Kelso. Daily Guardian [Sydney], 5 Oct 1929, reprinted article by R.J. Dick, Daily Mail [Brisbane]? Theodore papers. NLA MS 7222, Folio run, un-labelled volume, p. 19. Theodore named Bruce, Page, Gullett, Parkhill and Qld Premier Moore as the leaders of a "calumny and personal abuse" against him; and accused the Prime Minister of arranging with Moore for a Commonwealth Taxation Department official to investigate Labor's deputy leader. Theodore dismissed the allegation as a distraction: "[I]n previous elections attempts have been made to frighten electors with pictures of wild-looking Bolsheviks, hairy and dishevelled-looking men, with lust in their eyes and blood-stained beards....That type of propaganda is now outworn. So now a new bogey must be raised. I have been singled out as the new bogey by Nationalists fighting a losing battle with a weak case. Labor Daily, 11 Oct 1929. NLA MS 7222, folio run, un-labelled volume, p. 29.
confidence on the part of investors, and increasing unemployment.140

Moore promised that Federal Nationalists would provide independent leadership and conserve property rights. In defence of the amusements tax, however, ministerial candidates offered distinctly populist arguments. "[T]he picture people", Bruce told one Launceston audience,

...did not care about anything but their own concerns. The Labor Party was going to crawl to them and give in...The big picture palaces in the capital cities...were far too elaborate for Australia, and it meant that Patrons had to pay more for their amusements. The big places had not been giving a fair deal to the smaller ones.141

Facts reminded Nationalist speakers that the large cinemas made substantial profits, and that amusements operators had an advantage over many other business people in that their receipts were in cash.142

Government supporters also felt obliged to defend the lenient treatment of John Brown. The National Publicity Bureau advised speakers to maintain that the prosecution had to be withdrawn because of lack of evidence, and the dubious legality of prosecuting under the Industrial Peace Act, the special

140. Brisbane Courier, 11 Oct 1929, p. 15; A.E. Moore, Premier of Queensland, 1929-32; Nationalists usually claimed to be answerable only to the people, but the pain caused by the Hughes-Groom splinter made them give unusual emphasis to the virtues of party loyalty.
141. Sun, 2 Oct 1929. NLA MS 1538/33/subseries 2, box 3, folder 26, item 47.
legislation covering the coal industry. Furthermore, a prosecution would have made settlement of the coal dispute impossible. There was no comparison with the charges laid recently against union officials for defying awards - these cases were legal under the Arbitration Act, and there was sufficient evidence. By the same token, Nationalist speakers were to point out that the Abrahams case had been passed to Victorian authorities, who administered stricter laws.143

These points were mostly directed against Labor, but the government was also obliged to take issue with dissident Nationalists for their lawless opportunism. "Unprecedented bitterness has been manifest in the speeches of party leaders, particularly in regard to the attitude of the seven non-Labor members whose attitude caused the election[.]", the Daily Telegraph commented on the issue by the Nationalists of a ‘charge sheet’ against the rebel seven. The principal accusation was that the rebels "were mainly failures and very small fry"; whose career frustrations had been manipulated by Hughes. Marks was, perhaps, sponsored by American film interests.144 Parkhill commented elsewhere that Hughes had been a harsh critic of Federal Arbitration and that Marks had advocated its abolition.145 The little Digger's official Nationalist opponent accused him of "trying to create a mob psychology" by organising ex-soldiers for his campaign; Bruce averred that the diggers should be separate from political interests.146 Another opponent of repeal, the Age, was lampooned in Nationalist speakers' notes as 'the Age of miracles' for its recent conversion

144. Daily Telegraph, 25 Sep 1929. NLA MS 1538/33, Subseries 2, box 3, folder 23, item 55.
146. Brisbane Courier, 21 Sep 1929, p. 17.
from foe to friend of Federal arbitration. One pamphlet reported that Hughes had said 'hear, hear' to the burning in effigy of Judge Lukin. "Can it be wondered that the law is brought into contempt when an ex-Prime Minister should side with the Labor Party in expressing contempt for the Federal Arbitration Court?" Cast against type as the champion of a familiar national institution, Labor was able to capitalise on the disunity which the government's radicalism had exposed among its usual supporters. A Victorian leaflet quoted Hughes on the Nationalist party: "a parliamentary machine which had abandoned every pretence of liberty"; and the Age on the government's departure from its mandate: "If governments fresh from elections can break faith with the Australian people...then the foundations of Australian democratic government are in peril." Even the ACTU, then in the militant camp of labour, could cite the Age as a guardian of established authority: "[An institution which has become an integral part of a nation's life for a generation is not to be tampered with hostility, petulantly, or in a period of panic or industrial pessimism." From such unlikely quarters came support for

147. Facts, pp. 33-34.
148. Arbitration the Only Issue.
149. Labor claimed during the 1928 election to defend white Australia, but there was no powerful reason to believe that the policy of racial exclusivity was threatened. Stuart Macintyre comments of the 1929 campaign "...whereas he [Bruce] had campaigned twice before as the champion of law and order, this time it was the Labor Party that presented itself as the defender of living standards and industrial peace." op. cit., p. 248. J.R. Robertson notes that the threat of repeal "served to inspire Labor with a grand crusading zeal to keep things as they were." J.H. Scullin: A Political Biography, Nedlands, WA, 1974, p. 158 150. What Nationalists think of the Bruce-Page Government, Melbourne, 1929. NLA MS 4738. Series 8, box 30, 'Elections 1920s & 1930s' folder.
151. Devitalising the Nation! Surrendering Commonwealth Powers in Arbitration, Melbourne, 1929, NLA MS 1538/33, subseries 2, Box 2, folder, 14, 'Reactionaries Seek to Destroy Arbitration' was the Age headline on 7 Oct 1929.
Labor's claim that the government had given no warning of its intentions. "How these Nationalists twist their words", Theodore told Sunday Times readers, and quoted promises by Bruce and Latham to retain Federal Arbitration.152

Labor propaganda emphasised the threat to living standards which abolition implied. The government was driven by "a clamour by employing interests for lower costs of production." "There is only one way in which employers plan to lower costs of production", Theodore warned, "- by reducing wages." The basic wage received particular emphasis.153 New South Wales voters were warned that it could be reduced to the lower, State level of £3/8/6. A picture of a mother with her children was captioned "[T]he happiness of all Australian workers' families is threatened by the Bruce-Page ministry's plan to scrap Arbitration." This was an issue on which to appeal to non-traditional Labor voters: 'give Labor a chance' implored one pamphlet, which depicted a smartly-dressed family standing outside their house. Labor cautioned male workers who lacked the protection provided by membership of a large trade union that state tribunals could not guarantee their wages.154

152. Sunday Times, 6 Oct 1929. NLA MS 1538/33. Subseries 2, box 3, folder 19, item 28. The Latest Puzzle? Criss-Cross Words, Sydney, 1929, also quoted Bruce and Latham on the case for retention of Federal arbitration. Fitzgerald comments that the NSW pamphlets devised by Theodore concentrated on arbitration and were directed at ex-soldiers, farmers, "families", public servants, and manufacturers. op. cit., p. 224.
153. Bruce's Best; Sunday Times, 6 Oct 1929. NLA MS 1538/33. Subseries 2, box 3, folder 19, item 28; Threat to Arbitration and Basic Wage; Reduce the Basic Wage?, both published Sydney, 1929.
154. What the Basic Wage May Be; Protecting Australia's Happy Families; Give Labor a Chance; Overheard on the Train!: all published Sydney, 1929.
Truth (Western Australia) thought that the public service arbitration issue could alienate many Nationalist voters.

There are thousands of Nationalists, including a host of civil servants, who want alike a Nationalist government and the Federal Arbitration Court, but without reference to the great organisation which sent him to power, Mr Bruce says they shall have no such choice. Either abolish the Arbitration Court, he says in effect, or have a Labor Government!

This 'Hobson's Choice' may wreck the Government!155

The West Australian reported that despite the "acrimonious" campaign, polling day had been quiet in the Victoria and New South Wales. The Sydney public had taken keen interest in the result.

The poll...closed in heavy rain, and the city was drenched till midnight, but thousands of people stood in the rain in the streets wherever the results were being announced by the use of amplifiers. Crowds from the theatres stood under verandah[s] waiting for the figures, but the rain sent most people home to listen on the wireless or to await the newspapers. This morning the newsboys had a busy day selling editions of the metropolitan papers.156

155. Truth (WA), 22 Sep 1929. NLA MS 1538/33, subseries 2, box 3 folder 23, item 41.
156. According to the West Australian, this quietness was now a feature of election days, and had been brought about by compulsory voting. Cars were no longer to be seen ferrying voters back and forth from the polling places, and the "'urger'" outside the polling place had been banished by the prohibition of canvassing near the booths. 14 Oct 1929, p. 16.
The news was of heavy defeat for the government. Five ministers fell, including - in an amazing upset - Bruce himself, who lost Flinders to Trades Hall secretary E.J Holloway.157

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1928 and 1929 Elections for the House of Representatives158

Most commentators attributed the government's defeat to the unpopularity of the abolition of Federal arbitration. Many people had expected a set-back for the Nationalists, but its scale came as surprise. Round Table considered that the electors were "...shocked and alarmed by what seemed to them to be a precipitate, reckless and indeed almost sacrilegious attempt to abandon the

157. The other defeated ministers were: W. Gibson, Country Party, MHR for Corangamite (Vic), 1918-29; Postmaster General., 1923-29; Minister for Works and Railways. 1928-29; Charles Marr, Nationalist, MHR for Parkes (NSW), 1919-29; 1931-43; honorary minister, 1925-27, 1928, 1932-34; Minister for Home and Territories, 1927-28; for Health, Works and Railways, 1932; for Health and Repatriation, 1932-34; Charles Abbott, Country Party MHR for Gwydir (NSW), 1925-29, 1931-37; Minister for Home Affairs, 1928-29; Sir Neville Howse, Nationalist MHR for Calare (NSW), 1922-29; Minister for Defence and for Health, 1925-27; for Home and Territories, 1928; for Health, 1928-29.


159. Bruce's biographer, Cecil Edwards, who worked as a journalist in the late 1920s, remarked that many "shabby genteel" male white collar workers feared a return to pre-Federal award conditions. Edwards, op. cit., London, 1965, p. 171. Pearce complained that the Maritime Industries Bill contained a "logical" proposal which was "misrepresented" by the government's opponents. Peter Heydon, Quiet Decision: A Study of George Foster Pearce , Melbourne, 1965, p. 101. Schedvin considers that Labor's emotive warnings overpowered the "stiff academic argument" against dual control. op. cit., p. 117.
Federal control of wages and labour conditions”; and that the economic downturn was a secondary cause.\textsuperscript{160} Sir Charles Powers, a former president of the Commonwealth Court of Arbitration, commented to Latham,

...Mr Bruce thought it [Federal Arbitration] ought to be abolished and that he was strong enough to force the issue by a General Election. I knew that the government had as much chance of doing so as they would have done if they attempted to abolish White Australia or Protection.\textsuperscript{161}

Judge H.S. Nichols commented: “the election was fought as a referendum and the people were tried too hard as they were when they were asked to vote for conscription.”\textsuperscript{162} A supporter from Brisbane thought that “the worst hurdle was the public service.”\textsuperscript{163} Another Brisbane Nationalist, however, told Groom, “[I]t was not Arbitration for 999 out of 1000 are entirely ignorant of that - it was the direct tax on women[’s] entertainment...[and]... liquor ...”\textsuperscript{164} A Tasmanian sympathiser considered that “...the younger voters cooked the goose - thinking that a cut in their wages was to be expected - and that the movies would cost more. John Brown rose from the grave intermittently in company with Abrahams.”\textsuperscript{165} Senator J.E. Ogden remarked: “[W]e had too

\textsuperscript{160.} Round Table, Dec 1929, vol 20, pp. 396 & 402.  
162. H.S. Nicholls (probably Tasmanian chief justice Sir Herbert Nicholls) to Latham, 15 Oct 1929, NLA MS 1009/1/1913.  
163. Donald C. Cameron to Latham, 4 Nov 1929. NLA MS 1009/1/1931.  
164. Graeme Dickson [solicitor, Brisbane], to L. Groom, 17 Oct 1929. NLA MS 236/1/2928.  
165. Gellibrand to Latham, 14 Oct 1929. NLA MS 1009/1/1912. Sir John Gellibrand (1872-1945), a renowned officer in the AIF, had been elected Nationalist member for Denison in 1925 but was defeated in 1928, and again the next year. The government had been criticised by Labor for refusing to prosecute the Abrahams for tax evasion.
many hurdles to jump, not the least of which was John Brown. As you said, ‘we will never get over it’ and it gave our opponents a terrific argument in favour of their main plea, viz, that we stood for one section.”166 The Westralian Worker thought that while Arbitration had been the main grievance of those electors who came over to Labor, the deficit “muddle” also contributed. While rejoicing in Labor’s return to government, the Worker cast a wary eye to the future, warning the “reactionary Senate” against obstructing the new government.167 Ogden took comfort in the bleak prospects for the new ministry.

The Labor team is not a strong one apart from Scullin, Theodore and Lyons...the financial and economic situation must get worse eventually....Nothing but a succession of good luck will save them from failure.168

166. J.E. Ogden to Latham, 27 Oct 1929, NLA MS 1009/1/1924. Ogden, formerly a Labor member, was Nationalist senator for Tasmania, and honorary minister.
168. Ogden to Latham, op. cit.
Arbitration had dominated the 1929 campaign, but now that repeal had been rejected, the issue receded. Nationalists announced that they accepted the electoral rebuttal. Such was the sharpness of the Bruce-Page government's defeat, and the urgency engendered by the slump in trade and employment, that the intense controversy over arbitration which had prevailed in 1929 was replaced by a new conflict over responses to economic decline. Of course, industrial relations issues continued to feature in political debate. Labor was embarrassed by its failure to fulfil Theodore's rash election promise to end the New South Wales coal dispute. The Senate, in which the Nationalists retained a majority, came into conflict with the Government over its proposals to extend award-making power to Conciliation Commissioners who, Nationalists feared, would be government-appointed trade union officials. The government also maintained a running battle with the Senate over the Transport Workers Act: while the government could not repeal the Act, it made regulations granting preference to members of the WWF; these were repeatedly struck down by the Senate and then re-issued. Touring Queensland in September 1930, the new Leader of the Opposition, Latham, found that:

...audiences were generally crowded - always good - and said to be better than even at election times. They were obviously very interested - & listened well to hard truths....The Transport Workers Act was sufficient material for me in all the Queensland ports.\(^1\)

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Nevertheless, finance was the source of the government’s most severe problems: Scullin and his ministers were under pressure from the banks, the press and the opposition to follow an orthodox policy of deflation and retrenchment, and from the party’s own Members of Parliament to protect their constituents from the effects of this policy. The government’s minor deviations from conventional financial wisdom enabled the Opposition to depict itself as the guardian of sound finance and Labor as the captive of the extremist left; but in fact the government, so far from being the left’s creature, was weakened by its hostility. In a letter to Charles Hawker early in 1930, South Australian Nationalist, J. Duncan-Hughes, predicted that resistance from right and left would intensify in the course of the year.

Things are generally going so badly for Scullin a Co. since they came into power (much worse, I am certain than they ever thought possible) that they are certain to swing towards their extremist supporters on some points to keep them - I won’t say ‘sweet’, but moderately quiet: but when that happens, our people in the Senate, whether they want to fight or no, will be bound to put their foot down. What I mean is that both sides will want to avoid a fight, but irreconcilable differences at this very difficult time will force one on them- I suggest towards the end of the year.2

In January 1930 Scullin announced that a Bank of England mission headed by Sir Otto Niemeyer would visit Australia to review public finances and suggest

"...Scullin (honest man) has scalliwag followers who will wreck him more thoroughly and faster than any Nationalist Party could do it!", remarked J.M. [? illegible] Joshua to Latham, 11 April 1930. NLA MS 1009/1/1975.
ways in which financial stability could be restored. This decision did a great
deal to antagonise the 'extremist supporters'. Niemeyer and his colleagues
arrived in July and gave advice to a special Premiers' meeting held the next
month. His counsel - retrenchment and balanced budgets - was no more
severe than that given by Australian conservative politicians and editorial
writers over the past six months; that he was an English banker and a Jew
made his advice provocative to Labor populists. State and Commonwealth
ministers, meeting in Melbourne, agreed to reduce spending, but Federal
Cabinet decided to postpone its spending cuts for three months in the hope that
an economic revival would make reductions unnecessary. As his biographer
has commented, Scullin "...incurred the wrath of conservatives because of his
failure to make any serious attempt to abide by the Melbourne agreement; his
nominal adherence to it was bitterly denounced by Lang's followers." This was
typical of the way in which his government pleased neither right nor left.

Throughout the term of the Scullin government, the opposition warned
against the appealing but dangerous policies of inflation of the note issue to
finance public works, and the repudiation of debt to bondholders. Latham's
public denouncements of unorthodoxy were matched by private disapproval,
and he feared that Labor's irresponsible populism could win it the next
election.

4. J.R. Robertson, 'Scullin as Prime Minister: Seven Critical Decisions', in Robert Cooksey (ed.)
There is a strong body in the Labour Party - probably a majority of the parliamentary party - in favour of repudiation as a remedy for all our troubles, and it is pretty certain there will be an election some time next year on the issues of banking and currency. The Labour Party will probably promise political control of banking, and there will be much talk of 'releasing of credit', 'maintenance of wage standards' etc, all to be obtained by printing and issuing notes. These proposals will be opposed by us, and it is quite likely that the Labour Party, putting the issue as 'the banks against the people', will win handsomely. If they do there will pretty soon be a general smash, and then we will get on sound lines again.

It is quite possible, however, that the Labour Party will break before that stage is reached, and that without any smash but with a good deal of suffering and distress we will get back on sound lines.6

The break came first from the Right. Joseph Lyons and James Fenton who, during Scullin's visit to Britain in 1930, had served as Treasurer and Acting Prime Minister respectively, were increasingly alienated from the government; and when caucus voted to reappoint Theodore to Cabinet after his suspension following allegations of corruption, they both resigned from the ministry, but remained members of the party for the time being.7 Apart from Theodore's reputation for corruption, he was regarded by this time as one of the main powers in caucus for an inflationary policy. Both former ministers indicated that they would vote with the opposition in the forthcoming no-confidence motion over the Treasurer's re-appointment.

Like the five other Labor members who eventually joined him on the cross benches, Joseph Lyons came from outside the big cities. He was born in 1879, in the small town of Stanley, northern Tasmania. His parents were Irish Catholic farmers; and the earliest political views which Joe encountered were probably in his mother's stories of the struggle for Irish independence. Lyons began work as a teacher, and became active in the union, and the Labor Party. Elected to state parliament in 1909, he was Treasurer and Minister for Education and Railways, 1914-16. In 1915, he married the seventeen year old teacher, Enid Burnell. Enid seems to have possessed a confidence less evident in Joseph; and her counsel remained influential throughout his career. Joseph Lyons had little notion of class conflict: his Labor politics were driven more by an abhorrence of poverty; and it was this humanitarian instinct which during the 1914-18 war fed his opposition to conscription. As Labor Premier and Treasurer, 1923-28, he was mostly concerned to manage Tasmania's precarious public finances, and drew on the advice of orthodox academic economists. Persuaded by Scullin to stand for Federal Parliament in 1929, Lyons was disturbed from the outset by the ruthlessness, and radicalism, of mainland Labor politics; and apart from the personal slight of his own removal from the Treasury portfolio, the reinstatement of the doubly 'dishonest' Theodore proved to be the final provocation.

8. In addition to Fenton, these were J.M. Gabb, MHR for Angas (SA) 1919-25; 1929-34, J.L. Price, MHR for Boothby (SA) 1928-41, J.A. Guy, MHR for Bass (Tas) 1929-34; Wilmot (Tas) 1940-46; Senator, 1949-51. D.C. McGrath, MHR for Ballarat (Vic), 1913-34.

The defection of Labor parliamentarians coincided with an upsurge of right-wing organisation at community level: in February 1931 the All for Australia League was founded in the prosperous Sydney suburb of Killara by A.J. Gibson, an engineer. The New Guard was formed at the same time by Eric Campbell, an accountant, in the equally salubrious suburb, Gordon. By late March the AFAL claimed 90 000 members; the New Guard’s membership was always more uncertain. These groups, and others like them which sprang up around Australia, were committed to a fierce and simple set of ideas based around imperialism, national unity, abhorrence of party and class strife, orthodox public finance, and the sanctity of private property. They expressed a scepticism for parliamentary democracy; although not all were as frankly authoritarian as the New Guard.10 Hughes privately shared this impatience.

A great deal might be done to make things better, but nothing at all can be done by talk. Caucus or other. If you could shut up Parliament and the Press, give some man charge of the business we’d soon get through: no doubt we should lose a few tail feathers but no more than that.11

At the same time Scullin and Theodore were moving away from the strictly deflationary policies they had espoused in 1930; but this was not enough to prevent a group of New South Wales members breaking away to support the populist position taken by Lang. At the Premiers’ Conference which met in February, the Prime Minister and Treasurer advocated a note issue to finance

public works; this was resisted by the conference, but carried on the Commonwealth's casting vote. The ministers agreed to reduce public service wages, ease credit, and impose a tax on bond interest. By the end of the conference Lang had announced that he opposed the Commonwealth government's policy, and revealed his own proposals - the 'Lang plan'. Its points were: no further bond repayments to Britain until Australia was granted equivalent terms to those Britain enjoyed with the United States; interest on government loans to be reduced by three percent; the gold standard to be replaced with a 'goods standard', based on Australia's natural resources and productive capacity.12 Here at last was the policy of repudiation. Lang's populism won him the acclaim of some, but the contempt of others, such as Alice Castle of Liverpool, who complained bitterly of the disparity between the force of Lang's rhetoric and the weakness of his remedies:

[T]he feeling in Liverpool is very bitter against Lang and his wonderful promises, you can see every day men in dozens camping under the bridge by Liverpool Station in a very sorry plight - gathering food and a few old clothes where they can.13

Only slightly less alarming to those who distrusted Labor was the Fiduciary Notes Bill, introduced by Theodore in March 1931. Fiduciary meant, in this context, 'on trust': the component of the note issue which was not backed by

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gold, but rested on confidence in the stability of the financial system. Australia had effectively gone off the gold standard in January 1930 when most gold stocks were shipped to London to meet debt; in any case the note issue already included a fiduciary component. Theodore’s proposal was to increase an existing rather than to introduce a new element to the monetary system. The issue was to be a one-off assignment of six million pounds for wheat growers’ relief, and one million pounds a month for public works. This bill attracted strong criticism in parliament and press; critics predicted that its implementation would lead to hyperinflation such as that which afflicted Germany in 1923.14

The panic about dangerous finance, and Lang in particular, led to what C.J. Lloyd has called an “unprecedented rallying of the conservative forces”15 around simple notions of probity. The AWNL, which usually emphasised women’s duty, warned its members that the times called for women to be particularly vigilant.

Our country is passing through the greatest financial crisis in its history, and we are by no means sure how it will emerge from the ordeal...Woman has a natural aptitude for financial management, their thoroughness and application to detail would prevent waste...The home is woman’s first care, her country’s management comes next and this is politics. The home is not women’s only duty...Women cannot manage their homes well if they neglect the finances of the country.16

16. The Woman, 1 Apr 1931, p. 28.
Latham found the National Union pre-occupied with sound finance.

Fri Mar. 27th. Melb. National Union. Presented draft of statement for whole of Opposition. I pointed out absolutely vague re tariff and arbitration. They said these unimportant compared with finance.¹⁷

Lyons toured State capitals in April: he was becoming the hero of the sound finance cause. He proposed a seven point plan for national recovery.¹⁸ Lloyd argues that the Nationalists feared that Lyons would assemble a new non-Labor party and defeat Nationalist candidates; he was recruited because his popularity made him a rival to the Nationalists and a valuable acquisition to them to as a leader who could defeat Federal Labor in an election, and counteract the influence of Lang.¹⁹ His appeal was his reputation as an honest, warm-hearted family man; his wife, Enid Lyons, and their nine children - "Mr Lyons' Nine

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¹⁸. The Seven Points: 1. Restoration of external and internal credit by re-establishing confidence in the integrity of Government finance. The national currency to be preserved from political control. No indirect repudiation of national obligations by debasing the currency. 2. The restoration of a balanced national budget on a basis of equality of sacrifice to be progressively effected as the financial capacity of the community permits. 3. Economy in cost of government by bringing cost of Government expenditure into reasonable correspondence with the fall in national income. 4. Economically sound tariff policy, with effective preference to Great Britain and inter-Dominion reciprocity. 5. Re-employment of the people by encouragement of productive enterprise. 6. A fair deal for every section of the community. Protection of the worker by industrial tribunals. Protection of the employer against undue interference with business management. 7. Immediate assistance to the man on the land by providing real money to be expended on keeping Australian land in profitable production. Lyons' Policy Speech, 2 Dec 1931, p. 22. NLA MS 1538/28/1635.
¹⁹. Ibid.
Points for Financial Stability", according to the Brisbane Courier - were part of this image. "‘Our children...’", Enid Lyons told a meeting in Ballarat, "...are going to live in Australia when you and I are no longer here, and, by heaven, I am not going to allow anyone to ruin Australia if I can lift a finger to prevent it." The press adulation of Lyons assisted moves which were under way to combine the Nationalist party with the AFAL in a broad populist coalition under his leadership. In May, Nationalist members of the Commonwealth Parliament re-named themselves ‘United Australia Party’; Latham resigned the leadership and became Lyons’ deputy. The merger of the non-parliamentary parties took the longest time to accomplish in New South Wales, where the AFAL regarded the Nationalists as part of the ‘machine politics’ evil, but was completed there in October.

Meanwhile, the Lang government had given substance to its critics’ charges. The Government Savings Bank of New South Wales was the second largest savings bank in the Empire, with 129 branches and deposits of £74 million. Since the election campaign of October 1930, when rumours were current that a Lang government would confiscate savings, withdrawals had been exceeding deposits at an extraordinary rate. In February 1931, the New South Wales government defaulted on an interest payment due to the bank; when this became public the next month, the rate of withdrawals increased, until on 23

21. Canberra Times, 15 Oct 1931, p. 1. In South Australia, the non-Labor coalition was called the Emergency Committee. The Committee was essentially part of the UAP movement, as it accepted Lyons' leadership. Advertiser, 11 May 1931. NLA MS 4848. Series 3, Box 6, Subseries (i) b.
April the Bank closed its doors; and re-opened on 3 May, with limited funds provided by the Commonwealth Bank for customers in desperate straits.\textsuperscript{22}

This collapse must have added to the atmosphere of foreboding when, on 25 May, Federal and State ministers once again assembled for a Premiers' Conference. This meeting produced the most famous of the orthodox Depression agreements, the 'Premiers' Plan'. Its terms were those of previous compacts, with the new feature of a concession to egalitarian sentiment in the proposal to reduce interest. The Plan was for deflation, with costs to be shared, ostensibly, by all sections of the community. The main points were: a twenty per cent cut in adjustable government spending; conversion of internal government debts to reduce interest by 22.5%; increases in State and Commonwealth tax; reduction in bank interest; mortgage relief.\textsuperscript{23} Lang, as acting chairman, moved the resolution for the twenty per cent spending reduction.

The acceptance of the Plan by the Commonwealth government, State governments (New South Wales's, Victoria's and South Australia's were Labor; Queensland's, Western Australia's and Tasmania's, Nationalist) and Federal opposition constituted a near-complete victory for financial orthodoxy which was almost complete. Some figures in business and non-Labor politics, such as the up-and-coming Victorian State member, R.G. Menzies, denounced


\textsuperscript{23} Cook, \textit{op. cit.}, p. 381.
as repudiation the Debt Conversion Bill (no. 2) - passed in September - which provided for compulsory reduction of interest rates for the three percent of bondholders who had not voluntarily converted. But most non-Labor politicians, afraid of social turmoil, regarded compromise as the only alternative to Lang-style extremism. As the UAP's selected candidate for Corio, R.G. Casey, put it:

...I take the view that if capital hangs back in this crisis, or is even reluctant to bear its share of the all-round sacrifice, we will be breeding a radical tendency that will give us tremendous trouble in the coming years. We have it in our hands, by agreeing voluntarily and at once...to steal the thunder of those who say that a change in the social and economic structure is just and inevitable.

Similarly, although the Nationalist senators had since 1930 blocked much of the government's legislation, Latham had to resist pressure from businessmen who thought that “any compromise on arbitration or the finance proposals of the government was indefensible”. The Scullin government’s endorsement of the Premiers’ plan did not assuage fears of confiscation by the Lang government. In the same month, the managing director of BHP, Essington

24. 'The Group', which had negotiated Lyons' rise to leadership, remained opposed to compulsory conversion, and persuaded the Victorian AFAL to take the same stance; most U.A.P. parliamentarians accepted compulsion. 'The Group' consisted of Staniforth Ricketson, financier; Kingsley A. Henderson, architect and director of several JB Were & Son (Staniforth Ricketson) companies; Charles Norris, general manager of National Mutual Life Association; John Higgins, former chairman of the Australian Wool Realization Association; Ambrose Pratt, author and journalist; and R.G. Menzies. Hart, op. cit., pp. 87-88. For Menzies' speeches in the Victorian Parliament against compulsory debt conversion see Martin, op. cit., pp. 96-99.


Lewis, informed Lyons that "we consider it most unlikely that anyone would spend large sums on the establishment of new industries in New South Wales until such time as reasonable security of tenure is assured."  

Reassurance was to come more quickly than Lewis may have anticipated. Two months later the government fell, defeated by the combined votes of the Opposition and a group of pro-Lang Labor rebels, on a no-confidence motion concerning allegations that Theodore, Lang's rival, had misdirected unemployment relief funds in an attempt to buy votes. Scullin secured an election set for 19 December, too soon to allow Lang or any other member of the New South Wales parliament to resign and contest a Federal seat. After two years of ideologically charged conflict over issues which all protagonists insisted were of critical national importance, the government's final defeat came about as a result of a struggle for power within the New South Wales Labor Party.

Prime Ministers making policy speeches usually boast of progress. Scullin could only claim that the government had avoided economic collapse and begun the slow process of regaining the standard of living which had prevailed when it took office.

Though handicapped by a hostile Senate, with no money in the Treasury, but, on the contrary, a heavy deficit, we kept public

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27. Essington Lewis to J. Lyons [copy], 4 Sep 1931. NLA MS 4851/1/3. Lewis also maintained that uncertainty over the continuation of tariff protection deterred investment.
services going, avoided default, maintained the national honor, and are now confident that the crisis has passed, and that Australia is on the road to recovery.²⁸

He blamed his predecessors for creating the conditions which made Depression possible, if not inevitable, and exacerbated the slump once it had begun. The Bruce-Page government's mismanagement had resulted in a high level of overseas borrowing, and imports. Tariff increases implemented by Labor had converted the trade deficit into a surplus which provided sufficient foreign exchange to meet all Australian government external obligations. This policy, however, had also reduced customs revenue, an outcome which, in combination with the effects of the fiscal laxity of the Nationalist-Country Party regime, had led to a budget deficit of ten million pounds for 1930-31, and a projected 1931-32 deficit of twenty million pounds. At this point the banks refused further credit and the government was forced to increase taxation and reduce expenditure, and bank and bond interest rates. The result was a fifteen million pound improvement in the 1931-32 budget. Cuts to pensions and wages had been unavoidable. If the government had not made these reductions the banks would have withdrawn loan funds, necessitating even more stringent economies - the government, in fact, would have been forced to pay only twelve shillings in the pound on its obligations - including pensions and salaries. There were signs, however, that the economy was beginning to recover, and pensions and wages would be restored as possible.

²⁸. Labor Call, 3 Dec 1931, pp. 4-5.
This was the Prime Minister's rationale for the unusual and unpalatable decisions he had made in response to the economic crisis. His policy on trade, however, was more in keeping with Labor tradition. There was a hint of resentment of Britain: Labor intended to press for the extension of British preference for Australian goods, which was at present "very limited." Scullin promised to maintain the current high rate of exchange - despite the burden this rate imposed on government overseas debt - because it acted, in effect, as a subsidy to exporters (that is, primary producers). The reversal of the trade deficit by means of tariffs and embargoes was one of the few positive achievements which the government could claim. Scullin denounced the Opposition parties as "pseudo-protectionists and rank free traders", who had opposed tariff increases in the Senate. Overseas manufacturers hoped for the return of a National-Country Party (Scullin avoided using the name 'United Australia Party') government.

The problem of unemployment, the Prime Minister declared, demanded cooperation. "We must bring together the best brains of public-spirited men in all works of life to advise and assist in the work of reconstruction." But the restoration of employment depended mostly on reform of the monetary system, the medium of distribution, which throughout the world had failed to keep pace with the development of production. Monetary problems had been the first cause of the Depression: a withdrawal of credit had stifled spending power and, subsequently, trade. The government's plans to reform banking had been denounced as 'wildcat' (similar jibes had been made about the issue of Commonwealth bank notes by the Fisher government) and an unacceptable
extension of political control. Yet the Commonwealth Bank had operated previously with a government-appointed governor, Sir Denison Miller, who had never been subjected to political pressure. Labor would free the Commonwealth Bank from its central bank responsibilities and allow it to compete more effectively with the trading banks; the Central Reserve Bank bill would be re-introduced with the intention of consolidating and thereby enhancing the nation's credit. The government, Scullin complained, had been subjected by Press and Opposition to a campaign of vilification, particularly in regard to its policies on banking and finance. Critics had enjoined Labor to follow - as the only decent course - the example of the British coalition government: but the Commonwealth government had been the first to balance its trade and budget accounts and, moreover, had "preserved its political identity". Scullin concluded by warning that on the evidence of their Senate voting the Opposition parties remained hostile to arbitration, a system opposed by "the extremists - Conservatives and Communists." He recalled the attempt to repeal Federal arbitration and warned that non-Labor might try again. Labor's opponents would make life even more insecure; their recklessness was responsible for the present slump. Electors must choose between those who had created and those who were resolving the economic crisis.

Lyons' policy speech combined Imperialist sentiment with abhorrence of inflation and insistence on the separation of banking from government control. These tenets, according to the UAP leader, were "tried and proved throughout the British world, and have been, perhaps, the greatest factor in the
building of our mighty Empire.”

Sound finance had been vindicated by a recent event in British history: the formation of the National government. All that remained was for Australians to follow this example: “I feel sure that the sturdy and solid commonsense which is the characteristic of our race will assert itself as it has in the Motherland.”

Once this occurred, confidence, a central idea in Lyons’ politics, would return. Lyons alleged that while Scullin was overseas the government had failed to implement the Melbourne agreement; as a result subsequent economies needed to be even sharper than those first proposed (for example, reductions in public service salaries of twenty rather than eleven per cent were required). Caucus instead proposed to introduce Gibbons’ scheme. The “Drift to Inflation” continued with Theodore’s plans for credit and note issue expansion; he pursed an “alien political purpose” in scheming for a government-controlled central bank.

A UAP government would restore investment confidence by balancing the budget; reduce taxes in order to increase private sector employment; retain tariff protection, but remove those duties which fostered monopoly, and end the ministerial dictation of tariff policy against the recommendations of the Tariff Board; oppose unification and, Lyons implied, support the formation of new States. The UAP recognised that the electorate had chosen in 1929 to retain federal arbitration, and would keep basic wage and standard hours under federal control and devolve all other issues to the States. Communists “directed from Moscow” were becoming more “aggressive” in propaganda.

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29. Lyons’ policy speech, [Sydney Town Hall, 2 Dec 1931], p. 4. Hughes papers NLA MS 1538/28/1635.
30. Ibid., p. 3.
31. Ibid., pp. 6-7.
existing laws were sufficient; the UAP would enforce them. Lyons explained that Australia was far from Britain, and needed a local defense force sufficient to fend off attackers until Imperial forces could come to the rescue; Lyons promised to support the League of Nations and other attempts at peace-making, but to remain armed. Returned soldiers would enjoy preference in employment. Lyons concluded with another appeal to follow Britain's world leadership in maintaining tradition.

Believing that the election has restored Britain to financial security, all nations are now taking a braver view of their problems. I can give you no better advice than to tune in with Britain. Trust the United Australia Party as the British people trusted the United British Party. Turn a deaf ear and blind eye, as they did, to proposals for financial tricks and devices. Resolve as they did to stick to the old sane ways in Government and in finance.

Lyons offered the safety of known policies and appealed to Imperial spirit. Labor also promised to safeguard familiar institutions (protection and arbitration) but cast its arguments in nationalistic terms. Government supporters also had to meet the challenge of Lang Labor. Scullin had made no allusion to the schismatics other than to dismiss the issue of Beasley's no-confidence motion as "paltry."

32. "Thunderous applause" greeted Lyons' promise to "eradicate" communism. SMH, 3 Dec 1931, p. 9.
34. Ibid.
35. Ibid. Scullin said at Ballarat that his own department was responsible for relief work at Cockatoo Dock, and that he had complete confidence in its administration of relief; his main point, however, was that the government was engaged with problems much more serious than this complaint. Australian Worker, 9 Dec 1931, p. 2. Labor Call was able to cite the Age's
opposition members (an "unholy alliance" according to Labor Call) was a major issue in Labor’s campaign, particularly in Lang’s home State.36 The Australian Worker gave to its report of Scullin’s policy the sub-heading, ‘...[H]e tells of the difficulties and treacheries the government had to face’; the front page showed a cartoon of ‘The treacherous hand that struck the fatal blow’ - a bloody dagger grasped in the fist of the ‘Lang faction’.37 The renegades were a disgrace not only to their party but to their sex, alleged the Worker’s ‘Cousin Ellen’. “Thank heaven no woman had a hand in the defeat of our Federal Labor Government! It took so-called Labor men to bring about that dastardly result.”38 Lang Labor had very little support in Victoria but its attempt to win industrial seats in New South Wales was regarded as a serious threat by the Victorian Labor Call.39 Lang candidates were standing in South Australia. Scullin felt obliged to warn a meeting of waterside workers at Port Adelaide that they would be the ones to suffer most if the Beasley motion resulted in the electoral defeat of the government. He also attacked the egoism of his charismatic rival, complaining that the 'Lang plan' was named after one individual and was authorised only by that individual and not by any legitimate Labor organisation.40

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opinion (from an editorial of 26 Nov 1931, p. 6) that the motion had "regarded no vital principle". 3 Dec 1931, p. 1. REF 1746. Each of Labor Call’s three election issues (3, 10, 17 Dec) reproduced an Age editorial.
36. The Sydney Truth considered that the rival Labor camps in New South Wales were devoting more energy to their internecine battles than to the contest with non-Labor. 6 Dec 1931, p. 14.
37. Australian Worker, 2 Dec 1931, p. 2.
38. Ibid., p. 5.
39. Labor Call, 10 Dec 1931, p. 11.
40. Australian Worker, 9 Dec 1931, p. 2.
Federal Labor campaigners denounced Lang Labor in the hope of retaining the allegiance of voters attracted by the New South Wales faction's populist 'money power' rhetoric. For the benefit of this audience, Federal Labor candidates stressed that they were the true Labor loyalists and their rivals the wreckers of solidarity. But Federal Labor (from here on, 'Labor') also had to appeal to people of more conservative sensibility. It was, no doubt, with an eye on this group that government candidates stressed the differences between Lang and Theodore's economic proposals.

Opponents of the government are being hard put to it to make a convincing mosaic out of such factors as Mr Scullin, Mr Lang, the Beasley group, Communists, strikers etc... The rehabilitation scheme which Mr Scullin, in conference with the Premiers, agreed, he has honourably carried out. It was because he stood adamant on this issue that the Beasley group came to birth.

Rather, it was the Nationalists with whom Lang Labor was "hand in glove...and the Nationalist glove has a very discreditable stain". The ALP, furthermore, was the only Party with rules forbidding membership to Communists. Lang had no supporters in Victoria, but "the political miasma called Langism is being used to confuse the issues." Labor publicists were conscious of the prevalence of scare tactics. The Westralian Worker warned that

41. Labor Call, 3 Dec 1931, p. 2.
42. This group included many of those whose swing to Labor in 1929 had given the Party such unlikely seats as Flinders, and Wilmot, Lyons' rural, northern Tasmanian electorate.
We may not be brought face to face with the Socialistic Tiger Bogey, the Marriage Tie Bogey and others which have done good service in the past, but we will certainly meet with the Communistic Bogey, the Inflation Bogey and others, for the anti-Labor leaders know too well the value of bogeys to go into action without their help.44

Don Cameron in *Australian Worker* maintained that warnings about the Communist danger drew applause from AWNL meetings, but attracted little attention in the wider community; and noticed that there had also been a great deal of literature circulated asserting that a Labor government would be dominated by Rome. The *Tribune* complained of anti-Catholic literature which had been circulated by Walter Albiston and the Victorian Protestant Federation during recent Melbourne City Council elections. "Those ever active fomenters of religious bitterness...see in the disturbed conditions of the time an opportunity to divide the community."45 Cameron asserted that an "attitude of scepticism" prevailed concerning anti-Communist and anti-Catholic sentiment. *Smith's Weekly* seemed to regard as an irrelevancy the prejudice motivating Nationalist leagues in northern Tasmania to oppose Lyons: "[E]ven the sectarian issue is being dragged in, because Lyons is not a Protestant Laborite."46

44. *Westralian Worker*, 4 December 1931, p. 2. The 'marriage tie bogey' was presumably the controversy over the Catholic Church's Ne Temere decree against mixed marriages, which exercised some sections of non-Labor in the early 1920s.
46. *Australian Worker*, 2 Dec 1931, p. 13; *Smith's Weekly*, 28 Nov 1931, p. 2. As when he first stood for Kooyong in 1922, Latham rebuffed a request by Walter Albiston to pledge himself to the anti-Catholic and anti-communist objectives of the Victorian Protestant Federation. Given that the Catholic leader of the UAP apparently enjoyed a great deal of popularity, Albiston's avowal that "the endorsement of the VPF will be a very important adjunct in the fight" seems implausible. Albiston to Latham, 3 Dec 1931; Latham to Albiston (copy) 4 Dec 1931. NLA MS 1009/50/442-3.
The banks were Labor's bogey. Scullin told one meeting that "he did not intend to condemn the banks...they could have done more than they did, but they had helped a good deal, and he thought they would do more with encouragement"47, but such generosity was atypical. For the most part, Labor depicted bankers as conspirators who had brought about the Depression, or had at least intensified its effects; non-Labor politicians were the tools of this 'money power'.48 Theodore implied that 'The Wretched Monetary System' had "broken down" accidentally, but other campaigners seemed to imply that financiers had deliberately engineered the Depression.49 Banking had caused and could cure the Depression.

*The Central Reserve Bank will be the Worker's Friend*

The tight fist of the trading banks opened only when there was something to pick up. The Gospel of Grab and Grasp! Australian industry has suffered accordingly - and the worker has paid the price with his job. The establishment of the CENTRAL RESERVE BANK for the financing of productive industries WOULD INEVITABLY INCREASE EMPLOYMENT.50

47. *Australian Worker*, 9 Dec 1931, p. 2. Scullin, at Albury, had harsh words for the attempts made by the "'stunt press'" to destroy confidence in the banks. *Australian Worker*, 16 Dec 1931, p. 2.
48. *Labor Call*, 10 Dec 1931, p.4; Ibid., p. 6. The *Westralian Worker* rallied, in essentially populist terms, "the producing, active section of the community" against the banking, free trade, shipping, New Guard, and Lang-Beasley "gangs". 4 Dec 1931, p. 2.
49. *Australian Worker*, 2 Dec 1931, p. 4.
50. 'Outstretched to Help not Reaching to Grab', *Smith's Weekly*, 12 Dec 1931, p. 22. Choosing Labor was "the only SAFE vote for the wage and salary earners of Australia." See also 'Smash the Ice Pack of Frozen Assets [by voting for a central reserve bank] - your job is frozen up with them' (Ibid., 19 Dec 1931, pp. 24-25) which quoted President Hoover's exhortation (8 December 1931) to Congress to "'release credit and start to work on the country's immense resources and stores of money.'"
This argument rested on the assertion that the Depression was unnecessary. The season was good, and productivity high. Resources remained idle because loan funds were withheld by the private banks: release these funds and trade and employment would revive. Henry Boote confidently predicted that a Labor government with a majority in both houses would

....soon create the credit necessary to put the unemployed back into production, and by this simple act of sound finance, allied with commonsense administration, enable Australia to become the great and prosperous land that Nature designed it to be.\(^{51}\)

Labor's promise to create a central bank to release credit was a typical panacea: fast-acting, comprehensible, and singular.

There was a nativist strand to this argument, and to other aspects of the Labor campaign. Theodore told a meeting in Leichhardt that "there was hardly an Australian banker who could discuss banking intelligently. Most of them were ledger-keepers for English bankers."\(^{52}\) The UAP pamphlet 'Under Which Flag?', which showed the red flag and Union Jack crossed, provoked Labor Call to condemn the "Imperialist thought of this pseudo Australian party....The Australian flag is of course ignored." Labor had appointed a native-born Governor General, raised a "purely Australian tariff" and on was

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\(^{51}\) Australian Worker, 2 Dec 1931, p. 3. Ibid, 9 Dec 1931, p. 2.

therefore the only authentically national party. Labor's nationalist sentiments were aroused also by Lyons' slogan, 'tune in with Britain'. On this issue, too, Labor was supported by the *Age* which remarked that "[I]t was because Britain's Labor Government had refused to do what Australia's Labor Government had done that a general election was precipitated."54

The *Age*'s hostility to non-Labor was probably motivated by fear of a free trade revival. The paper commented that while Lyons protested his commitment to protection, he had in the same speech praised the voting record of the Opposition Senators, who had blocked thirteen of the government's eighteen proposed tariff increases. The overturn of the trade deficit was the only benefit which Labor could claim of its tariff policy. Scullin contended that unemployment would have been worse without the increase in levies. An advertisement in the *Australian Worker* explained that the tariff barrier was "daily increasing your prospect" of secure employment; and that the policy was "steadily bearing fruit". This was another issue on which Labor sought to generate fear: cartoonist Will Donald had Scullin telling the custodian ('Australian democracy') of the storm-racked 'tariff breakwater' "...keep a sharp look-out, there are wreckers about' ". 57

53. *Labor Call*, 17 Dec 1931, p. 5. This leaflet reprised a 1925 Nationalist flyer of the same name. A UAP advertisement in *Smith's Weekly* displayed the Union Jack and Australian flag crossed. 12 Dec 1931, p. 2. The *Australian Worker*'s South Australian correspondent interpreted Lyons' assertion in his policy speech that Australia must take its share in Imperial defence as a veiled proposal to reintroduce conscription. Conscription, however, was overshadowed in 1931 by the debate on depression causes and cures. *Australian Worker*, 9 Dec 1931, p. 15.

54. *Labor Call*, 10 Dec 1931, p.1 (reprinted *Age* editorial, 3 Dec 1931, p. 6). This leading article was also reprinted, in part, in the *Australian Worker*, 9 Dec 1931, p. 9.

55. *Smith's Weekly* was also protectionist, but more suspicious of Labor's financial policies. 5 Dec 1931, p. 21.

56. *Labor Call*, 10 Dec 1931, p.1

Labor also warned of a threat to arbitration, and in this was supported by some unions, as it had been in 1929. In Victoria, public sector unions cautioned that "[A]rbitration is as much in danger today as it was two years ago." A delegation from the Merchant Service Guild, insurance clerks and other Federally-registered unionists called on Latham during the election campaign seeking his promise to preserve the Commonwealth Conciliation and Arbitration Act. The deputy UAP leader undertook to do so, but Labor Call reminded readers that as Attorney General Latham had tried to remove access to Federal arbitration for all but maritime workers. His proposal for conciliation committees was possibly a reprise of his attempt in 1928 to allow the creation of company unions by amending the Act so as to allow any group of people to register with the Court. Labor Call recollected that public sector unions had spent heavily to help Labor to preserve Federal arbitration in 1929 and would be foolish to believe Latham's promises now. Victorian branch president Arthur Calwell warned on Radio 3KZ that Lyons might suspend the Navigation Act (this had been advocated by Page), and so take the jobs of four hundred seamen; give preference on the waterfront to non-unionists and strike-breakers; and suspend all Federal awards and all wages board determinations in non-Labor States. "These were the real dangers confronting

58. *Magna Carta* vol 1, 14 Dec 1931, auth. J.F. Chapple and A.A. Calwell for the State Instrumentalities Unions Committee, Melbourne. Calwell papers NLA MS 4738, Series 27, Box 110, Folder ‘mostly 1930s’. The letterhead bore the slogan ‘We demand full rights under the Australian laws and Constitution’. Non-Labor groups were usually the more ready to invoke the Magna Carta. This pamphlet also used another typical non-Labor catch-cry, ‘loyal’ ("every loyal Australian” should vote Labor).

the electors of Australia."60 Calwell concentrated on male occupations, as did Australian Worker women's page contributor 'Cousin Ellen'. "We must all realise that a Federal Labor Government means a great deal to Labor women. Take away our industrial awards and old-age pensions...and the wives and daughters of workers lose all feelings of security." 'Cousin Ellen'"s warning about awards was directed at women as keepers of the home rather than as wage earners: women "...realise what a great blow it will be to the home if awards are swept away and pensions are again lowered."61

Notions of security were also central to the UAP campaign. The pamphlet Safety First summarised most of non-Labor's themes: voter must choose between 'The path to safety' (production of real wealth, restoration of trust in banking and public finance, rational division of powers between States and Commonwealth) and 'the path to danger' (printing money, politically-controlled banking, unification).62 Banking was associated in UAP pamphlets with the two Labor leaders who overshadowed the Prime Minister: Lang and Theodore. Despite the radical disagreement between the New South Wales and Commonwealth Labor Governments on finance the UAP insisted that each was intent on gaining control of deposits. Lang was simply 'Labor' and only the election of a UAP government could prevent his entry into Federal politics.63 The Lang government had caused the collapse of the State Savings Bank by undermining confidence in state banking with its policy of

61. 'Australian Worker', 2 Dec 1931, p. 5; 9 Dec 1931, p. 5.
63. Every Picture Tells a Story No. 4., Melbourne, n.d [1931], NLA MS 1009/50/72.
repudiation, and by refusing to pay debts owed to the Bank. Theodore desired to replace the independent Commonwealth Bank board with a politically-directed manager: the result could be the same disaster which befell the New South Wales bank. The individual crises caused by the failure were evoked in advertisements: "Government Savings Bank Book, £430, Sell £260....Bank Books - Private Gentleman will pay 10/6 [in the] £ net....". Ernest Turnbull, the leader of the AFAL in Victoria, also explained the dangers of Labor's banking proposals in personal terms which suggest the type of people to whom the League tried to appeal.

A word to the thrifty.

You are a thrifty, industrious man or woman. You have been hard-hit by this depression, and you are feeling very sore about it, for it was truly none of your fault.

Do not let the sense of injustice which you feel lead you to accept a proffered remedy which will aggravate your sufferings.

The Commonwealth Government wants more money than the banks or people are willing to lend. The banks have already made large temporary advances to Governments to assist them during the Budget-balancing period, but have not yet yielded to all requests.

So the Government says, 'We will take over the control of the banks ourselves and compel them to lend us what we want. That

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64. *Every Picture Tells a Story* No. 12 A Story of Real Life - *When Banking is Mixed with Politics*, Melbourne, n.d [1931], NLA MS 1538/28.1671. One former supporter of W.M. Hughes complained that Nationalist publicity during the October 1930 State election had caused the collapse of the Savings Bank, and asked if the UAP intended to undermine the Commonwealth Bank in the same fashion. [illegible] to Hughes, 5 December 1931, NLA MS 1538/28/1113.

means your money and my money, taken against our will, to buttress a mis-managed system of which we do not approve.66

Confiscation of deposits was one threat to property, inflation another.67 More emphasis was given to the insecurity of deposits, perhaps because there had been a bank crash in April 1931 whereas hyperinflation was hard to imagine at a time when prices were depressed. On the other hand, Parkhill argued that Theodore’s proposals were more subtle than Lang’s, and therefore more dangerous. The Treasurer contended misleadingly that his proposed fiduciary note issue was similar to the issue made by the Bank of England. But in the second case the issue was backed by securities held by the Bank; Theodore’s issue would be guaranteed only by loans to be raised in the future, and the government’s reputation made the raising of such loans unlikely. The Treasurer’s duplicity was also demonstrated by the way in which he had changed his views in the past: as Premier he had insisted that wage earners suffered the most when currency was inflated; as recently as June 1931 he had told Yates that an excessive note issue would be inflationary. He had changed his convictions before - who could say whether he would prescribe still more inflation to follow his £18,000,000 expansion? Scullin had also abandoned his

66. *Your Personal Interest in Banking*, auth. E. Turnbull. NLA MS 1009/50/293. For other advertisements on this theme see: *It’s Your Money!*, *Truth* [Sydney], 13 Dec 1931, p. 18; *He [Lang] won’t be happy ‘till he gets it* [the Commonwealth Bank], *Ibid.*, p. 28; *Every Picture Tells a Story* No. 1, *Hands off the People’s Money -It’s Your Chest* [which pirate Theodore covets], NLA MS 1538/28/1643. All published Melbourne, n.d [1931]. In 1928, Latham had included among the Nationalist constituency "the thrifty man of small means". Latham to Hawker, 20 Feb 1928. NLA MS 4848/3/6/1 (a)
67. A ‘bank note’ issued by non-Labor in Queensland, was printed on the front with £ signs, pictures of Lyons, and the slogan ‘Hands off the note issue or you will have a ‘Lang’ wait for your money...’. The reverse side bore pictures of Theodore and Scullin, a red ‘Danger’ stamp, and was marked ‘Fiduciary inflation note // One Million Pounds // Cash at Cranks Bank’. Brisbane, n.d [1931] NLA MS 1009/50/88.
opposition to inflation. In his "famous cable" from London he warned that inflation would jeopardise the conversion of government loans and bills and cause a flight from bond to property investment - "[F]inancial panic may result". Now for the sake of expediency he had reversed his attitude. 68 Inflation was represented in one cartoon by a bearded and booted Professor Inflationski,69 but Germany was more frequently alluded to than Russia. "The German people are so terrified of inflation that they would stand any remedial measures, however hard they might be [,] to avoid it." 70 UAP campaigners obviously hoped that the Australian people would feel the same way. Propaganda based on the Germany hyperinflation of the early 1920s stressed the ruin inflicted on the thrifty middle classes.

THE GERMANS 'extended credit' as Mr Theodore proposes to do, and the printing presses rattled off 'inflated' money'. As inflation progressed, prices altered daily, and soon hourly. Eventually, the shops had to refuse to accept notes, and had to close altogether. 'Widows whose husbands had carried life insurance policies for their protection found themselves quite as badly off as any other investor, their policies were worthless - amounted only to a few pence.71

That Labor was suspiciously tolerant of Communism was a normal theme in non-Labor Federal election campaigns, and 1931 was no exception. A

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70. This comment was attributed to the "distinguished German economist" Dr M.J. Bonn. *Every Picture Tells a Story* , No. 2, , Melbourne, n.d [1931]. NLA MS 1009/50/100.
pamphlet issued by Hughes found the source of Communist influence in the ambitions of the Soviet government to spread their doctrine across the world; the British Empire stood against the power of international Communism. But local poverty made Communist doctrine attractive: a return to prosperity was the only solution. A more common argument in the UAP campaign, however, was that the remedy for Communism resided in the law. The Scullin government should have used the Crimes Act to suppress the Reds, but was unwilling. The FPLP had in 1926 supported the amendments to the Act, which passed without division: “[T]here has been a change in the Labor Party since then. // What is it?” In November 1931 the conference of the New South Wales branch of the Party voted against a proposal to ban the Communist Party. At least one item of UAP publicity sought to pursue a theme which would become more prominent in Australian politics after the Second World War: Catholic anti-Communism. A leaflet for Fenton quoted Bishop Dyer of Wagga on the prevalence of Communism, an inherently irreligious doctrine, and the need for caution in choosing members of parliament. “These are times when people should study closely the principles of every man seeking office....and select only those worthy of confidence and trust.’ This quotation was followed by a note that Labor had in Victoria given its Senate preferences to the Communists before the UAP candidates.

73. Under Which Flag?, NLA MS 1009/50/311; Every Picture Tells a Story, No. 3, The Communists' Friend, NLA MS 1538/28/1644. This cartoon showed Scullin and Theodore passing over to the other side of the street while a Phrygian-capped communist assaulted a working man with a 'basher tactics' club. The UAP used 'communism' loosely. Taxation, for example, could be “communistic”, and in the same sentence “socialistic”. Rescue Australia [from high taxation], NLA MS 1538/28/1668. The Communists' REAL Friends, NLA MS 1009/50/323. Fenton was a Methodist. All published Melbourne, n.d [1931]
Sound finance and, to a lesser extent, Communism were the major themes in the UAP campaign. Protection, ‘the land’, and - surprisingly - unemployment were secondary. Most of the propaganda consisted of attacks on the government; but the UAP was defensive about free trade. *A Word on the Tariff* explained that the new non-Labor party had inherited the protectionism of the old Liberal party, and the Nationalists.74 The Chamber of Manufactures made available to Latham “for use in the Melbourne papers” the text of a statement by its Political Committee endorsing Lyons’ policy speech. Latham forwarded one copy to a colleague with a request to circulate it as widely as possible, and commented that the *Age* (5 Dec 1931) had misrepresented a statement on the tariff by the president of the New South Wales Chamber of Commerce, Gordon Bennett. The pamphlet *UAP and the Tariff* cited the Chamber’s acclamation of the Party as “‘staunchly Protectionist.’”75

The UAP contended that while the Commonwealth could neither change world prices nor land settlement schemes (the latter were the responsibility of State governments) it could assist producers by reducing taxation and, again, restoring confidence by returning to orthodox public financing.76 Electing a UAP government was also the best way to thwart Labor’s plans for constitutional unification, which would allow city interests to dominate the farmer. Likewise, the government’s attempts to introduce compulsory wheat

pools were steps towards socialisation, which was why the Opposition Senators blocked these bills.77

Lyons and his colleagues had more to say about the risk of hardship involved in the government's proposals than about the poverty which had already been caused by unemployment, and reductions in public spending. In keeping with the rest of the campaign, unemployment was attributed to the intimidation of business by plans for dangerous government financing, and by taxation. Some Opposition literature reminded voters of the reductions Labor had made in wages and pensions, and contrasted these economies with the benefits which Scullin had promised in 1929. The lowering of unemployment was another promise broken by the government. Possibly UAP politicians were reluctant to criticise the effects of deflation as this was the policy which they had urged on the government; also, non-Labor State governments shared the responsibility for retrenchment. Non-Labor sought to deny the government the credit for implementing the Premiers' Plan: reform, they insisted, had been forced by the Opposition, and the government's procrastination had necessitated economies more severe than those required when the Plan was first put forward.78

77. When Labor 'Unifies', Melbourne, n.d [1931] NLA MS 1009/50/79; Socialising the Wheat Industry, Melbourne, n.d [1931] NLA MS 1009/50/109. The Senate rejected the Wheat Marketing Bills (1930 and 1931) and accepted the Wheat Bounty Bill (1931), and the Wheat Advances Bill (1930). The latter was never implemented as the Commonwealth Bank refused to finance the proposed advances to growers.

78. Unemployment, and wage and pension reductions: Labor Has Failed You!, NLA MS 1009/50/322; Every Picture Tells a Story No. 14, NLA MS 1009/50/80; UAP Speakers' Notes, No. 7, NLA MS 1538/28/1593-98; the newspaper advertisement 'Mates! help me get a job', showed a man with his hand stretched out towards the viewer, recalling a recruiting poster of the Great War. Truth [Sydney], 6 Dec 1931, p. 17. Government's delay: 'Only 12/- in the £1 'What Scullin has Brought Us To!', NLA MS 1009/50/98; see also The Truth About the National Plan, NLA MS 1009/50/1050. All pamphlets published Melbourne, n.d [1931]
This survey of campaign literature implies that the election was contested only on issues of Commonwealth policy. But the activities of candidates and members in their communities must also have affected voters' attitudes, as two examples of patronage in widely different social settings may suggest. Labor candidates for Hindmarsh and Angas assisted unemployed single men in their dealings with relief authorities; a flyer for the 'independent Nationalist', Wally Marks, whose electorate included some of Sydney's more prosperous northern suburbs, mentioned no policy issues, but listed his "[R]eferences" as the "Municipalities of Waverly, Woollahra, Vaucluse // The Diggers and their Clubs and Associations....Surfers, Swimmers - and all Sportsmen and their Clubs....Parents' and Citizens' Associations...."79

It is difficult to know what the public to which politicians appealed thought about this contest of Depression remedies. The Worker's correspondent commented of a Labor meeting in the Botanic Park, Adelaide:

[T]he people of Adelaide are in a very peculiar mood at present. While the audience listened carefully, first to Mr Yates and subsequently to Mr Kneebone, neither of them was able to raise any enthusiasm. Here and there at times a solitary handclap could

be heard, but that was all. As the campaign progresses, this apathy may disappear. Let us hope so, anyway.80

*Smith's Weekly* doubted that public sentiment boded well for Labor.

The one feature of the elections that promises to correct the confusion is that the people generally are doing some thinking for themselves. They are turning out to election meetings and listening attentively. There is little enthusiasm, but a popular demand of deadly purpose which betokens ill for those who are opposing their will.81

The UAP easily defeated the government. "We have gone to dusty death", Curtin told Boote.82

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Elections for the House of Representatives - 1929 and 1931 83

80. *Australian Worker*, 9 Dec 1931, p. 15,
82. J. Curtin to H. Boote, 22 Dec 1931, Boote papers. NLA MS 2070/1/83.
83. Hughes and Graham, *op. cit.*, pp. 342 & 346. UAP results include those of the Emergency Committee. Percentages are of the valid primary vote. The 1931 percentages total 99.98
Approximately half of the twenty percent fall in the ALP vote may be accounted for by the poll for Lang Labor, which won four seats in New South Wales (the Federal party took only three). In that State the 1929 Federal Labor vote of 51.49% was reduced to 29.25%; Lang Labor won 12.11%. Lang Labor stood candidates in Victoria, Queensland and South Australia, but gained no seats and less than two percent of the vote in each.

One obviously pro-Lang contributor to the *Westralian Worker* argued on the evidence of the increased informal vote, and comments on ballot papers that the government had been defeated because many voters refused to return Labor members who had recently voted for wage and pension reductions. Another considered that the main cause had been that voters blamed the government for unemployment.84 *Round Table* commented that the electorate had been subjected to “a campaign of terrors” in which Labor warned that the UAP would abolish protection and arbitration, and the UAP insisted that Labor would steal savings, and render the currency worthless. Yet “...it is very doubtful whether there was much public conviction of any of these dangers.” Federal Labor suffered from the rivalry of Lang’s supporters, and from association with the New South Wales Premier’s record - particularly the collapse of the State Bank. Allegations regarding Mungana were made infrequently, but the charges were sufficiently serious to discredit Theodore

and Scullin nonetheless. The main factor was that people thought that Scullin's recovery policies had failed. Labor was unpopular everywhere except for Queensland, and its losses exceeded a simple correction of the favourable swing of 1929: for example, one of the lost government seats, Batman, had been held by Labor since 1910. Bruce, who regained Flinders (while absent abroad) seized on the result as proof that his government would have suffered the same fate if he had not had the good sense to force it to contest the previous election on an impossible issue: "[T]he election was an amazing affair and certainly justifies to the hilt our action in refusing to carry on in 1929", he remarked to Page.

"Any government would have been defeated..." one of Theodore's supporters commented, "...and the rest is domestic Labor politics." Followers of the Treasurer, who lost Dalley to Lang candidate J.R. Rosevear, were quick to blame Lang Labor. One also thought that Theodore's expansionary policies were too complicated to explain to the electorate, and were easy to misrepresent, "particularly in view of the sensitive public mind created by the closure of the Government Savings Bank." Boote, however, attributed the UAP triumph to a Communist scare campaign - which was discredited by the Communist Party's negligible returns. Labor's good showing in Queensland was the result of the unpopularity of the Moore government, some considered. The immunity of

86. Bruce to Page, 13 Jan 1932. Page papers NLA MS 1633/1693-95.
87. Keane (?) to Theodore, 22 Dec 1931. NLA MS 7222, Box 1, Folder 1.
88. *Australian Worker*, 23 Dec 1931, p. 3.
89. Lang to blame: Ted O'Loughlin, 27 Dec; O'Hagan, 23 Dec; Joseph A. Dalton, 28 Dec; Riordan, 30 Dec; R. Spencer Browne, 21 Dec. Re-inflation too complicated: C.J. Doherty, 22 Dec 1931. Queensland: J. Huntingley (?), Brisbane, 3 Jan 1932, NLA MS 7222, Box 1, Folder 1. A.C. Morgan told Latham that the low stocks of the Moore Nationalist government had
the Labor vote in Queensland to the Australia-wide swing is evidence of the influence of local matters on Federal politics, even when national issues arouse powerful controversy.

In the late 1920s and early 1930s fiscal orthodoxy largely replaced British-Protestant allegiance as the main criterion of rightwing loyalism. The orthodox Depression policy supported by Nationalists, most newspapers, and the leagues was based on retrenchment, wage cuts and balanced budgets. These measures, argued the exponents of sound finance, would allow lower taxes, smaller payroll bills and cheaper credit: business would then be free to pull Australia out of the morass. The UAP was formed to get rid of the Scullin Government not because Scullin was a Catholic, and in the Great War - early 1920s a supporter of Irish republicanism, but because non-Labor people feared the Government would cause ruinous inflation, and by repudiating its own debts destroy that confidence in repayment which underwrote the credit system. Lyons, the leader who in 1931 attracted enthusiastic support from the activists of numerous conservative associations, was a pious Catholic, and had campaigned against conscription in the Great War, but these sins belonged to history, for Lyons passed what had become the more important loyalty test: commitment to sound finance.

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allowed Littleton Groom to win back Darling Downs as an independent non-Labor candidate. Groom had also won the Catholic votes that would otherwise have gone to Labor. Morgan to Latham, 20 Dec 1931. NLA MS 1009/1/2157.
Chapter 6. The gradual decline of the UAP, 1932-43

The 1931 elections confirmed the strength of Lang's challenge to Federal Labor, and left the divided labour movement in opposition to a government which, along with the Country Party, held fifty six of the seventy five seats in the House of Representatives. The non-Labor parties had been dominant in Commonwealth politics since the conscription split, and as the UAP settled into the Treasury benches, the short-lived Scullin Government, elected in reaction to Bruce's radical industrial agenda, began to look like an exception to the normal pattern of politics. Labor's problems seemed to allow the Government to make do with a weak extra-parliamentary organisation. Senator Foll complained to Latham in 1934 that the Queensland head office was so poor that it did not know where the next fortnight's pay was coming from; and that there was virtually no organisation outside Brisbane. Latham promptly forwarded a cheque to alleviate the crisis, but no single donation could have resolved the continuing problems of groups bereft of national organisation and independent sources of funding.1 Similarly, the member for Corio, R.G. Casey, was disturbed by the absence of a central research and publicity bureau, and warned that the UAP would be left more vulnerable by this neglect as time went on; but his proposal to establish such a bureau was defeated when the National Union refused to provide the necessary funds.2

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2. Richard Casey, political liaison officer, London, 1924-27, 1927-31; member for Corio (Vic), 1931-40; Honorary Minister 1933-35; Treasurer, 1935-39; Minister for Development, 1939-40; Australian Minister to the United States, 1940; Minister of State for the United Kingdom in
Thirteen years later, when non-Labor was struggling to regain its ascendancy, Casey was to have the opportunity to put his ideas about organisation and fund-raising into practice. For the moment, however, these weaknesses were obscured by the effects of the Depression crisis on each of the parties. It is reasonable to surmise that the Nationalists might have won the 1931 election without reforming under the leadership of Lyons; the fact that they were willing, and able, to take the path of fusion suggests some remarkable similarities with the party reformations of 1916-17. Again, a great ideological issue had served to detach a significant section of parliamentary Labor, a party which appeared to place loyalty above every other political virtue, and to bring the rebels into the orbit of the major party of non-Labor. The split was seen by each side as a question of morality as well as rational policy-making. Each regarded the other as illegitimate in an ethical sense, but it seems that non-Labor parliamentarians had the greater self-confidence, both in the justice and in the likely popularity of their programs. In 1916 and 1931 there were no members of the Liberal or Nationalist parliamentary parties who resigned to join Labor; but the Liberal and United Australia parties attracted non-Labor defectors. As in 1916, the renegades joined the main non-Labor party which, in keeping with its new members, who were defectors from an avowedly working class party, adopted a new, populist name. The split came from the top down, and was driven by interpretations

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of popular politics: Labor politicians could be accepted by their former opponents because they were thought to bring Labor voters with them. Indeed, the leader of the new party came from Labor, and was considered to offer a personality and image suitable to the needs of the day. Lyons was as mild as Hughes was fiery; he seemed the perfect exponent of a policy of reassurance. More importantly, perhaps, the leadership of the new rightwing party by a former Labor politician symbolised the all-party, national government ideal of civic patriotism which was a constant feature in the non-Labor identity and image, and which became particularly important at times of increased social division when non-Labor was implementing unpopular policies.

The new government was fortunate in the timing of the economic recovery: The peak of unemployment was 1932-33, and while production and employment did not return to pre-Depression levels until 1938, 1933 was seen by many as the turning point. Scullin's government remained associated with the trough of the Depression, and with the most intense period of controversy and uncertainty over government responses. The UAP also benefited from the politics of Labor in the largest state. A conflict between the Commonwealth and New South Wales governments over the latter's refusal to repay public debt culminated in May 1932 with Lang's dismissal by the Governor, Sir Phillip Game, for making an allegedly illegal instruction to public servants to withhold payments from the

Commonwealth.6 Lang was defeated at elections in June, but continued as Leader of the Opposition, and a force within the federal Labor Party. His presence in national politics prolonged that threat of repudiation which had played such an important part in the rallying of the right in 1930-31. Federal Labor suffered Lang's hostility, but was also weakened by its supposed affinities with Lang-style rhetorical extremism.

Lyons was able to claim that by renouncing inflation and repudiation his government had restored business and public confidence and that this psychology was responsible for the return of prosperity. Throughout the 1930s the UAP government campaigned on its image of fiscal rectitude, and from 1934 was able to take credit for the restoration of the austerity cuts made in the first of three years of the decade. While the UAP boasted its adherence to unchanging economic nostrums, its economic policies were, by 1920s standards, less orthodox than UAP politicians would have had their constituents believe. Two issues may serve to illustrate this. Firstly, non-Labor had revelled in the rebukes issued to the Scullin government by the governor of the Commonwealth Bank, Sir Robert Gibson; but Gibson, without making his opposition public, complained in December 1932 of the government's assumption that Commonwealth Bank credit comprised "an absolutely indefinite advance."7 If the government's domestic bank policy was unorthodox in the eyes of local guardians of financial probity, so was its commitment to the repayment of British debt, an issue symbolic of the UAP's British loyalty and economic 'honesty'. Despite his image as the

6. ADB, 9, p. 665.
quintessential Anglo-Australian, the government's minister in London, Bruce, adopted an assertively nationalist policy on negotiating a relaxation, or even a waiving, of Australia's war debts.8

None of these qualifications of financial orthodoxy and British loyalism was suitable for the public platform. Lyons, delivering his policy speech in the Sydney Town Hall, took credit for the recovery from Depression. He admitted that this revival was not entirely the government's doing - the resurgence of gold prices and the efforts of the Australian people had played an important part. But the government "by its policy of sound and honest finance created the atmosphere" for recovery. With the removal of Lang, "Australia had breathed freely again and the way had been opened for sane counsels and honest management." Lang and Scullin had not changed: they still desired to place banking under political control in order to inflate the note issue - "the alternative to the present government was a Scullin-Lang combination." Lyons then set out the principles of UAP. Firstly, the party "prefer[ed] the preservation and improvement of existing economic structure to the adoption of wild and revolutionary schemes." Australia's interest lay in remaining a "loyal part" of the Empire. The nation must honour its overseas debts, and must work against the growth of economic nationalism by seeking trade agreements. The UAP stood against government interference in banking and currency. More specifically, Lyons promised to fix a guaranteed price of three shillings per bushel for wheat; to review the Ottawa agreement sympathetically when the time

8. Bruce to Lyons [copy], 3 Dec 1932. NLA MS 1009/52/268-70.
came; and to re-establish the Interstate Commission to police interstate 'dumping'. The Commonwealth government had decided to take greater responsibility for unemployment, especially among young people, and would fund training schemes and major works projects such as afforestation, and the provision of sewerage works to large country towns. The government would also fund State programs to reduce maternal mortality, once a proper policy had been decided. Turning to defence, Lyons noted that while the British Empire had reduced its armaments, other nations were increasing their capacity to wage war.

Nothing is further from our thoughts than any war in which Australia might become engaged....The British Government still strives for peace, and so shall we. But the British Government has been forced by stark realities into increasing its defence provisions. This is also the position in Australia.

The Australian policy will be "the lowest possible provision which is consistent with the defence of our continent." Lyons concluded with a plea to choose the party of confidence and to avoid the "general financial demoralisation" which a "Scullin-Lang Government" would bring.9

Scullin, who gave his speech at the Richmond Town Hall on 15 August, denied that the Depression was finished. There were still 300,000 unemployed, while farmers had little income and much debt. Young people

9. SMH, 14 Aug 1934, pp. 11-12.
had no prospects. The worst aspect of unemployment was the workless state of these school-leavers, whose unemployment was not recorded in union returns. Australia lacked money rather than productive capacity. "Money must be made the servant of industry, not its master." Labor would restore control of the Commonwealth Bank to a single governor, responsible to parliament: the board at present represented private interests. Staff of private banks had no reason to fear that nationalisation would cost them their jobs. Labor's opponents asserted that state control would create a government monopoly - but this was preferable to private monopoly; furthermore, over one-third of Australian banks were foreign-owned. "An Australian outlook is also needed," Scullin complained. "The purchase of a cruiser overseas at a cost of £2, 280, 000 is monstrous, when thousands of Australians are unemployed." Pursuing his theme of economic nationalism, the Labor leader promised to restore tariff protection. On egalitarian lines, Scullin alleged that government financing had been unnecessarily expensive, to the benefit of banks and bondholders. Labor favoured a reduction in working hours. The Party retained its proposal to unify Australian government by vesting all power in the Commonwealth Parliament. Scullin closed his speech by reiterating that Labor would extend the power of the Commonwealth Bank in order to enhance the credit available for national development.10

The UAP campaign broadly followed the pattern of 1931: sound finance remained the keynote. Women were reminded that the Savings Bank of

New South Wales had closed its doors on them. In a radio broadcast, John Latham, who was retiring from politics at this election to take his place on the High Court, warned that while UAP policy had been rewarded by Australia being regarded with a new respect overseas, Labor remained committed to the deceptively easy solutions of currency inflation and politically-controlled banking, which would undermine confidence in the financial system to such an extent as to make money worthless. Speaking in Geelong, Richard Casey explained that the government's policy was to foster a recovery driven by private enterprise: this policy had resulted in unemployment falling by ten percent in every year since the government's election. Labor, by contrast, was intent on nationalising banking, and nationalisation of industry would be the next step. UAP speaker's notes explained, in scholastic style, that if banks acted on the populist demand to provide an unlimited supply of money loans this would remove the scarcity and therefore the value of money. Creditors, who had relied on the financial system's capacity to preserve the value of the medium recording their loans, would be so dismayed that they would never trust other people with their money again.

The term credit, in its original sense, implies trust or confidence. It is derived from the Latin word, credo, which means 'I believe in', 'I have confidence in', or 'I trust'.

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12 Typescript of broadcast by Latham, Melbourne, 14 September 1934. NLA MS 1009/59/84-89.

trust or confidence is still the basis, the very foundation, upon which financial credit rests.\footnote{14}

Financial unorthodoxy was also linked with fear of social revolution: bank nationalisation was "communism's first step." Anti-Communism was an aspect of the 1931 campaign which seemed to receive greater emphasis in 1934. UAP speakers were provided with details of the government's campaign against the Communist Party: an amendment of the Crime Act (1932) allowing the government to make "an express declaration" of unlawful persons or groups; censorship of seditious literature; deportation of revolutionaries. \textit{These measures had caused Communist Party membership} to fall since the Lyons government took office.\footnote{15}

Defence, which was almost entirely overlooked in the 1931 campaign, received more attention in 1934 from the UAP, but was still a minor theme. Such was the preoccupation with the Depression that the Japanese invasion of Manchuria in 1931 had gone almost unnoticed in Australia; but as the prospect of a second world war increased, so too did the resources which the government devoted to defence. In its 1932 budget, the Lyons government had reduced defence spending by £24,876 to £3,159,960 - the lowest level in twenty years. Lyons was warned the next year that Australia's defence capability had been seriously impaired by budget cuts.\footnote{16} Over the next two

\begin{footnotes}
\item[15] Combating Communism. Ibid.
\item[16] Sir George Pearce to Lyons [copy], 28 Apr 1933. NLA MS 1009/52/435-38.
\end{footnotes}
years the defence budget rose to £5, 457, 800. UAP publicity material explained that the government favoured peace but was prepared for war. "Though the League of Nations has been experiencing heavy weather, the Government refused to believe that the ideal of international co-operation for which it stands will fail to survive." Following Britain's example of defence preparation, Lyons had provided an increase of defence spending, and was developing both civil and military aviation.17

Labor candidates showed little interest in defence and foreign policy. Speakers' notes provided arguments on the unhealthy concentration of private bank ownership; the success of the State Labor governments of Queensland and Western Australia in reducing unemployment; and the parsimonious policy of the Lyons government towards pensions and public works.18 The Labor campaign mostly concentrated on unemployment. Casey's opponent in Corio, John Dedman19, asserted that the total of 300,000 people still registered as unemployed was probably an underestimation as there was no reliable method of compiling unemployment statistics. Casey, Dedman complained, had boasted of the workers re-employed in the Victorian textile industry, but had forgotten to attribute this to the high tariff policy of the Scullin government; in fact, the UAP had already reduced tariffs on one thousand items.20 The Labor argument was that the new prosperity

19. John Dedman, MHR for Corio (Vic), 1940-49; Minister for War Organisation of Industry, 1941-45; Post-War Reconstruction, 1945-49; Trade and Customs, 1946; Aircraft Production and Munitions, 1946; Defence, 1946-49.
20. Geelong Advertiser, 17 August 1943. NLA MS 6150/5/32.
was an illusion. Voters in the seat of Melbourne were informed that on the same day that Lyons had boasted to the AWNL of Australia's recovery, homeless families with young children were gathered around dustbin fires in the back lanes of Fitzroy. Likewise, to be "[C]heered in 1914 // [and] [E]victed in 1934" was the fate of R.T. Thompson, a veteran of Gallipoli, who had been removed from his War Services home in West Coburg for non-payment of rent.\(^2\)

The government was returned with a reduced majority: perhaps people believed that their chances of falling into extreme poverty were lesser under the UAP than Labor. Labor's total vote fell slightly, but it gained four seats. Lang Labor improved its representation. Of the minor parties, the Communists again received an inconsiderable vote; Douglas Social Credit candidates appeared for the first time, and attracted over three times as many votes as the Communist ticket.

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Elections for the House of Representatives -1931 & 1934\(^2\)

\(^2\) Hughes & Graham, op. cit., pp. 346 & 351. UAP returns include five Liberal Country League members, South Australia.
Round Table considered that banking had been the major plank of each party's platform. Labor blamed banks for the Depression; the government evoked the collapse of the Savings Bank of New South Wales, and German hyperinflation, but "...it was doubtful whether such crude appeals to fear were profitable in the present state of opinion."23 The Young Nationalists' Australian Statesman proclaimed that the Lyons government had been re-elected because its successful programs had "steadied the morale of the people at a moment of crisis" and reduced the incidence of unemployment and poverty. The seats lost by the UAP had mostly been Labor strongholds which could never have been held for long.24

Like the poll in 1934, the 1937 election was relatively quiet and uneventful, although with the re-admission of the Lang rebels to federal caucus in 1936, and the passing of the atmosphere of economic crisis which had prompted the formation of the UAP and its first sweeping success, the competition promised to be closer than at any election in the past ten years.25 The 1937 election, however, was notable mostly for the prominence of defence and foreign policy, which for the first time since the 1914-18 war received as much attention as domestic matters. International relations were deteriorating rapidly, and Australians were forced to contemplate the prospect of another war. Even Labor, which tended to regard defence and

international relations as plutocratic conspiracies, best left alone, began under its new leader, John Curtin, to develop a cogent defence policy. Defence was becoming controversial within the ranks of the government: Hughes was obliged in 1935 to resign from the ministry over his claims that Australia was unable to defend itself. Nonetheless the government increased defence spending steadily, so that by 1937, the defence budget of £11,531,000 was more than double the commitment for 1934.

The situation was far from reassuring, however. In July 1937, Japan began a full-scale military assault on China, and the original indifference in Australia gave way to concern. Some feared that Japan's expansion into China would whet its appetite for further, Southward expansion; others hoped that Japan would become preoccupied with absorbing its Chinese conquest. The Sino-Japanese war, however, provided Australians with a frightening example of the techniques of modern warfare: the aerial bombing of Chinese cities provoked frightened and angry responses in the Australian press. More distant geographically, but perhaps more immediate because Europeans were involved, was the Spanish civil war, which also provided stories of the airborne war on civilians. Australian interest in external policy was further heightened by the 1937 Imperial Conference which, because of German and Italian aggression, had assumed an unusual importance. Britain impressed

27. Fairbanks, op. cit., p. 126.
29. Ibid., pp. 67, 118.
on the Dominions that it intended to acquiesce in the annexation of Czechoslovakia and Austria, but was prepared to fight for France and the Low Countries. The Australians offered no objections. The secrecy which surrounded the proceedings obliged Lyons to deny that his government had made any commitments "incompatible with complete local control and determination in any emergency." It was evident that he was sensitive to the isolationist mood of the electorate, and its susceptibility to Labor suggestions that the UAP was unwillingly to pursue an independent policy. 30

In his 1937 policy speech, delivered in Deloraine, northern Tasmania, Lyons once again affirmed that recovery from Depression had been accomplished by the people, but made possible by a government "sound in methods, and above all, sound in finance." Lyons placed greater emphasis on the need for defence than he had three years earlier, explaining that the international scene was marred by "suspicion and fear". The government's undertakings at the Imperial Conference were to protect Commonwealth trade and territory and "involve[d] no overseas commitments". But isolationism was dangerous: Australians must cooperate with the Royal Navy to prevent an enemy from reaching their shores.

The world has recently seen the horrifying spectacle of defenceless men, women and children being bombed from the air. Any isolationist policy which would leave us unguarded

until the enemy was actually at our shores would expose us to the frightful danger of having our coastal cities and towns destroyed in the ruthless manner which is occurring in another part of the world.

To meet the needs of this time of danger, the government had spent £31,500,000 on defence since 1931 - a peace-time record. UAP strategy was to make Australia self-sufficient in armaments and munitions, but also to retain the "traditional association with Britain".

Lyons boasted that his governments had always balanced their budgets. Also, UAP banking policy had been vindicated by the Royal Commission on Banking which (with one dissenter) had recommended against nationalisation. The government would retain the Commonwealth Bank’s board system, and develop a new programme of mortgage lending, and a contributory national insurance scheme. Lyons expressed concern about the falling birth rate and warned that if present trends continued the population would begin to fall in twenty years time. "We are losing more lives in one year than were lost in two years of the greatest war in all human history". Greater population was needed for defence and to provide home markets. The government intended to renew assisted British immigration but, believing that "[T]he Australian-born child is the best migrant", would also increase the salary limit on maternity allowances by £26 to £247 per annum, and raise the rate to £7/10 for the fourth (and further) child. The attention to international relations was a development from early 1930s preoccupations, but in other ways UAP rhetoric remained the same. The Prime Minister
rounded off by warning of a revival of the Lang faction: "I do not believe the people will risk another dose of Lang dominance in Federal politics."³¹

Speaking at the Fremantle Town Hall, Curtin insisted in his policy speech that "the workers...[,...]farmers" and "many of the middle classes" were not sharing in Australia's new prosperity. Instead the benefits were being taken by "the powerful financial groups...stock market investors...commercial and speculative classes...certain inter-locked manufacturing interests" and arms traders.³² The government had broken its promise to build homes - no advances had been made "for several years" under the Commonwealth Housing Act. Relief for primary producers had been slight; only £200,000 had been provided to relieve youth unemployment - most of the responsibility had been left with the States. Taxation was at the highest per capita level since Federation, and remissions favoured the rich.³³ The Scullin government's banking policy had been vindicated by the Royal Commission, which found that the Commonwealth Bank should have expanded credit during the Depression, with most of the money being spent by the government. Labor would ensure that the government's authority was final in any dispute with the board; require private banks to deposit a certain percentage of their liabilities; and remove the statutory requirement for a gold or sterling reserve for the note issue. The Commonwealth Bank should

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³². Speech by John Curtin, Fremantle, 20 Sep 1937, pp. 1-2. NLA MS 4738, Box 73, 'John Curtin' folder.
become the medium for national control of banking and currency, and direction of investment.\textsuperscript{34}

The Opposition leader insisted that Labor was aware of the dangerous realities of the world situation. The Party had since the days of the Fisher government stood for national defence. Australia's military strength must now be in aviation, as the development of air power had the effect of "endangering the civilian population in time of war to an extent without precedent in history." The nation's military efforts must be directed to defending the Australian continent; Labor opposed conscription for "foreign battlefields". Curtin's interest in defence led him in other sections of the speech to note the military significance of railway gauge unification, and oil exploration.\textsuperscript{35}

Curtin argued that population would only increase if the standard of living improved: employment was the key.\textsuperscript{36} Labor would ratify the 1936 International Labour Convention resolution in favour of the forty hour week.\textsuperscript{37} The government had received several reports on national insurance for unemployment, but had left the responsibility with the States, which levied taxes on low incomes to a disproportionate extent. Labor would fund unemployment benefits out of consolidated revenue rather than

\textsuperscript{34} Ibid., p. 5.
\textsuperscript{35} Ibid., pp. 9-11.
\textsuperscript{36} Ibid., p. 8.
\textsuperscript{37} Ibid., pp. 14-15.
contributions,\textsuperscript{38} and introduce a pension of one pound per week, with ten shillings per child, for widows with dependent children.

The best way in which a widow with dependent children can do her greatest work in Australia is not by competing for wages but by carrying on to the best of her ability in her home the work of mothercraft so that her children may be given the best maternal guidance to become the future citizens of a great Commonwealth.\textsuperscript{39}

Sir George Pearce told Western Australians that the two issues of the election were defence and finance. The government would ensure cooperation with Britain in both:

...an isolation policy on these issues is suicide. We cannot adequately defend this country by ourselves, but allied with Britain we need have no fear.

The Labor Party's policy is isolation. Mr Curtin says that there can be no confidence in collective security; on the other hand we stand for collective security within the Empire...we do not propose to commit to any WILD ADVENTURES OVERSEAS.\textsuperscript{40}

Labor's policy was also for isolation from Britain in trade, Pearce maintained: it would impose tariffs on Britain as high as those on "foreign countries".

\textsuperscript{38} Ibid., p. 17.
\textsuperscript{39} Ibid., p. 19.
\textsuperscript{40} Sunday Times, 17 Oct 1937, NLA MS 1827/252. R
Australian self-interest lay in preferring British goods and receiving reciprocal treatment.41

UAP candidates were not solely concerned with external affairs, however. The Attorney-General, Robert Menzies, told one audience in Adelaide that British working men and women now enjoyed unprecedented security by virtue of a contributory national insurance scheme. The Australian working man likewise "wanted a scheme that would put him in the dignified position of drawing from a fund to which he contributed." In a radio broadcast, he asserted that Labor's insistence on a non-contributory scheme funded from revenue was incompatible with "national respect and solvency".42 UAP speakers' notes listed reversals of the 1930s austerity cut in public service wages, old age, veterans' and invalid pensions, and maternity allowances. The government had - in the slogan of 1931 - "restored confidence", allowing private enterprise to increase its workforce: thus trade union unemployment had fallen from 27.4% in 1931 to 12.2% in 1936.43 The Commonwealth Arbitration Court had raised the basic wage by six shillings in recognition of the economic recovery. Taxes had fallen.44 Casey warned that Labor could destroy overnight the confidence which the Lyons government had taken six years to develop.45

41. Ibid.
43. The Record of the Lyons Government, 1932-37, Melbourne, 1937, pp. 5-7, 72-74, 76-78, 90, 105-07.
44. Lyons Leads the Way, Sydney, 1937. NLA MS 5910
45. Sunshine Advocate, 27 Sep 1937. NLA MS 6150/5/35.
At the local level, a pamphlet for the UAP member for Barton, Albert Lane, contained a mixture of local advocacy, boasts of national recovery from Depression, warnings about Lang and repudiation, and premonition of war, which was characteristic of the UAP campaign. Lane had “attended personally to the cases of between 800 and 900 pensioners and [had] been able to have their rate of payment increased” - although he did not say how this had been arranged. Lane noted that Australia-wide factory employment had increased from 337,000 in 1931-32 to 518,000 in 1936-37. But the lessons of the past pointed to a threat to this prosperity. “Your experience of the Lang Government’s handling of the Savings Bank of New South Wales should be a warning to prevent Labor from tampering with the principles of banking”.

The international scene was also menacing.

The Lyons’ Government’s defence policy has been based on advice given by the best experts available in Australia and Great Britain.

The present wars in Spain and China have displayed the horrors of modern warfare.

To keep these horrors from Australia’s shores, the fullest cooperation between our defence forces and those of the Empire is called for. This policy does not involve participation by Australia in wars which are not of vital concern for her own safety from invasion.

Labor’s policy of isolation carries no guarantee that it will be endorsed by an enemy. It has been evolved out of the heads of the leaders of the Labor Party without regard for the realities of the world situation.
Labor's campaign also emphasised the danger of war, and the Party's attitude was, as its opponents alleged, isolationist, although not noticeably pacifist. "There is international dynamite in all these places [Berlin, Moscow, China, Mediterranean] - it may explode at any moment." 47 The Lyons government had through its conduct at the Imperial Conference "displayed an inclination" to involve Australia in foreign wars, alleged Labor member for Dalley, J.S. Rosevear. Labor would provide for national defence, but refused to "make the Australian people a police force or salvage corps in the permanent disorders of Europe." 48 Labor claimed in conspiratorial style that the Australian delegation to the Imperial Conference had made a secret agreement for conscription for overseas service. Conscription, recommended by the Secretary of the Committee of Imperial Defence, Sir Maurice Hankey, during his visit to Australia three years before, could be introduced at any time by amendment of the Defence Act - without any requirement for a referendum.

The Lyons Ministry has an undisclosed understanding with the Tory Government of Britain in the event of war. It is the pliant tool of British Brass Hats and of the sinister Agents of Secret Diplomacy.

WHAT WENT ON BEHIND THE LOCKED AND GUARDED DOORS OF THE IMPERIAL CONFERENCE IN LONDON?

Lyons and Parkhill, who represented Australia, committed us to war measures of which we know nothing.49

Defence received the millions which could not be found for the alleviation of poverty, Labor complained. The campaign manual cited Keynes' observation that governments were the most willing to borrow when their purpose was war.50 Labor appealed both to the desire for peace, and for economic security; in Curtin's words, "a policy which will give adequate security both against invasion and against the black despair of the next Depression". The candidate for Corio asserted that per capita wages had fallen from £208 in 1927 to £127 in 1937.51 Labor remained convinced of the need to bring banking under national control. This unorthodox policy was given a conservative aspect by the formula that the Commonwealth Bank would be "restored to its original charter."52

A Queensland newspaper commented that both parties should be disturbed by the quietness of the campaign. Radio had decreased attendance at public meetings, but generally the most prominent politicians could still attract a crowd. In Queensland, candidates had found it difficult to generate public interest once the party leaders had completed their tours of the State. Casey

51. 'The Issues at Stake'; Geelong Advertiser, 13 Oct 1937, NLA MS 6150/5/35.
52. Anon., 'The Senate. Mr J.M. Fraser's Candidature', West Australian, 20 Oct 1937. NLA MS 1827/248. See also Labor's Challenge, pp. 6-10.
had attempted to provoke interjections at one Brisbane meeting, but had succeeded only in prompting "academic exchanges with Social Creditors."\(^{53}\)

Lyons and his colleagues were re-elected once again. The total UAP vote rose by 0.73%, but the Party lost two seats, Bendigo and Grey (South Australia), to the Country Party; while Ballarat was taken by Labor. The incorporation of the Lang Labor group accounted for most of the increase in 'official Labor' representation, but in 1937 the Labor share of the valid primary vote (43.17%) exceeded the 1934 total of Federal and Lang Labor returns (41.18%).

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*Elections for the House of Representatives -1934 & 1937*\(^{54}\)

Despite the formal re-admission of the Beasley faction to federal caucus, *Australian Worker* editor, Henry Boote, blamed the corrupt tactics employed by the Lang 'Inner Group' for depressing the Labor vote in New South Wales. This was the reason the UAP still held seats such as Barton and Parkes. In

\(^{53}\) *Sunday Daily Mail* [Brisbane], 17 Oct 1937. NLA MS 6150/5/35.

\(^{54}\) Hughes & Graham, *op. cit.*, pp. 351 & 357.
industrial electorates - East Sydney, for example - the Labor vote had fallen
even though enrolments had risen.\textsuperscript{55} The government lost the Minister for
Defence, Archdale Parkhill, to a non-Labor independent, Percy Spender\textsuperscript{56}.
Another notable casualty was the Senate leader and Minister for Territories
and External Affairs, Sir George Pearce, who had begun his ministerial career
with the Defence portfolio in the first Fisher ministry, continued as
Nationalist minister for Defence after 1916, and served as one of Bruce’s
principal counsellors in the 1920s. Pearce’s supporters blamed his demise on
the animosity of West Australian secessionists, whom he opposed; and on
the failure of the UAP member for Perth, Walter Nairn, to include Senate
directions on his how-to-vote card. Pearce attributed his defeat to the burden
of ministerial responsibilities preventing him from engaging in publicity
work. A Victorian Senator, James Guthrie, told Pearce that the UAP would
have held the seat of Ballarat if not for the lack of organisation, and the last-
minute selection of the candidate. There had been virtually no work on
behalf of the Senate candidates, and many booths had not been supplied with
how-to-vote cards: "...unless there is a clean sweep in certain quarters and
real organisers and branches established, we will lose several seats in the

\begin{thebibliography}{9}
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papers: NLA MS 4985. Box 187. In 1934, Lang Labor had won 35.93\% and Federal Labor 9.36\%
of the vote (a total of 45.92\%), giving the parties nine and one seats respectively. In 1937
Labor candidates stood on one ticket and won 42.25\% and eleven seats. In the Federal elections
since 1914, Parkes had been won by Labor once, in 1929, and was reclaimed by the Nationalists
in a by-election the next year. The seat of Barton was created for the 1922 election, and had
been won by Labor in 1922, 1928 and 1929. Hughes & Graham, \textit{op. cit}
\bibitem{56} MHR for Warringah (NSW), 1947-51; Honorary Minister, 1939; Treasurer, 1940; Vice
President of the Executive Council, 1940; Minister for External Territories, 1949-51; Australian
Ambassador to USA, 1951-59; KBE 1952; KCVO 1957.
\end{thebibliography}
The UAP's uninspiring performance at the 1937 election led some members and backers of the government to question whether Lyons was still an effective leader. The Prime Minister's position was also undermined by his refusal to countenance the introduction of conscription which, with the increasingly ominous international situation, was becoming a rallying issue for the disaffected within the party. Lyons' biographer argues that by 1937 conscription had become as much a core element of non-Labor belief as 'sound finance' had been in the early 1930s. In March 1939 the Herald, whose proprietor, Keith Murdoch, had become disenchanted with Lyons, estimated that four out of five UAP parliamentarians favoured universal service. Lyons' views remained those of the Great War 'no' campaigner he had once been; as with Hughes, non-Labor politicians discovered that in building a coalition based in part on the supposed vote-winning power of an ex-Labor leader they were forced to accommodate some of his, and his constituents', beliefs. Lyons' principal rival was Menzies, who had entered federal politics in 1934 on the understanding that he would eventually succeed to the Prime Ministership. Tension between the pair grew, and peaked over the issue of national insurance. The government had promised in the 1937 campaign to introduce a comprehensive scheme, and subsequently prepared

for its administration; but the hostility of the Country Party, and the growing financial burden of defence led Cabinet in March 1939 to abandon its proposal. Menzies resigned from Cabinet in protest.59

The next month, Lyons suffered a heart attack and died. He was succeeded by Menzies, after the Country Party leader, Earle Page, had served as 'caretaker' for three weeks. Menzies was experienced in administration, well-connected with Melbourne's business and professional elites, and intellectually gifted. There were some reservations about his tendency to arrogance, but his position as first man within the parliamentary UAP was obvious. Robert Menzies was born in 1894 in the wheat town of Jeparit, in western Victoria. His parents, James and Kate, ran a general shop, and while their income was modest their status in the community was high. James Menzies was a leading figure in the Methodist church, and in local associations; and from 1911 to 1920 he was MLA for Lowan. A precocious and diligent student, Robert Menzies won a series of prizes and scholarships which, by 1913 had taken him to the University of Melbourne, where he excelled in arts and law. Menzies enjoyed his period of compulsory military service in the Melbourne University Rifles, and as president of the student council and editor of the university magazine was an enthusiastic patriot and supporter of conscription. He was old enough to enlist in the AIF, but both his brothers were already serving in France, while the only other sibling, Belle, had eloped with a soldier. If Robert had enlisted and both he and his brothers were killed or disabled, there would have been no one left

to provide for their elderly parents; the Menzies decided that Robert should stay. By the standards of the time, this decision would have been considered reasonable by many, but the war had engendered resentment against those who were thought to have evaded their duties; and Menzies' decision dogged him for at least the first ten years of his political career. Menzies rose quickly in the Melbourne legal fraternity, acquiring an expertise in industrial law; and in 1920 he married Pattie Leckie, the daughter of a manufacturer and Nationalist politician, and established a home in Kew. Menzies' interest in politics had been stimulated by his work on industrial law, and in 1926 he made a number of speeches for the Federal Union, set up to oppose the Bruce government's attempt to transfer all arbitration powers to the Commonwealth. In 1928, Menzies was elected Legislative Councillor for the East Yarra Province, and the next year was returned as member for Nunawadding, and served as Minister for Railways. During his time in State politics Menzies developed as a skilful public speaker: he learned to base his speeches on a few simple points. By non-Labor standards, he was a conservative, sceptical of innovation, and jealous of the rights of property. He became concerned about public extravagance, and the sectional banditry of the Country Party, and in 1930-31 emerged as one of Victoria's most prominent champions of sound finance. Menzies' response to the Depression was to insist that any relaxation of contractual obligations would result in disaster. He earned notoriety by saying that it was better for Australians to starve than to repudiate their debts. In 1934, Menzies replaced Latham as member for Kooyong, and Attorney General. He attempted to oppose the government's strict political and moral censorship, but had no quarrel with the attempt to exclude the Communist anti-war speaker, Egon
Kisch. Menzies’ visits to England confirmed his idealised image of the home of liberty and culture, but in trade negotiations he was a tough advocate of Australia’s distinct national interest. Menzies was as impatient with the Federal as with the Victorian Country Party, but the trade visits had forced proximity with Page, and their mutual dislike increased. A fortnight after Lyons’ death, Page made an extraordinarily vicious speech against Menzies, accusing him undermining and then betraying Lyons by resigning from cabinet; and arguing that Menzies’ failure to enlist in 1914-18 had rendered him incapable of eliciting a full war effort from the people. This last point, in particular, was regarded as beyond the pale, and probably increased support for Menzies, who in the subsequent party room ballot easily defeated his nearest challenger, Billy Hughes. Menzies formed an all-UAP minority government, with the provisional support of the Country Party. In the following months, Australian and British policy was to prepare for war while hoping until the last minute that peace could be preserved by making concessions to Hitler. On 3 September, when the ultimatum for the evacuation of Poland had expired, radio listeners heard Menzies announce that as Britain was at war with Germany, so was Australia.60

Labor, too, was experiencing problems in discipline: the reconciliation of its rival factions was shown to be superficial; and as war approached these divisions became the most obvious in attitudes to defence. Evatt had remarked in May 1939 that Lang was showing “all the characteristics of a

60. This paragraph is based on Martin, op. cit.
corrupt leader who is fast approaching the end."61 Four months later Lang, whose extremist positions and divisive internal politics had been a handicap for federal Labor since 1930, was replaced by W.J. McKell. But New South Wales Labor remained turbulent. In April 1940 the branch split into three sections: a group led by McKell and recognised by the federal Party; a leftwing bloc identified with the Senior Vice President, J.R. Hughes, and the State Secretary, A.W. Evans; and a new Langite faction, styled 'Australian Labor Party (Non-Communist)'. Besely and four other Lang adherents then left the federal caucus. (The Hughes-Evans group secured control of the State conference and passed a resolution calling for a cessation of the war, and 'hands off Russia.') Since the middle of the decade there had been a sometimes bewildering variety of Labor attitudes to external affairs: the isolationism and support for appeasement which had characterised Curtin's pronouncements; the even more uncompromising isolationism of Lang; and an idealist demand for war to be prevented by the international unity of labour.62

The government made much of this confusion, but its own conduct of war policy was also criticised as inept and indecisive. By 1940 there was a well-established cry from the Packer and Murdoch press for 'weak' ministers to be removed and Cabinet reconstituted on national unity lines to include 'big men': a notable cliche of the time. That the constitution required ministers to

61. Evatt to Curtin [copy], 11 May 1939. NLA MS 4738, Box 73, Folder: 'John Curtin and H.V. Evatt'.
be responsible to parliament did not feature in this campaign. The giants were thought to include the New South Wales Premier, B.S.B. Stevens\textsuperscript{63}, and High Court Justice, H.V. Evatt. For his part, Menzies made repeated offers to Curtin of Cabinet seats in a national government, but these overtures were spurned. Advocates of national government were influenced by the British model.\textsuperscript{64}

At the onset of hostilities, the Prime Minister was convinced that the nation must avoid confusion by making an orderly transition to war organisation. The slogan he hit upon, however, 'business as usual', was flung back at him as evidence of complacency.\textsuperscript{65} In June 1940, Menzies told Herbert Brookes,

\begin{quote}
...the clamour will go on. However, I am convinced that we have done the right thing and that the last year has seen a tremendous consolidation of our strength. If we had begun this war with disruption of ordinary life we should not now have been able to meet this tremendous strain....\textsuperscript{66}
\end{quote}

\textsuperscript{63} Premier of New South Wales, May 1932-Aug 1939.
\textsuperscript{64} Martin, \textit{op. cit.}, Ch. 13. \textit{The Daily Telegraph} identified Stewart, Gullett and Fairbairn as the weak links, but printed fulsome eulogies when the last two, along with the Minister for Defence, Street, were killed in an aircrash on 13 August: \textit{Daily Telegraph}, 10 and 14 Aug 1940; see also \textit{SMH}, 10 Aug 1940. NLA MS 4936/28, Album: Jul-Oct 1940. Sir Frederick Stewart, MHR for Parramatta (NSW), 1931-46; Minister for Commerce, 1932-34; Parliamentary Under-Secretary for Employment, 1934-36, Minister for Health and Social Services, 1939-41, for the Navy, 1939-40; for Supply and Development, 1940; for External Affairs, 1940-41; Kt. 1935; Sir Henry Gullett, MHR for Henty (Vic), 1925-40; Minister for Trade and Customs, 1928-29; Minister without portfolio, 1934-37; Minister for External Affairs, 1939-40; for Information, 1939-40; Vice President Executive Council, 1940; KCMG 1933; James Fairbairn, MHR for Flinders (Vic), 1933-40; Honorary Minister, 1939; Vice President Executive Council, 1940; Minister for Air and Civil Aviation, 1940; Geoffrey Street, MHR Corangamite (Vic), 1934-40; Minister for Defence, 1938-40.
\textsuperscript{65} Martin, \textit{op. cit.}, p. 295.
\textsuperscript{66} Menzies to Brookes, 3 Jun 1940. NLA MS 1924/1/16 986.
The source of the clamour, according to one minister, included members of the UAP government of New South Wales, whose allegations that the Menzies administration was "not serious about its war efforts" were contributing to the development of a defeatist mood.\footnote{Spender to Menzies, 1 Jul 1940. NLA MS 4936/37/13.} If the government indeed lacked serious purpose, then this malaise was also apparent among the general public. Part of the problem was that, until the invasion of the Low Countries and France in May-June 1940, the war seemed remote and unreal: in April 1940, Henry Boote could comment on the German invasion of Denmark that "[T]he Second World War seems imminent."\footnote{Diary, 9 Apr 1940. Boote papers: NLA MS 2070/2/1, pp. 32-33.}

By July 1940, however, there were no British troops left in continental Europe, and a war in the skies over Britain had begun which was thought to presage a German invasion. In view of the increased danger, there were calls for the suspension of the elections, due by September, but the government, while continuing to offer an all-party coalition, proceeded with the only practical course open to it, and elections were set for 21 September.

Menzies gave his policy speech at the Camberwell Town Hall, in his electorate of Kooyong. His themes were the government's achievements in building a war capacity, and the need for national unity - most importantly, a national government. The Prime Minister stated that his ministry had recruited and equipped 130,000 men in the AIF and 100,000 in the militia;
built army camps; begun shipbuilding and aircraft manufacturing programs; developed the munitions industry; controlled primary product marketing, thus preventing "chaos"; restrained inflation; and fostered employment growth. Menzies reiterated his call for an all-party administration, and explained that Curtin had rejected his offer of five or six cabinet places: "...let the party fight go on" was Labor's attitude; the policy of Labour in Britain was quite different. Labor represented uncertainty: it could only govern with the support of Beasley's Non-Communist Labor Party; and there was the added complication of the third, 'hands off Russia' party in New South Wales. The Opposition had a disturbing record on defence. In November they had opposed sending troops overseas. Labor only recently agreed to support the Empire Air Training Scheme, and the provision of further forces. At the last election, Labor's policy was isolationist. On 20 June 1940, when the German invasion of France was nearly complete, nine Labor members voted against the National Security Act. "You know where we stand, but who knows where Labor stands?" Menzies closed with a quote from Churchill: "'Let us go forward together in all parts of the Empire...There is not a week, nor a day, nor an hour to be lost.'"

Curtin, broadcasting from Perth, also urged national unity, but in socialistic terms: "...everything must go into the common pool". The profit-based system must make way for wartime needs, but union and other civic rights must be maintained. Curtin depicted the UAP as the source of political instability: the government had changed ministers frequently since the last

69. SMH, 3 Sep 1940, pp. 9-10.
election. Labor was best qualified to administer war policy: its decision to emphasise aviation - criticised by the UAP in 1937 - had been vindicated by the success of air power in Europe. The party supported co-operation with the Empire Air Training Scheme. Labor's 1937 policy speech had stressed the need for mechanisation of the armed forces: but the government had not, in the last three years, been building aeroplanes, docks, and fuel storage. Labor would raise the weekly pay for an AIF private with a wife and one child from 77/- to 87/6. The Party's non-military policies remained in the mould of the 1930s: control of interest rates, banking policy and investment via an expanded Commonwealth Bank; a more progressive tax regimen; guaranteed wheat prices. Curtin opposed the government's petrol rationing scheme which, he argued, should have been introduced earlier and less severely, and might have been avoided altogether if other foreign exchange-consuming imports had been blocked with tariffs. Curtin extolled the military benefits of Labor's proposal for a pension for widows with dependent children. "We cannot expect to have a physically fit manhood to defend the nation in the years ahead unless proper nurture is assured to the children of each generation." The Party was already planning for postwar reconstruction and would ensure through state intervention that there would be no return to pre-war conditions, as had occurred in 1918. "We have to plan with the entire resources of this nation to win the war and we also have to plan with the entire resources of this nation to win the peace."70

70. *The Policy of the Labor Party*, Melbourne, 1940. NLA MS 4738, Box 30, Folder: '1940 1943'.
UAP speakers' notes urged that the government had ensured that living standards were protected from the effects of meeting the financial cost of the war. Taxes were based on ability to pay, and were levied more on companies than on individuals. Price control on a cost-plus-profit formula, and a low interest rate policy, had also protected living standards. Unemployment, Spender told a meeting at Manly, was the lowest since the First World War, and this was the best proof that the government had directed all available national resources into the war effort. Spender condemned the motor service industries for conducting a poster campaign designed to punish the government for proposing petrol rationing. One UAP pamphlet, reviving a slogan of the 1922 election, 'Safety First', warned that Labor's impractical and inflationary monetary policies were a "path to danger."

Another theme was Labor's unreliability on defence: in New South Wales the Evans-Hughes ('hands off Russia') and Non-Communist Labor (Lang) Labor parties opposed dispatching expeditionary forces. The opposition had resisted the rearmament program which the government had been carrying out since 1934; in November 1939, Ward and Brennan spoke against the war. Australia now produced a fighter and trainer aeroplane, the Wirraway, and would in the future manufacture a bomber. Australia had made great progress in armaments production - an achievement ignored by the

71. UAP Speaker' Notes 1940, No. 1, Budget Points, Melbourne, 1940; Ibid., No. 2, Protection of Workers.
72. Manly Daily, 10 Sep 1940. Spender papers: NLA MS 4875/9; SMH, 14 Sep 1940, Ibid. Safety First, Melbourne, n.d [1940]. NLA MS 4738, Box 110, Folder: 'early political matters, 1926'.
73. UAP Speaker' Notes 1940, No. 10 - Labor's War Policy: Which Party? Which Policy?; see also: These Men Stand for A National Government and an 'All-In' War Policy, Sydney, n.d [1940].
government's cynical critics.74 Menzies was not the obstacle to a national
government: he had offered to resign the premiership if Labor would join a
coalition. Labor's only response was to propose a time-wasting advisory war
cabinet.75 Voters should "back the government that's backing Churchill"; one
UAP pamphlet juxtaposed quotations from patriotic speeches by Churchill
and Menzies.76 When Menzies addressed a meeting of three thousand
people in the Sydney Town, every mention of Churchill's name was cheered
by the crowd; but speaking in his electorate the next day, Menzies was asked
by an interjector whether he had supported Churchill or Chamberlain during
the appeasement controversy of 1937-39. Menzies acknowledged that he had
endorsed Chamberlain's policies, and insisted that the Munich agreement
had provided valuable time for British re-armament.77

Not all Labor people were lukewarm in their support for the war. The
candidate for Wimmera, M.M. Nolan, was depicted on his campaign
pamphlet wearing his AIF sergeants' uniform. Nolan argued that the war
was no excuse for postponing domestic reform: the Commonwealth Bank
should provide more credit for home-builders and primary producers.78
Campaigning for the outer suburban Sydney seat of Barton, H.V. Evatt
pledged to work for a war effort which would bring national renewal:

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1940; UAP Speaker' Notes 1940, No. 8, Aircraft Construction
75. Ibid., No. 9, Why Australia has no National Government.
76. *Australia Must Have a United Government*, Melbourne, n.d [1940]. NLA MS 4739, Box 110,
Folder: 'early political matters, 1926-'; *Appeal to Action and Call to Sacrifice*, Melbourne, n.d
[1940]. Ibid.
77. *Sun* [Sydney], 11 and 12 Sep 1940. NLA MS 4936/28, Album: Jul-Oct 1940.
78. M.M. Nolan, Melbourne, 1940. NLA MS 4738. Box 30. '1940 1943' folder.
The last war brought us victory, but not security. For the mistakes of the statesmen of that period, the rising generation is now suffering...Let us place in office a reborn Labour party which will again become a great national Australian party, and will help to save Australia from disaster.79

The UAP did not win a majority, but formed government with the support of two independents, Alex Wilson (Wimmera), who favoured the Country Party, and A.W. Coles (Henty) - who was generally supposed to sympathise with the UAP. The government's worst performance was in New South Wales, where Labor took three seats from the UAP, and two from the Country Party. 80

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Elections for the House of Representatives - 1937 & 194081

79. Form letter: Evatt to electors of Barton, 19 Sep 1940. Evatt papers, Flinders University of South Australia. File: 'elections - federal 1940'.
Press criticism of the Government had been the most intense in New South Wales; and there may have been something in Menzies' complaint that the hostility of the Sydney press had been responsible for his failure to secure a majority. If so the press campaign was merely negative in its effect: the *Sydney Morning Herald* 's much-vaunted 'big man', Bertram Stevens, who stood as a non-Labor independent, had been unable to win the seat of Lang. Perhaps voters were dissatisfied with the government but unsure or unenthusiastic about Labor. During the campaign, A.B. Piddington had warned that Labor's neglect of programs of social reform had weakened its popular appeal:

What voters want to know is what a Labour government will do in the next three years.

Since 1914 it has done nothing and proposed nothing for human enrichment. Yet the 'Condition of the People' is the one thing everyone is thinking about...If Labour had a social policy, any social policy, there would be some legislation for which to ask a mandate.

For Menzies, the 1940 election proved to be not so much a victory as a stay of execution; in the months that followed the demand for a national government was heard again from within the ranks of the UAP, and as the Prime Minister had been unable to obtain a pact with Labor, the implication was that he must go. The opinion was growing among Press and politicians that Menzies was clever but indecisive, and too aloof to inspire loyalty. In

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82. *Advertiser* [Adelaide], 23 Sep 1940. NLA MS 4936/29, Album: 'Jul-Oct 1940'.
83. Piddington to Evatt, 7 Sep 1940. Evatt papers, Flinders University of South Australia. File: 'correspondence - miscellaneous - 1940'.
January 1941, he left for England, to represent Australian views on the Commonwealth war effort; and particularly the need to reinforce the base at Singapore; Menzies visited the island garrison *en route* and was disturbed by the fatalistic attitude of its commander. As well as undertaking meetings with the British government, during which he became alarmed at Churchill’s dictatorial methods and refusal to countenance independent advice, Menzies spoke at many public meetings. Speech-making was his forte, and he was feted by the British press, as Hughes had been in 1916. Menzies prolonged his visit until May, and on his return found that his position had been further undermined.  

Menzies complained that Australia had achieved little of the wartime national unity he had observed in Britain. Whether or not Britain was as united as Menzies claimed, certainly he and his ministers were unable to devote themself exclusively to war policy, but were obliged also to engage with the usual peacetime issues of intervention and laissez faire. On these matters, UAP supporters offered contradictory advice. On the one hand, Menzies was advised that financial orthodoxy remained a strong suit for the UAP, because in New South Wales, at least, many voters continued to associate Labor with the closing of the State Savings Bank, and with Theodore’s fiduciary notes proposal. "People are not prepared to take risks where money is concerned. The greatest concern is usually displayed by those who have little or nothing to lose."  

On the other hand, another supporter

84. Martin, *op. cit.*, Ch. 14-16.
85. R.W., [?] Memo for Mr Menzies, 17 Jul 1941. NLA MS 4936/410/1.
warned Menzies that voters were disenchanted with the postwar experience of laissez faire.

You must overcome the thought in the minds of probably 75% of the people that though thousands of millions of Pounds can be found for war, as soon as the war is over nothing will be found for the correction of many ills which exist under democracy. It is not even a panacea to say to them that after all democracy has less evils than any other system of government they know.86

The government had already made a step in this direction by introducing an endowment of five shillings per week for every child after the first. This had been Labor policy at the previous election, but was announced unheralded by the government. Child endowment was the first new social security benefit to be introduced by the Commonwealth since Fisher's maternity allowance of 1912. In that the funding was from payroll tax and general revenue rather than individual contributions, this programme represented a significant departure from non-Labor policy, and anticipated post-war directions. As the young Minister for Labour and National Service, Harold Holt, promised, child endowment was a "'foretaste and pledge of the full reconstruction that will be possible when we can again turn our surplus productive forces to the purposes of peace.' " 87

But perhaps this was insufficient to dispel the perception that Menzies was remote from the needs and aspirations of the people. Another well-wisher, who maintained a keen sense of an improvident and undeserving working class, advised him that

[T]his particular class say, you are too domineering, too dogmatic, too English, you want to create class distinctions, you and Stanley Melbourne Bruce are a good pair, what do they want to send a Minister to England at all for?; that when you came back from England you described them as common people.

The fact of the matter is that you are too much of a gentleman for them.88

The secretary of the UAP, H.W. Horsfield, suggested to Menzies that he might overcome his image problem by making direct appeals to the people through radio broadcasts. This, Horsfield explained, had been Roosevelt's method in his second presidential campaign, and helped him to overcome the opposition of the press. Menzies replied that he was interested in the suggestion, and had in fact been considering it over the past few weeks.89 But while radio talks in the intimate, Roosevelt style were to play a part in the revival of Menzies' fortunes over the next three years, it was by now too late to rescue his position. Menzies made Curtin a last offer of national government and, when he was rebuffed, resigned on 31 August. In a private

88. Kathleen O'Sullivan, East Brisbane, to Menzies, 10 Sep 1941. NLA MS 4936/40/31.
89. Horsfield to Menzies, 20 Aug 1941; Menzies to Horsfield, 21 Aug 1941. NLA MS 4936/40/33. Also cited Martin, op. cit., p. 399.
document he gave as his reasons the difficulty of maintaining a minority government; opposition from within the party; and the hostility of the *Sydney Morning Herald* and the Murdoch newspapers.⁹⁰

Under the leadership of the Country Party's Arthur Fadden, the minority government continued for another month, until October when the two independents switched their support to Labor in the hope of achieving a more stable administration. It seemed that Evatt's wish that Labor would once more be called upon in a moment of national crisis had been answered.⁹¹ Labor took office just as the war entered its most dangerous phase for Australia. On 7 December the Japanese attacked Pearl Harbour, and began invasions of Thailand and Malaya. At the beginning of the new year, Boote had written:

> All Australia taking the Pacific situation very seriously. A lot of people really scared, fearing a Japanese invasion. Government's acting as though bombing raids were almost certain to take place. Manila has gone. Penang has gone. Singapore is in grave danger. All the young men being called up for home defence.⁹²

Singapore surrendered on 15 February 1942, and four days later Japanese aeroplanes bombed Darwin. Although Eddie Ward created controversy by alleging that the Menzies government had planned to surrender to any

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⁹¹ Evatt had in fact been manoeuvring for Labor to take office in a national government ever since his election in September 1940. See Boote diary, 23 Apr 1941. NLA MS 2070/2/2.

invading Japanese army all Australia territory north of Brisbane, and that the documents proving this were missing, the call-up became the most pressing issue in national politics.\(^{93}\) Australia's defence forces comprised the Australian Imperial Force, composed entirely of volunteers; and the Citizen Military Forces, made up of both volunteers and conscripts, which under the Defence Act could be deployed only within Australian territory. This included New Guinea, but excluded Malaya, and the Netherlands East Indies. The Opposition and press were strongly of the view that all Australian forces, including conscripts, should be able to be deployed wherever they were needed, particularly as American conscripts were liable to serve anywhere in the Pacific. It was known that there was much opposition within the labour movement to conscription for overseas service, and the defeat of the 1916-17 plebiscites might also have cast doubt on the likelihood of public support; hence the government's critics seldom advocated unconditional conscription as such, rather the demand was for a 'single army', to have the territorial reach of the AIF. The government's response was that the transfer of soldiers from CMF to AIF ensured sufficient men for extra-territorial service. Nonetheless, Curtin succeeded in obtaining Labor Party approval for an extension of CMF responsibilities northward to the Equator, but this did not satisfy the Opposition, which pointed out that only the AIF would be able to advance to Singapore. Nevertheless, in February 1943, the UAP party room determined to support the bill providing for this extension: UAP members feared that if they opposed the bill it might be defeated by a combination of Opposition and Labor members, and resolved to accept a limited step toward a single army. This position provoked the rebellion of bloc of UAP members,

\(^{93}\) MHR East Sydney, 1931; 1932-63; Minister for Labour and National Service, 1941-43, for Transport and External Territories, 1943-49.
led by Menzies, styled the National Service Group. The rebels claimed that the amendment was too weak to merit support, and pledged to act as a 'ginger group' to the UAP on the conscription issue.94

As the danger of invasion receded in 1942, however, non-Labor people came to think more about the problems of the post-war world, and particularly about the need to resist what seemed to be a powerful trend towards government control. In September, the Victorian Chamber of Manufacturers formed an Institute of Public Affairs, to promote among business people and the public a 'free enterprise' version of the new wartime politics of heightened social duty and responsibility. By June 1943, separate IPA organisations had been established in New South Wales, Queensland and South Australia. While there was no single IPA line, the general theme was that non-Labor must make concessions to the popularity of Labor's policies of full employment and greater social security provision. Non-Labor should offer a modern, centrist alternative to the harsh deflationary orthodoxy of the 1930s and the overarching state socialism threatened, apparently, by the Curtin Government's suspiciously enthusiastic supervision of wartime regulation.95 Resentment of wartime controls was an element of public opinion which promised an opportunity for non-Labor revival. Even socialists could grumble, "[T]his is the Age of Regulations, and

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many of them are stupidly unnecessary and arbitrary.”

In March 1943, Evatt was warned that

> With the increase in the feeling of security the people are no longer willing to accept continued or added restrictions. The Government that is forced to interfere with the beer, bets and tobacco of the multitude is in a very difficult situation...The middle class, which certainly was strongly in your favour when things were bad, will swing away if propaganda comes from the right quarter.

Since losing office in August 1941, Menzies had been trying to encourage this movement of opinion and to re-establish himself as its leader. Released from official duties, he took the opportunity to follow Horsfield’s advice, and commenced a series of informal, Roosevelt-style broadcasts. Menzies’ weekly talks began in January 1942 and finished in April 1944. Every Friday night, at a quarter past nine, listeners who tuned-in to Sydney’ 2UE and associated stations in Victoria and Queensland could hear the former Prime Minister discuss current topics. Menzies' style was both conversational and polished. He usually presented himself not as a UAP politician but as a thoughtful man reflecting on his reading, and his experiences in public life. His topics ranged from ‘Sea Power’ (as vital now as in the days of Elizabeth) to ‘The Importance of Cheerfulness’ (it was the British and Australian antithesis

96. Boote diary, 2 Apr 1942. NLA MS 2070/2/2.
97. Ted Dunphy to Evatt, 31 Mar 1943. Evatt papers, Flinders University of South Australia. File: 'correspondence - miscellaneous - 1942, 1943'.
to the "gloomy fanaticism" of the dictators). Menzies praised the industrial and military auxiliary work of 'Women in War' and argued that while in postwar Australia motherhood would remain women's most valuable national work,

....we shall be completely unrealistic if we do not realize that when this war is over there will no more be a return to the status quo for women than there will be such a return to many of our older notions of life.99

The assumption underlying this and Menzies' other broadcasts was that, whatever the post-war order might be, it would entail a transformation of the politics of the 1920s and 1930s. Menzies accepted that post-war politics would bring a greater role for state intervention, but was concerned that the new Australia should be built on a more individualist pattern than that anticipated by the wartime ethos of greater civic duty, and entitlement. For example, he insisted that Roosevelt's 'freedom from want' must not be taken to mean that the government would provide for all.100 But Menzies also sought to reassure his listeners that he, for one, had abandoned some of the more unpopular notions associated with the pre-war non-Labor politics: essentially, the enforcement of the deflationary 'discipline' of sound finance, at the cost of high unemployment and inadequate social services. The theme is addressed squarely in 'Has Capitalism failed?'. Menzies argues that capitalism has been responsible for both progress and poverty; and that

100. Ibid., pp. 26-29.
Australians should choose neither state socialism nor laissez faire, but a 'middle way'. Contemporary problems required greater state intervention: in addition to the old remedy for "sweating", arbitration, the Commonwealth should provide unemployment insurance; work towards the adequate provision of food, clothing and shelter, and stabilise the trade cycle so as to maintain "steadier" levels of employment.\textsuperscript{101}

The most famous of these talks, 'The Forgotten People', was broadcast on 22 May 1942, and published that year as a pamphlet. Menzies avoided mentioning the names of any politicians or parties, but his main subject was obviously the dominance of the Labor Government and the threat it posed to the middle class. He began by insisting that in Australia class divisions were asserted and created by misguided people, such as the Bishop who had recently demanded 'justice for the workers.'\textsuperscript{102} This demand rested on the false belief that society was comprised of two groups: industrial workers, and the idle rich. Australia lacked Britain's hierarchical divisions, so the notion of class war was false; but it could also be dangerous in that those who believed in it sought to create it. Menzies professed himself reluctant to talk about Australia in terms of classes, but was moved to make the case for the value of the group forgotten in the struggle between rich and the poor, the middle class.\textsuperscript{103} Menzies celebrated the communal benefits of middle class individualism, and warned that the middle class was threatened by a malaise.

\textsuperscript{101} Ibid., pp. 112-15.
\textsuperscript{102} This may have been the Anglican Bishop of Goulburn, Ernest Burgmann, who wrote frequently for the press, advocating social justice for the working classes. Peter Hempenstall, \textit{The Meddlesome Priest: A Life of Ernest Burgmann}, Sydney, 1983, ch. 10.
\textsuperscript{103} Menzies, \textit{op. cit.}, p. 1.
caused by the false doctrines of class conflict, and state dependence: "[I]n war, as indeed at most times, we become the ready victims of phrases." Menzies argued that Communists hated the bourgeoisie because they were the bulwarks against revolution: the absence of a substantial middle class had made the French and Russian revolutions possible. The Australian middle class likewise had a "'stake in the country'" - not capital, but their homes - and were thus a force for stability. But the Australian home was also the cradle of progress. Within the walls of the 'physical home', that haven of inviolable domestic life, was the 'human home' where parents raised their children to become independent citizens, not "leaners but lifters". The 'spiritual home' was the source of the best in the human spirit: devotion to God and independence among men. In the home, parents raised their children in the middle class values of economic ambition, intellectual curiosity and artistic sensibility, and devotion to education, and in doing so provided the dynamic of the nation's progress towards greater material and cultural wealth. As Allan Martin comments, Menzies' 'The Forgotten People',

...has the ring of sincerity because so much of it is in fact autobiographical. The middle class home he idealizes is the home in which he grew up...the boy who, like a Scottish farmer's son, receives an assured future 'not by the inheritance of money but by the acquisition of that knowledge which will give him power', is Bob Menzies.

104. Ibid., p. 5.
105. Ibid., pp. 1-3.
106. Ibid., pp. 3-5.
The Forgotten People' also has a negative side. Judith Brett remarks on the loneliness and isolation suggested by Menzies' glorification of individualism, and his converse lack of regard for the charitable, social virtues of interdependence.

The description 'forgotten' captures well the dangers of self-reliant individualism. If you give little or nothing to others, even though you ask for nothing in return, others are unlikely to recognise your virtues and to come to your aid when you are in difficulty.108

Martin notes Menzies's scorn for "'the dull offspring of stupid and improvident parents'" and remarks on his "frankly and fiercely elitist" view of society.109 It seems that Menzies was intent on reminding those who thought of themselves as 'middle class' of their superiority to the "flabby" leaners; and the "[L]andless men [who] who smell the vapours of the street corner." Menzies insists that "[T]he case for the middle class is the case for a dynamic democracy as against a stagnant one. Stagnant waters are level, and in them the scum rises." Menzies' idealises the "achieved superiority" of the middle class, and reinforces the lesson by denigrating those who do not live up to the ideal.110 In my opinion this was the language of a class hatred born of insecurity. Menzies appeals not only to pride, but also to self pity, and the fear of dispossession by the have-nots. What has been forgotten, Menzies

110. Menzies, op. cit., pp. 9, 8, 6.
argues, is that the middle class have earned, and deserve their superior status. 'The Forgotten People' was an artful, and heart-felt rendition of a traditional story, updated to 1942. Menzies warned his listeners that present conditions favoured "the levellers": full employment, he implied, made unions powerful; the Curtin Government might use wartime powers to install peacetime socialism, and the thriftless might use their votes to confiscate through taxation the wealth they were too lazy to earn and too improvident to save.\(^\text{111}\) The time had come for the economically dynamic and culturally enlightened middle class to translate its energy into politics and so to save itself, and Australia.

'The Forgotten People', and Menzies' other broadcasts contributed to the revival of non-Labor morale and the formulation of a more positive and modern image, but in 1942 there was still a long way to go. Such was the weakness of the UAP, led since Menzies' defeat by the eighty year-old Billy Hughes, that few had confidence in its ability to provide a credible alternative to Labor. In July 1943, the *Sydney Morning Herald* contended that the apathy which gripped former UAP supporters was the effect of undemocratic organisation, and ideological poverty: the party needed to prise control of its finances from the unrepresentative Consultative Council, and to develop a progressive set of policies rather than relying on opposition to Labor proposals.\(^\text{112}\) While these were problems requiring extensive work, one immediate step was to find a credible leader. Menzies, Casey and Spender remained the obvious contenders, but the desperation of the non-Labor forces

\(^{111}\) Ibid., pp. 8-9.  
\(^{112}\) SMH, 15 Jul 1943. NLA MS 4875/18.
may be gauged from the attempts apparently made by "influential parties" to persuade Sir John Latham, the Chief Justice of High Court, to resign from the bench in order to re-enter politics and take up the UAP leadership.113 As the 1943 elections drew nearer, the UAP's decline encouraged a number of independent non-Labor parties to enter the field. In New South Wales, UAP defectors formed a Liberal Democratic Party; while the Commonwealth Party, presided over by a Sydney accountant, C.G. Hill, attracted a considerable number of middle class ex-servicemen. In Victoria, the Young Nationalists, a youth wing of the Nationalist and United Australia Parties, in which Menzies had been active, broke away to form a Nationalist Party of Victoria; other groups included the Services and Citizens Party, led by a senior Shell executive, W.H. Anderson114, and the Middle Class Organisation.115 In the rapidity of their growth, these new organisations recalled the upsurge of rightwing leagues in 1930-31; this time, however, there was no obviously attractive leader to unite the groups.

The weakness and disunity of the UAP was underlined by the necessity for the Country Party to provide the official Leader of the Opposition; the tensions this produced were to become obvious during the 1943 election. Fadden broadcast the Opposition's policy speech from the 4BK studio, Brisbane. He defended the previous government's war record, and condemned the isolationist and socialistic tendencies evident in Labor policy.

Curtin, claimed Fadden, had admitted before and after becoming Prime Minister that the Menzies government had made commendable progress with war organisation. A national government was still needed. A UAP-Country Party government would increase the leave for men serving in tropical areas, and ensure that no youths under the age of nineteen served in battle areas. Fadden repeated the demand for a single army. Curtin had waited fourteen months before proposing to extend the service area for the militia; then his initiative was only made possible by the granting of permission by the trades hall bosses who dictated Labor government policy. “You can no longer afford to trust the control of this country to men of parochial or pacifist tendencies.” The government’s war policies had been subordinated by Labor to socialistic peace-time programs. Fadden promised that, unlike Labor, the Opposition would give unqualified preference in employment to ex-servicemen.” The UAP and Country parties would restrain “the octopus of control”. There would be no further tax increases; one third of wartime tax revenues would be refunded after the war; the pay-as-you-earn system would be introduced. Fadden condemned the government’s “weak and vacillating” policy on strikers. Servicemen performing the work of strikes (on the wharves, for example) would be paid the difference between service pay and the appropriate award. There was no room for shirkers in industry. Strikes were fomented by

...the ascendancy gained in the councils of the Labor Party by members of the Communist Party...They differ from the Russian Communists they profess to follow in that they have not learned the virtues of patriotism, hard work, and selfless devotion to the war against Fascist Powers.
What a contrast they present to our Australian ‘Reds’ - and I use the word ‘Reds’ with no disparagement of our gallant, intelligent, progressive Russian Allies....116

The Communist Party, Fadden continued, remained committed to overthrowing the Constitution, despite the Curtin Government lifting the ban on them. A UAP-Country Government would prohibit strikes, and if necessary take over businesses which obstructed the war effort. But this last pledge was at odds with the general tenor of Fadden’s speech, which was anti-socialist. “Ministers...”, he complained, “...are using the war emergency to smuggle this alien system into Australia....Socialisation of industry has crept into the policy of the Curtin government in the exact ratio as the Communist wing has joined up with it.” There was a danger that Ward, backed by Lang, might gain control of the government; savings and insurance policies could never be safe with Labor in power. Even with Australian soldiers fighting Japanese forces in New Guinea, the dangers which had featured in the 1931 sound finance emergency remained a theme in non-Labor propaganda.117

Nor did the war prevent conflicts within the Opposition from becoming public. Two days after delivering his policy, Fadden was obliged to defend it from his most incongruous follower. Launching his own campaign at Camberwell, Menzies had rejected Fadden’s proposal to refund income tax, arguing that refunds would stimulate inflation, likely no doubt to become the most serious of Australia’s post-war problems. “This stab in the back at

116. SMH, 23 Jul 1943.
117. Ibid.
this juncture”, Fadden retorted, “‘makes another in the series for which Mr Menzies has become notorious.’ “118

Curtin broadcast his policy speech from Canberra. The war record of the government was his main theme; and he attacked the lack of preparation which Labor had found when it took power in 1941. “Blind to the dangers in the Pacific, the Menzies and Fadden Governments had left Australia very much unprepared. ” The UAP had relied on the invulnerability of Singapore, but with its fall, “Australia was as menaced and as helpless as the Philippines.” Curtin did not repeat the Brisbane line accusation as such, but by pronouncing that Labor “...rejected the concept that the little islands to the north of Australia would be taken and that upper Queensland and the Darwin area would be over-run by the enemy”, seemed to imply that the Opposition favoured such a course. The Curtin government had increased the number of men in the fighting services from 431,000 to 820,000; the women’s force had risen from 3,600 to 40,000. Munitions and aircraft workers had increased from 71,000 to 144,000. The government had achieved this expansion without causing inflation. Labor had “applied the lesson of the Depression - that the financial problem was fundamentally one of man-power and resources, not of money.” This was in fact the opposite of the Depression lesson which Labor had been reading throughout the 1930s which was that economic problems derived not from weaknesses in labour and capital but from a shortage of finance. Experience of administration had led Labor to forget - for the time being - its fixation with banking. Labor was

still, however, convinced of the value of public works; a major post-war programme, involving the construction of single gauge railway from Broken Hill to Port Pirie, and eventually to Fremantle, would be pursued in cooperation with the States. A Curtin government would ask the new parliament to legislate for the necessary powers. Social services could not wait for the peace. The government had already provided increases in maternity allowances, pensions, and other benefits to the value of £10,000,000. Only 8,000 man-days per week had been lost in strikes during the Curtin government, compared to 21,000 during the Menzies and Fadden Governments. The crisis of the war had passed and Australia could look forward to victory. The Opposition was disunited, but Labor could stand on its record: "the security of the nation over the last twenty months". Labor stood for victory in war; and the attainment of a peace in which the unemployment and inflation which followed the last war would be avoided.¹¹⁹

Party publicity usually appeared to be addressed either to a man, or to an archetypal voter assumed to be a man. An exception to this rule was provided in the 1943 election by the Australian Women's Weekly, which printed responses by Menzies and Curtin to questions posed by the editor, Alice Jackson. This type of material is so unusual that is worth looking at the article in detail. To the first question, "should women take a special interest in the election?", Curtin replied that they should, because the interests of their husbands and sons were at stake. The position of 'woman'

¹¹⁹. SMH, 27 Jul 1943, pp. 5-6.
had changed, and she now paid more attention to the economy. "The home remains her citadel, but factory and workshop have become her arena": for this reason, Labor supported equal pay. Menzies agreed that women were more involved in industry than ever before; and simply stated that men and women had a common interest in the war. Jackson’s second question was ‘what aspects of national life should women study before making up their minds?’ Curtin’s response was conventional for the Labor campaign: that Australia needed united government, and already had a single army - but with different responsibilities. Menzies made the converse response: women should realise that Australia needed a national government and a single army. Asked to comment on rationing and rising prices, Curtin answered in terms of household security and income: a home was not only an economic unit but also an atmosphere; the greatest threat to home life in the past had been the cessation of income through unemployment or sickness. Menzies asserted that as budget-makers, women were “the natural enemies of inflationary finance”. Rationing must be safeguarded against bureaucratic excesses, and this accomplished by having housewife representatives on rationing committees. Curtin agreed with the proposition that rural women were “having a particularly hard time” - because they lacked adequate water supplies, electricity, and refrigeration. Menzies disagreed with the Prime Minister’s assertion that no hardship had been caused by a shortage of working age men in rural industries.

The Weekly enquired how women’s outlooks had been changed by their entry into the Services and industry. Curtin seemed convinced that their
views were the same as those of most men: women wanted to win the war first, and settle other questions later. Menzies believed that women's thinking had become more practical and less sentimental and emotive. "What are women entitled to expect in the post-war world?" Economic security was Curtin's answer; particularly, an Australia-wide education standard, and national insurance funded from tax. Menzies considered that women should expect to be released from the anxieties connected with illness and unemployment; and to be provided with better amenities; electricity, water, sewerage, refrigeration. Education must be improved by raising the pay and status of teachers. Next, the party leaders were asked, "[A]fter the war will women from Services and industry resume a home life and the pre-war monotony of poor pay and dull jobs?" Curtin asserted that while most women would always want to marry, they should enjoy equal pay so that they were able to choose marriage for the right reasons. Menzies thought the number of women in industry would continue to exceed pre-war levels; and that the question of income and family size would need to be addressed through child endowment programs. The Weekly's final question was whether any woman should be nominated to take part in the peace talks. Curtin replied phlegmatically that while no women occupied the necessary executive positions, they might advise the male negotiators. Menzies insisted that women should be represented; and nominated the Chinese Nationalist, Madame Chiang Kai-Shek.120

Despite the tax refunds controversy, the Opposition campaign generally continued Fadden's themes of the need for a single army, and the dangers of the government's tolerance of strikes and enthusiasm for bureaucratic control. The issue of individualism threatened by corporate power ran through UAP publicity. Speakers' notes called for an end to "the regulation-making mania. [and] Justice for the small traders, who are being persecuted to the point of bankruptcy by an army of bureaucrats."\(^{121}\) Spender, broadcasting on 2UE, asked 'Who Governs this Country?'. His complaint was that Curtin had no answer to industrial lawlessness except rhetoric. For example, a Sydney factory engaged in war work had been on strike for nearly two months over the refusal of ten workers to join the Ironworkers' union. To the Conciliation Commissioner's reminder that no law compelled union membership and that the war was being fought for liberty, an Ironworker's official replied, "[W]e are in the position to wave the big stick. Our majority makes the big stick...". Spender concluded by warning that the entire country would be subjected to such treatment if Labor were returned to office.\(^{122}\) Menzies, in a scene which anticipated the turbulent 1951 referendum campaign, was heckled vigorously at a meeting in Fremantle. He turned the situation to his advantage, however, by depicting his opponents as extremist enemies of free speech, and seemed to take some pleasure in provoking the audience: "[T]his does not surprise me...because before I came down I was told there would be a certain number of Communists at the meeting. (Uproar)....Whoever is against this mob," Menzies declared, perhaps for the benefit of a radio audience, "...will vote for my side."\(^{123}\)

\(^{121}\) UAP (NSW), Federal Elections, 1943: Speaker's Notes, Sydney, 1943, p. 4.
\(^{122}\) Truth, 11 Jul 1943. NLA MS 4875/18.
\(^{123}\) Advertiser [Adelaide], 3 Aug 1943. NLA MS 4936/28, Album: Aug-Dec and Apr-Jun 1943.
out the electorate's choice in equally stark terms. "You must decide between a path leading to the maintenance of individual liberty and a free way of life and one that can only lead to complete regulation and socialisation." 124

The result was a debacle for non-Labor in general and the UAP in particular. Labor won forty nine seats, two thirds of the House, and gained control of the Senate for the first time since 1914; the UAP were reduced from twenty three to twelve seats; non-Labor had seventeen in total.

<table>
<thead>
<tr>
<th></th>
<th>1940</th>
<th>1943</th>
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<tbody>
<tr>
<td></td>
<td>%</td>
<td>seats won</td>
</tr>
<tr>
<td>UAP</td>
<td>30.22</td>
<td>23</td>
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<tr>
<td>Ind UAP</td>
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<tr>
<td>Lib Dem</td>
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<td>-</td>
</tr>
<tr>
<td>CP</td>
<td>13.71</td>
<td>14</td>
</tr>
<tr>
<td>Lib C.</td>
<td>-</td>
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<tr>
<td>C-Nat</td>
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<td>Qld C.</td>
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<tr>
<td>ALP</td>
<td>40.16</td>
<td>32</td>
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<tr>
<td>NSW ALP</td>
<td>5.23</td>
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<tr>
<td>State Labor</td>
<td>2.61</td>
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<td>One Parl.</td>
<td>-</td>
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<td>Ind</td>
<td>8.07</td>
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<td>Com</td>
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Elections for the House of Representatives -1940 & 1943

The *Canberra Times* considered that the popular endorsement of the government was due to Labor's undertaking not to commence a programme of socialisation, and to allow private enterprise a significant role in post-war Australia. According to the *Age*, voters reacted to the attempted vilification of individual ministers: for example, John Dedman, the Minister for War Organisation of Industry, who had been ridiculed for his allegedly doctrinaire socialist pronouncements, and over-zealous pursuit of austerity, increased his primary vote. The electorate also seemed to have rejected the national government proposal, which had been so prominent in the Opposition campaign.

For the Opposition parties the event may not be without its lessons, some of which are rooted in the anomaly by which the ablest leader within the parties' ranks came before the electorate as a private backbencher. The debacle must prompt a thorough stock-taking; but a period of adversity can have uses to those who can see the precious jewel.¹²⁶

In a privately circulated report on the election defeat, Menzies was too modest to repeat the *Age*'s first point, but he seemed determined to take the opportunity to effect a complete rebuilding of non-Labor. Menzies identified three main reasons for the result: firstly, the prestige of Curtin, which had been built up by the efforts of his press secretary, Don Rodgers: the Leader of the Opposition must have a press secretary of equal ability. Secondly, "Don't shoot Father Christmas", which presumably meant that the electorate

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appreciated the social security provisions introduced by the government.\textsuperscript{127} Thirdly, “why should my son have to go thousands of miles from Australia to defend it?” This last recalled an attitude commonly attributed to women voters, although Menzies did not say as much.

Menzies identified many other reasons, all derived from the UAP’s failures in organisation and leadership. The time had come to form a new party, and in doing so it was necessary to work with the groups which had appeared in the first half of 1943. The failures of the UAP were too severe to be remedied within the existing organisation. Preselections had been late, preferences irrational, and State electioneering neglected to the party’s detriment in the corresponding federal seats. The UAP had “acknowledged its own bankruptcy” by serving under a Country Party leader. There must be a more than nominal membership fee, in order to escape the stigma of big business funding synonymous with the National Union’s sponsorship. Financial independence would also release non-Labor from the obligation of selecting the mediocre candidates sometimes nominated by these backers. The new party would require a federal structure similar to Labor’s, with a national executive; the director would need to be paid a salary equivalent to that commanded by the manager of a major firm. He should supervise a public relations officer capable of serving as a principal writer on one of the leading newspapers. There should also be paid organisers in each of the key electorates; and preselection must be carried out well in advance of the

\textsuperscript{127} The principal changes were the introduction of widows’ pensions (1942), funeral benefits (1943), and allowances for the dependents of invalid pensioners (1943); the abolition of the means test on the maternity allowance (1943); and increases in the old age and invalid pensions (1942). Kewley, op. cit., pp. 213, 263, 259, 255, 284.
elections. Policy, too, must be developed in advance. In sum, Menzies wrote, the party’s losses were the result of a complete political collapse. The name of the UAP had fallen into such disrepute that many former followers refused to work for it. A new name was needed, one which signified one of the major divisions in politics: Menzies proposed the title, ‘Liberal Democratic Party’.

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Chapter 7. Opposing socialism and austerity, 1944-49

While UAP politicians were considering how defeat might provide the opportunity to form a new party, the Government pressed on with its program, in August 1944 seeking fourteen constitutional amendments to enhance for a period of five years after the armistice Commonwealth powers needed for reconstruction. In 1942, when the danger of Japanese invasion lent credence to arguments for national unity and extension of central powers, the Opposition had agreed to support the Government's attempt to acquire additional powers. Delegates from all the parties discussed reconstruction at a Constitutional convention, the first since Federation; but this meeting did not prove to be the portent of a new national settlement. Rather, the magnitude of Labor's victory in the 1943 election, and its apparent determination to use the power of wartime government to prepare for a socialist regime in peacetime, led the UAP to turn against the referendum proposals. During the referendum campaign both parties depicted their agenda as progressive, a rejection of 1930s laissez faire, but while the Depression featured in both the 'yes' and 'no' cases, each side drew different lessons from the recent past.

Labor insisted:

WE CAN'T GO BACK TO THE OLD DAYS.

Looking back to the days before the war when the shops offered luxury lines, when foodstuffs were plentiful, when we could buy cigarettes, stockings, clothing, pots and pans, and the other everyday articles of civilised life, there is some excuse for the cry of a war-weary people: 'Let's go back to the good old days before the war.'

They forget that unemployment, malnutrition, housing shortages, and muddled markets were also part of the 'good old days.'

Menzies denied that additional powers were needed to prevent a recurrence of the Depression, which had been caused not by the distribution of constitutional powers, but by a reaction to the boom of the postwar years. The Depression had been a worldwide disturbance, which did not spare countries, such as Britain and France, with unitary governments. While Labor claimed that the UAP desired to make the postwar world exactly like the prewar world, non-Labor hoped for a new social order, without poverty. The UAP wanted plentiful housing, but favoured private construction; unemployment and sickness benefits, but on a contributory basis so as to allow the abolition of the degrading means test. The Commonwealth already possessed ample powers: it chaired and exercised a second vote on the Loans Council; levied all income taxes; and could make grants to the States on whatever conditions it chose.

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The referendum was defeated by a margin of eight percent of formal votes, with only South Australia and Western Australia voting 'yes'.\(^5\) Australian Gallup Polls found that the fear of socialisation and war-style industrial conscription were the principal motivations for 'no' voters.\(^6\) As one scholar has commented, the apprehension of danger which in 1942 had militated towards support for increased government powers had largely passed by 1944; furthermore, the ALP's 'yes' campaign was handicapped by the party's State-based organisational structure, and by Curtin's inability to devote much time to the referendum.\(^7\) Evatt's most recent biographers suggest that voters were deterred by the sheer number of amendments proposed.\(^8\)

The defeat of the referendum provided a boost to the Opposition's morale, and Menzies, proclaiming a resurgence of anti-socialism, decided that the time was right to re-organise non-Labor.\(^9\) Menzies had announced in September 1943 that he intended to work for a reformation of the UAP, but it was not until September 1944 that he issued an invitation to the various non-Labor groups, whose proliferation had become both an encouraging indication of anti-government sentiment and a source of organisational confusion.\(^10\) Over the past twelve months, the groundwork had been laid by

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unity negotiations conducted privately in New South Wales and Victoria, under the auspices of each State's IPA. So, when in October 1944 delegates and observers gathered in Canberra, the principle of unification had already won general support. The Canberra conference comprised approximately seventy people representing eighteen groups. With 40,000 members, the AWNL was thought to be the largest; League women continued to espouse their themes of protection of the family and opposition to socialism and Communism. Similarly defensive in tone was the Australian Constitutional League, formed prior to the referendum, which took as its main line the threat to democracy from collectivism. New South Wales' Services and Citizen's League, organised by W.H. Anderson, was more progressive, with an emphasis on post-war social justice reminiscent of the Victorian IPA pamphlet Looking Forward. In his address to the conference, Menzies also enunciated a centrist and modernising ethos for non-Labor which drew on Looking Forward. Although in his opening speech he described the conference as a meeting of anti-socialists, he went on to argue that non-Labor needed to avoid being provoked by Labor into taking a position of automatic rejection of reform, and complacency about the present state of society. Menzies concluded with a quotation from Looking Forward which enunciated a new attitude to the state, based on the assumption that "the state and private enterprise are regarded as partners" and that there was no "fundamental divergence of interest" between them. His proposals for the organisational reform necessary to pursue the new politics were largely those

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12. This had been the title of a collection of Franklin D. Roosevelt's writings on the New Deal (New York, c. 1933).
spelt out in his report on the 1943 election. Delegates endorsed this plan, and also agreed to call the new party 'Liberal', to signal that it would be neither conservative nor socialist.\textsuperscript{14}

Two months later, at Albury, a second conference was held to formulate a constitution: a permanent national organisation was created, and the party became responsible for its own fundraising: these were belated and valuable reforms, and might have been accomplished decades earlier if not for the self-perpetuating power of the finance committees, and non-Labor's traditional aversion to 'machine politics'.\textsuperscript{15} A Federal Council represented parliamentary and non-Parliamentary Liberals, but while the Council was on occasions to prove an influential forum, its rulings were not binding on the State divisions. The parliamentary party remained the authority on policy, but issues were discussed by State representatives on a Joint Standing Committee on Federal Policy. Federal Executive supervised business between Council meetings, while Federal Secretariat was responsible for co-ordinating the work of the State Divisions, and liaising between the parliamentary and extra-parliamentary parties. Just as the British Conservative Party responded to its comprehensive defeat in the 1945 general election by resolving to develop a positive alternative to Labour and to improve the quality of its campaigning through the work of a Conservative Research Department\textsuperscript{16}, so

\begin{footnotesize}
\begin{itemize}
\item\textsuperscript{15} Ian Hancock, 'The Liberal Party Organisation: 1944-66', in Scott Prasser, J.R. Nethercote and John Warhurst (eds), \textit{The Menzies Era: A Reappraisal of Government, Politics and Policy}, Sydney, 1995, p. 85; and see Loveday, \textit{op. cit.}
\end{itemize}
\end{footnotesize}
the Liberal Secretariat was charged with research, and with executing one of
Menzies' main original ideas: continual campaigning. To this end the
Secretariat organised a Federal Public Relations ('Staff') Planning Committee,
comprising the Director and senior Secretariat staff, and the State secretaries,
which reported to Federal Executive on public relations business. These
central groups, however, were superimposed on the structure of State
branches inherited from the UAP. The State divisions remained wholly
responsible for pre-selection, and partly responsible for publicity and fund­
raising. Organisation varied from State to State, but the basic pattern was a
professional secretariat, paid organisers, an essentially advisory State council,
and pre-selection by a combination of popular ballot and executive
fiat. But it would be misleading to suggest that the UAP had merely changed its name:
on the contrary there was a determination to replace ad hoc organisation with
what Liberals regarded as the more systematic methods of the Labor Party. As
Menzies commented in June 1946 of a weekend convention of New South
Wales candidates, "[W]e are gradually learning something from our
colleagues on the other side."

The Liberals had to some extent adapted to the new policies of
Commonwealth social security: this was suggested by their support for the
Government's attempt to secure a constitutional amendment to confirm
Commonwealth powers to provide benefits. The Opposition, however, could
not countenance Labor's other alteration Bills, for organised marketing of
primary products, and the direct Commonwealth regulation of

17. Tiver, _op. cit._, pp. 40-44.
employment.¹⁹ Non-Labor politicians remained relatively sceptical of government intervention; and while this was more a difference of degree than of kind in attitudes to particular policies, the distinction was of the utmost importance in the image-making and rhetoric of inter-party politics. For example, Labor and Liberal policies on public housing differed in emphasis: the former was concerned to increase the stock of rental properties; while the latter pressed for the sale of houses to tenants. When the Minister for Post-War Reconstruction, John Dedman, objected that the government had no intention of ‘making little capitalists of the workers’, he provided the Opposition with valuable material for propaganda. Here, it seemed, was evidence of Labor’s contempt for the individualist aspirations of its constituents; and this at a time when the housing shortage was acute, and in contrast to the pre-war years, a problem seen to affect not only the inner-city poor but also the middle classes.²⁰

Liberals tended to blame shortages of housing and consumer goods on strikes fomented by the Communists, and contended that the government tacitly encouraged this disruption by its refusal to deal firmly with breaches of industrial law. At the end of the war the Communist Party was near the peak of its influence. The prestige of Soviet resistance to Hitler had attracted new recruits to the Party, including, for the first time, some white collar workers and intellectuals. More important, perhaps, the Party’s activists had also made considerable progress within organised labour: in 1945,

Communists were in the majority at the ACTU congress; and twenty six percent of Australia’s 1,200,000 unionists belonged to unions with Communist-controlled executives.21

<table>
<thead>
<tr>
<th>Year</th>
<th>Membership</th>
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<tbody>
<tr>
<td>1940</td>
<td>4,000</td>
</tr>
<tr>
<td>1942</td>
<td>15,000</td>
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<tr>
<td>1943</td>
<td>20,000</td>
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<tr>
<td>1944</td>
<td>23,000</td>
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<tr>
<td>1945</td>
<td>16,280</td>
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<tr>
<td>1946</td>
<td>13,450</td>
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<tr>
<td>1947</td>
<td>12,108</td>
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<tr>
<td>c.1952</td>
<td>6,000</td>
</tr>
<tr>
<td>1955</td>
<td>8,000</td>
</tr>
<tr>
<td>c.1957</td>
<td>5,850</td>
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</table>

The postwar years saw an upsurge of industrial conflict: in 1945, one million working days were lost in industrial disputes, the highest level since 1929.23 Communists were involved in the leadership of the largest strikes which affected Australia in the second half of the 1940s: in meat processing, rail, tram and maritime transport, steel, and most importantly, coal mining; between September 1945 and December 1947, disputes involving Communist-led unions accounted for eighty four percent of the total time lost in stoppages.24 But as one historian of industrial relations in this period has argued, the causes of post-war militancy were not so much the machinations of Communist officials as the desire of their members to overcome the

22. Ibid., pp. 83 & 120.
24. Davidson, op. cit., p. 132.
weakness of the 1930s and the relatively strict conditions of the war years, and to win some benefits from the booming labour market.25

Three months after the end of the Pacific war one of the most powerful Communist unions, the Waterside Workers' Federation (WWF), gave the Liberals another useful example of the menace of Red unionism and the Chifley Government's supine attitude to this danger. During the war the Netherlands East Indies (NEI) had been occupied by Japanese forces. Japan surrendered in August 1945, and when the Dutch endeavoured to restore their administration, nationalist guerillas who had been campaigning against the Japanese began to fight to keep the Dutch out. In November a Dutch submarine bound for the NEI stopped for re-fuelling at Fremantle harbour. The Fremantle branch of the WWF, however, refused to re-fuel the vessel; and workers at the Rose Bay flying boat base blacklisted Dutch seaplanes. The Chifley government sympathised with the Indonesian nationalists but, mindful also of public hostility to strikes, opted to ignore the bans while not offering any overt support for them: Geoffrey Bolton has aptly described this policy as one of "embarrassed tolerance."26 The Opposition protested at the time, and recounted the story of the Government's suspicious inaction during the following year's election campaign.

The 1946 Federal Election was the first since the end of the war, and the first contested by the Liberal Party, whose candidates campaigned vigorously on

the issues of war socialism and unnecessary austerity. The Party's 1946
speakers' notes listed the Commonwealth Employment Office, along with the
Departments of Aircraft production, Supply and Shipping, Information, and
Postwar Reconstruction as the principal institutions through which the
Chifley Government was attempting to extend state ownership and control.
Fortunately, hot-headed Ministers always gave the game away. Dedman was
quoted as telling the Melbourne University Labor Club in 1943 that "I am a
socialist and the whole of my experience in the Department of War
Organisation of Industry has been to get nearer to socialisation of industry."

Declarations like these made it easier for Liberals to contrast their own love of
freedom with the left's obsession with control (see figure 7.1). The
Communists made no secret of their intention to use violence to establish an
authoritarian state. Labor claimed to be committed to Parliament and the rule
of law, but had brazenly ignored the people's rejection at the 1944 referendum
of a Labor mandate for centralised planning, and was proceeding regardless
with its plans to nationalise cable services, airlines and banking. These
developments were condemned by the Opposition. "We all desire...",
Menzies declaimed in his policy speech,

...to build a new national structure....Shall we keep what is good in
the old foundations? Or shall we scrap the foundations altogether?
Shall we...as the Communists desire, overthrow not only the
individual but the democratic system...?

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27. Liberal Party 'Speakers' Notes, Federal Election 1946, No. 58, 'State Enterprise'. Liberal
Party papers. NLA MS 5000/9/333.
We Want to Retain Our Freedom!

We Don't Want to be Cogs in a MACHINE!

Although government ownership in Australia has proved a mixed blessing, more and more activities are coming under government control. If this socialization continues, the day will come when everything, from show to show, will be government owned. We'll find ourselves regimented employees, working, eating, reading, doing what government bureaucrats dictate. Initiative and ability would be crushed, individual liberty crippled . . . if government ownership were allowed to go on full socialist war.

A LIBERAL GOVERNMENT will stop unnecessary interference with personal and economic liberty.

THE ROAD TO FREEDOM IS THROUGH

THE LIBERAL PARTY
OF AUSTRALIA

Introduced by
THE FEDERAL SECRETARIAT
The Liberal Party of Australia

Figure 7.1 'We want to retain our freedom!'
Menzies linked the Communists' revolutionary audacity with the steady encroachments of "...the Labour Socialists..." who wished to "..carry forward in perpetuity the war system...". Labor's war system, Menzies reminded an audience still contending with butter, tea, meat, clothing and petrol rationing, fostered "...the growth of Departments and the multiplication of rules and regulations...." But Liberalism would offer a middle way between socialism and laissez faire; and Liberals gave no credence to the philosophy which dictated that "those who fall by the way side must be left to fend for themselves." Menzies proclaimed that Liberalism, by fostering private initiative, would build such a strong economy that "all depression talk can be banished for the rest of our lives."

Chifley's policy speech differed more in tone than in content. He saw greater merit in regulation, boasting that planning had enabled the government to maintain full employment despite repatriation. In a somewhat defensive style, however, he insisted that Labor was committed to removing wartime controls and taxation. Defence spending must be kept to the minimum compatible with security, and Labor would look to economic development and immigration to generate the strength needed for Australia to continue to play its role as "the great bastion of the English speaking race south of the equator." But as well as encouraging newcomers, Labor would seek to increase the birth rate, and to this end was examining the question of marriage loans. The way to boost the coal production so vital to national development was to

28. R.G. Menzies, Policy Speech, Camberwell Town Hall, 20 August 1946, p. 3. NLA MS 5000/9/334
29. Ibid.
30. Ibid.
enhance the morale of the miners by improving pay and conditions. The equally important field of banking and credit should continue to be influenced by the Commonwealth Bank, restored now to its original executive of a single Governor accountable to the Treasurer; but ministers would refrain from interfering with routine business. Chifley implored voters to choose Labor as the party which, against the opposition of both the Communist and Liberal parties, offered stable government and the best chance to “win the peace”.31

In other publicity material, Labor assured women that the Prime Minister knew they were troubled by high taxation and industrial disputes; and that the government was trying to make life easier by ensuring secure jobs for their husbands, restraining prices and rents, lowering taxes gradually so as to avoid inflation, and providing social security benefits to ease anxieties over loss of income. Menzies, on the other hand, sought to exploit women’s resentment at industrial conflict, but could offer no solution.32 Writing for Australian Women’s Weekly, Evatt contended that Labor recognised women’s importance in maintaining family life, “the basis of our whole civilisation”, and was determined that women responsible for the household budget would never again have to suffer the effects of the male unemployment of the 1930s. Labor’s program of full employment and social security was aimed above all at protecting the welfare of children.33

31. Australian Worker [NSW], 4 Sep 1946, pp. 2, 4-5, 8, 12, 16.
33. Ibid., 28 Sep 1946, p. 9.
Labor publicity directed at men, or at both sexes, also took a defensive tone. One advertisement reproduced a statement by Dedman in which he affirmed his belief in the right of every head of a household to own his own home.34 A message from Chifley addressed three aspects of the Opposition's critique: industrial conflict, taxation, and freedom. Voters were told that the Press exaggerated the severity of industrial strife, and that while Labor would continue to support the arbitration system, the Liberals would only provoke further disputes. Taxes had been reduced by thirty seven million pounds. Australians now enjoyed more freedom of speech than ever before, and had also been liberated from high rents and prices.35 Labor emphasised Chifley's reputation for caution and justified Labor's more gradual schedule of tax reductions with a slogan strongly reminiscent of the UAP: 'sound government depends upon sound finance.'36 Voters were reminded that they had to choose between Chifley and Menzies, who had been denounced by his own colleagues (Page in 1939, and Fadden in 1943) as a coward and back-stabber.37

Labor stressed the role of the Commonwealth as a guardian against poverty; but government was linked in Liberal rhetoric to scarcity, increases in official regulations, and other hardships and inconveniences of the home front. Menzies and his colleagues condemned 'bureaucrats', shortages, queues, and blackmarkets, as well as the 1945 coal strike-induced "black Christmas".38 In doing so they particularly sought women's votes. Federal officials had

34. *Advertiser* [Adelaide], 29 Aug 1946, p. 12.
35. *Mercury* [Hobart], 2 Sep 1946, p. 10.
36. *SMH*, 4 Sep 1946, p. 4; *Sun* [Melbourne], 2 Sep 1946, p. 22.
38. *Speakers' Notes* 1946, No. 53, 'Port Kembla Strike (1945)'. 
recommended the appointment of a full-time women's organiser in 1945 on the ground that "It is a specialised task and one that requires constant attention." Party managers recognised the importance not only of organising women within the Liberal Divisions, but also of mobilising women's votes. Time and again Liberal campaigners proclaimed their empathy with the beleaguered housewife. "A year after the war, shortages of goods are acute; housewives stand in queues and have to transport such goods as they can get to and from their own homes." In his article for the Australian Women's Weekly, Menzies argued that there were no distinct women's issues; but went on to identify social security, which he promised to maintain, as one "special interest" of women.

Housewives featured in Menzies' speeches as the forgotten battlers. He cited the housewife when contending that Labor could not claim to be the only true workers' party. As Judith Brett has pointed out in her study of Menzies' political language, housewives, along with small business people, farmers, professionals, skilled tradesmen, and clerks were the heroes of Menzies' populist rhetoric. This language was echoed in other Liberal publicity, such as this advertisement for the Queensland Senate team, which identified the people neglected by Labor as

The servicemen, disillusioned and misled.

The homeless, disgusted with futile planning.
The housewife, sick of the privations which endless strikes impose.
The common man, crushed with penal taxation, and with his future security threatened through industrial strife.  

This was the optimistic side of the Liberals' pitch for women's votes - an appeal to the pride and independence of the housewife. The negative side of the message addressed women's resentment of shortages, which Liberal publicists blamed on Communism (strikes) and socialism (rationing). The anti-strike message was often directed specifically at women, who, Menzies pointed out in his 1946 Policy Speech, were particularly inconvenienced by strikes - especially coal strikes which forced them to cook dinner and bathe their children by lamp or candle light. "This winter has been one in which there have been irritating and even heart-breaking shortages of fuel and light and power and transport. Housewives have borne the brunt of domestic restrictions...." 

Although Communist influence on unions such as the Miners' Federation was their usual focus, sometimes Liberal publicists would emphasise the danger posed by the Party itself. Speakers' notes for the 1946 election stressed the professionalism and suspicious affluence of Communist functionaries. The Communist Party of Australia was "the best organised political party in

the Commonwealth", with a large staff and a well appointed office in Marx House, Sydney. From this headquarters it produced five newspapers, and a great number of pamphlets and books. New South Wales was the centre of Communist agitation.

Their aims, according to the Communist Manifesto, are civil war and the revolutionary overthrow of the State; the objective, the setting up of the dictatorship of the proletariat....Following the directions of the now defunct Communist International in Moscow, they use the 'Trojan Horse' method to gain control of trade unions and infiltrate the official Labour Party.44

Abstract criticisms of Leninist ideology were remote from most people's experience; that the lights went out when Communist miners struck in Lithgow was something everyone could understand. Liberals offered direct and mundane examples - usually industrial - to illustrate the problem of Communism. Communism's industrial dominance, anti-Communists asserted, threatened the viability of Australia's defences by rendering the armed forces vulnerable to disruption of supplies. Communist-inspired strikes also damaged the export trade and thus depleted foreign reserves. Strikes retarded production, created shortages and fuelled inflation - 'too much money chasing two few goods' in the oft-repeated formula of Liberal publicity. This kind of economic 'sabotage' - the word recalled wartime treachery - was, Liberals argued, part of a plan to hasten the crisis of capitalism.

44. LPA Speakers' Notes, no. 51, 'Communism in Australia', NLA MS 5000/9/333.
Unions such as the Miners' Federation and the WWF had taken industrial action on many well-publicised occasions in the course of the war: this provided another important theme in the anti-Communist electioneering of 1946. Publicists also stressed the Party's policy reversals: for a few months after September 1939, Communists applauded the long-awaited struggle against fascism; then, until Germany invaded the Soviet Union in June 1941, they reviled the war as a sordid imperialist adventure. Their support for the war after June 1941 did not erase this memory. Finally, Communist union control entailed a symbiotic relationship with the ALP, the largest party of organised labour. Trades Hall Councils and union executives were the nexus between the Reds and their paler but ultimately no less dangerous comrades, the Labor socialists. 'Appeasement' had become an all-purpose political swear word, a conventional usage which allowed Liberal politicians to condemn Labor's appeasement of Communist-influenced unions.

The government's alleged 'appeasement' of the Waterside Workers Federation (WWF) boycott of Dutch shipping formed part of the Liberal campaign. According to Menzies the Government's capitulation to the WWF entailed not only a surrender to industrial militancy, which jeopardised Australia's trade with Holland, but also a usurpation by the WWF of Australian foreign policy. Chifley was usually identified as the main culprit, but the Liberal Party also criticised Evatt's conduct of External...

45. Ibid.
46. Ibid., No. 54, 'Appeasement of Coal-Miners'.
47. Ibid., No. 25, 'Waterside Workers and NEI'.
Affairs. Critics alleged he ran the Department as a one-man show and disregarded expert public service advice. Furthermore, his conduct in the United Nations verged on treachery to Britain and to Australia's new ally, the United States. Evatt saw himself as the champion of the small and medium nations against the superpowers, and in some ways he was. In the United Nations he campaigned for the rights of the General Assembly, and vehemently opposed the use of the Security Council veto. Of the four permanent members of the Council (Britain, France, USA, USSR) the Soviet Union used the veto power most often; consequently its delegates endured many Evatt tirades. This was ironic, considering the subsequent vilification of Evatt as a fellow-traveller. His critics, however, ignored his clashes with the Soviets, and concentrated on the misdemeanour of snubbing Britain and America and consorting with small independent countries such as Sweden and Argentina.

While charges like these impugned Labor's patriotism and loyalty, the Parliamentary Liberal Party could claim as a badge of its patriotism an impressive cohort of ex-servicemen. Liberal speakers were able to boast that while six members of Menzies' nine-strong War Cabinet (1939) were ex-servicemen, only one member of the present Chifley Ministry had served in either World War. The Chifley Government was also, its Opposition alleged, weak on defence. Although Menzies had served as a senior Cabinet Minister from 1932 to 1939, and as Prime Minister in the 1939 to 1941 'phoney

51. 1946 Speakers' Notes, No. 67, 'Defence'; Sun [Sydney], 10 Jul 1946, p. 10. NLA MS 1538/28/4162.
war' period which Britain devoted to hurried rearmament, he was moved in his 1946 Policy Speech to criticise Australia's lack of defence preparation in the last war. The western powers' reluctance to re-arm, Menzies contended, made the survival of the democratic nations doubtful in the early years of the war, and delayed victory in its long, 'final' phase. Menzies alluded to the war-weariness and pacifism of the 1920s and argued that disarmament, while in some ways the natural response of a peace-loving people to the end of a brutal war, was dangerous twenty years ago and remained foolish in 1946. "We have a lesson to learn from this. We must never again allow our defences to fall below a reasonable minimum." In order to maintain this standard, Australia must co-operate with Britain, but not rely too much on "certain Empire military or naval strongholds". This tactful reference to the fall of Singapore was accompanied by an exhortation for Australia to accept its defence "responsibilities", although Menzies did not commit a Liberal government to any specific increase in defence spending.52

The Government was returned with a loss of three seats to the Opposition. Labor's share of the lower house vote barely changed (from 49.93% to 49.71%), but its majority fell from twenty five to fourteen. Voters also approved the social services referendum.53

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52. 1946 Policy Speech, p. 25.
Towards the end of the campaign, Casey had remarked that there seemed to be less of a swing to the Liberals in Tasmania than was evident on the mainland, and that this was probably because the hydro-electric State had been little affected by coal disputes. He also complained that the quality of Liberal candidates was disappointing, the Party's publicity "amateurish", and broadcasting "lacking in imagination and appeal". In a paper setting out the Liberals' publicity requirements in the period leading up to the next election, the Director, Don Cleland, noted that while Labor's 1946 publicity had been unified, the State Division of the Liberal Party had run separate, uncoordinated campaigns; and Federal Council unanimously endorsed a resolution that Liberal publicity should in future be centrally controlled. Menzies' press secretary, Charles Meeking, also attributed the defeat to a lack of coordination, and laid the blame on the State Divisions for refusing to cooperate. Meeking found fault, too, in the Federal office, where work had been impaired by bad relations between Cleland and his senior staff members.

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55. Casey diary, 19 Sep 1946. NLA MS 6150/26, vol 10, p. 33.
Meeking warned Menzies that the parliamentary party might criticise his own conduct of the campaign on two points: firstly, that the tax reduction proposal had been publicised too early, allowing Labor to develop its response; and secondly that his style of public speaking had been too aggressive. It could be said, for example,

...that you hit too hard at meetings, especially in the 'convict' reply at Launceston...people generally seem to be becoming a little 'sissy' in their politics. This was probably because they were accustomed to be talked to over the wireless, without the chance of any interjection....Another point, and one which is pretty generally expressed, is that you are both too clever and too experienced for your interjectors, who therefore tend to get the sympathy of the crowd.57

Menzies' style, and the co-ordination of State campaigns were, no doubt, important issues for the Liberal Party, but the basic task was to continue to build a credible alternative to the government; and to this end the image of the Party was as important as its policy on any particular issue. During its five years in opposition, 1944-49, the Liberal Party tried to present its own ideas and people as young and modern, and those of its opponent's as outmoded and dogmatic. This theme was an important part of the identity the new party's leaders and image-makers were creating. For example, youth and a 'modern' outlook were amongst the key qualities which J.V. McConnell, General Secretary of the Victorian Division, sought in a Liberal candidate.

a) **Youth**: Not all candidates need to be young but the Party needs a large number of candidates between the ages of 25 and 40. 

*Character and Sincerity...Ability...Personality...*

e) **Contemporary**: Candidates must be modern. There is a belief, perhaps not unfounded, that we are on the threshold of a new age. Candidates whose political beliefs are unalterable are fatal. Candidates must be prepared to assimilate new ideas, in other words [to] have *Vision*.  

Menzies, the most important candidate, had already done much (particularly through his radio broadcasts) to establish himself as a credible alternative Prime Minister, but the task remained unfinished. Gallup polls showed that Liberal-Country Party support had risen from 44 percent in the 1946 Election to 50 percent in November 1947. Nonetheless, senior Liberals decided a few months later that Menzies needed a "'build-up' campaign on his leadership."

Menzies himself had been depressed by his defeat in the 1946 election, and considered leaving politics. The next year he prepared a letter of resignation as leader, in which he stated that the enmities generated by his own fourteen years in Federal politics had created impossibly mistrustful relations within the party, and that it would be better for a new leader to take over. But Menzies never used this statement and, despite the rumours that Casey would replace him, stayed at the head of the parliamentary Liberal Party. While Menzies seemed convinced that his authority within the party was under threat, the support for Labor had fallen from 53 to 46 percent in the same period. 'Build-up' campaign: J.R. Willoughby [Parliamentary Officer to the Leader of the Opposition] to Alan Dawes [Public Relations Officer], 6 February 1948. NLA MS 5000/8/301.

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59. Gallup polls: NLA MS 5000/8/301. '1949' folder. Support for Labor had fallen from 53 to 46 percent in the same period. 'Build-up' campaign: J.R. Willoughby [Parliamentary Officer to the Leader of the Opposition] to Alan Dawes [Public Relations Officer], 6 February 1948. NLA MS 5000/8/301.


was weakened by the associations of the past, Liberal publicists strove to replace the memory of the failed Prime Minister and leader of a now-defunct party with a new image of reliability, conviction, and modernising zeal. By emphasising youth and modernity, Liberals suggested that the Chifley Government was mired in the discredited socialist doctrines of the 1920s and 1930s. The world was entering a new and exciting era of modernisation, economic growth and individual freedom - without a dynamic Liberal government, Australia would be left behind.

Menzies' spirits were lifted and his party's fortunes revived by the reaction to the government's attempt to nationalise the trading banks, which Chifley, frustrated by a High Court ruling against elements of the 1945 Banking Act, had announced on 16 August 1947. The issue galvanised non-Labor throughout Australia, contributed to the defeat of the Labor government in Victoria, and brought a significant increase in membership and donations. A month after the announcement, Casey noted that donations to the Liberal Party in New South Wales were five times the amount that the UAP had received ten years ago. Between November 1947 and April 1948, Casey raised approximately £100,000: "an enormous sum", as his biographer remarks. Bank nationalisation seemed to confirm the suspicion of non-Labor people that the government was intent on a sweeping programme of socialisation: these misgivings may be judged from a comment made in 1949 by one of Billy Hughes' well-wishers: "[T]he Commonwealth Bank lets the Taxation

Department know all about the Deposits..." Just as the British Medical Association argued that government health care provision would damage the bond of personal trust that existed between doctors and patients, so opponents of bank nationalisation claimed that while bank managers were known and trusted by all customers and made decisions on the just and objective basis of ability to repay, the managers of a government bank might allow commercial decisions to be swayed by prejudice towards the customer's political opinions.

Above all, opponents of bank nationalisation resisted what they considered an unnecessary and menacing extension of government powers: the Government already had "...all the necessary financial powers to prevent depression". The Liberal Party, however, along with an array of well-organised and financed bank employees' groups, campaigned vigorously against Chifley's 'bank grab', claiming to see in it the beginning of the end of private property. Menzies valued the apparent neutrality of organisations such as the Citizens' Protest Committees, and considered that although the members of these groups should eventually be persuaded to join the Liberal Party, for the moment it was more effective to have organisations suitable for Labor supporters reluctant to change their party loyalties.

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64. 'G.U.' to Hughes, 22 Nov 1949. NLA MS 1528/28/5061-63.
66. Ibid.
67. Liberal Party Speakers' Notes, Victorian State Election 1947, No. 22.
68. Menzies to Cleland (copy) 1 Dec 1947. NLA MS 4936/410/3.
There is evidence that bank nationalisation enjoyed little support even before the banks' campaign began in mid 1947. 32.5% of respondents to a Gallup Poll taken in 1946 had favoured government ownership of trading banks; 51.4% favoured private ownership.\(^69\) Opposition to nationalisation certainly received extensive and expensive encouragement.\(^70\) However low the support for bank nationalisation may have been, the Liberal Party did not take the failure of 'the bank grab' for granted: the urgency of Liberal rhetoric conveyed to the electorate that this was risky choice. In a speech at the Sydney Town Hall, in August 1947 Menzies seemed to suggest that bank nationalisation was a threat to Australian liberty almost as severe as that faced in the Second World War.

\[T\]he importance of the banking issue cannot be exaggerated. This is a proposal for a bank monopoly and goes far beyond pounds, shillings and pence, far beyond shareholders and bank employees. It penetrates into the whole structure of life and liberty in Australia....What is to be taken from the Australian citizen is his right to live and to work and to conduct his affairs in his own fashion, which was the right for which this war was fought.\(^71\)

When in his speech on the Second Reading Menzies called the Bill "a tremendous step towards the Servile State...the product of totalitarian thought...hateful to all democrats" he linked nationalisation with both the wartime enemy and the enemy that soon took the place of fascism, Soviet

\(^{69}\) *Australian Gallup Polls, Nos. 328-397, Sep-Nov 1946.*
\(^{70}\) The bank officers' campaign against nationalisation is described in A.L. May, *The Battle for the Banks*, Sydney, 1968.
\(^{71}\) *Ibid., No. 10, 'Royal Commission on Banking, 1936'.*
Communism. One supporter agreed, writing to the Prime Minister that "Hitler's power grew from smaller beginnings than this. We do not wish a similar menace to peace and freedom in Australia."

Bank nationalisation produced a favourable climate for Liberal publicity in the last three years of the decade, but the Party's workers were not content to concentrate on banking. Continuous, nationally-co-ordinated campaigning between elections was the ideal cherished by federal politicians and officials; intermittent and separate State campaigns on similar 'enterprise versus socialism' themes was the reality. Liberals concentrated, although not exclusively, on the three groups regarded as particularly receptive to its anti-Communist and anti-socialist message: skilled tradesmen, housewives, and Eastern European 'New Australians'. Cleland wrote to State Secretaries suggesting doorstep canvassing of the first two groups. Party workers were to identify themselves as representatives of the Liberal Party, but not to advocate a Liberal vote. The survey for the skilled tradesman, once he was identified as such, should begin with this preamble: "[W]e're for democratic trade unionism and would like to have your views on it."

73. Alice Hume, Balwyn, to Menzies, 8 Sep 1947. NLA MS 4936/410/4.
74. Cleland estimated that out of an electorate of 4.5 million people, Labor and the coalition parties each enjoyed the traditional support of around 1.5 million, leaving 1.5 million as 'floating' voters. The Federal Director commented that many floating voters came from Labor families. The group consisted mainly of clerical workers; small business people; contractors; shopkeepers; skilled trade unionists; workers in distribution and transport industries; "junior professional men"; nurses; "modest property owners and the like". D.M. Cleland to State General Secretaries, c. 1949. NLA MS 5000/5/134.
75. In 1949 those New South Wales unions with Communist-controlled executives were: Ironworkers-Munition Workers; Boilermakers; Sheetmetal Workers; Amalgamated Engineering Union; Federated Engine Drivers and Firemen's Association; Miners' Federation; Gas Employees'; Building Workers' Industrial Union; Waterside Workers' Federation;
secret ballots; the efficacy of the arbitration system; and the comparative merits of owning one's own home, and renting from the government. The canvasser was to conclude by asking "...how we could help Moderate Trade Unionists to keep the Communists out of control of the Unions - and to help the moderates to regain control?" 76

The women's survey began with an assurance that "...we want to have the benefit of your views and ideas as to how we can best give help in a practical way to the women of Australia- the hardest workers in the community." Questions addressed were: a return to pre-war style home delivery of groceries; the availability of labour-saving devices such as washing machines; child care; and "domestic help". 77

Cleland also enclosed the report on an opinion poll carried out house-to-house in "middle class to poor" suburbs of a Queensland city (presumably Brisbane). The main questions asked how the cost of living should be lowered, and how production should be increased. The survey was designed to encourage respondents to reflect on the connection between those things the Liberal Party reviled - government pools and control boards, strikes,
excessive wages, low production - and those things that most people reviled: scarcity and high prices. As polling was carried out during the day, a large number of the respondents were women, but women, apparently were less likely than men to draw the right conclusions.

One canvasser make [sic] the following comment: 'Many women quote high wages as a cause of high prices, but are quite useless when asked for a method of reducing cost of living. Obvious that housework is no stimulus for constructive thinking.' The same canvasser reported a conversation with an intelligent [sic] shopkeeper, who stated that 90% of people today buy without questioning the price.78

Nevertheless, the most popular methods of reducing prices were to increase production (32%); increase working hours (23%); and reduce wages (20%). Thirty one percent thought that high wages were the main cause of low production; and twenty percent answered 'the forty hour week'. The survey's compiler claimed this experiment had demonstrated that

...by a simple explanation of the facts and with no attempt at persuasion whatever, a remarkable number of middle class voters and even voters of the poorer and more uneducated type, will support quite a drastic policy to bring down the cost of living and cut down on socialist measures.79

78. Ibid.
79. Ibid.
Different methods were used to sell the Liberal Party's anti-Communist and anti-socialist credentials to New Australians. Although the British were the largest ethnic group amongst the one million migrants who arrived in Australia between 1946 and November 1955, many came from Eastern and Central Europe, and quite a few detested the new Communist governments established in the second half of the 1940s. Liberal Party workers, salaried and voluntary, devoted much time and effort to courting the New Australian anti-Communist vote. Fremantle was the first point of call for ships arriving from Europe, and Liberal canvassing was thus particularly thorough in the Fremantle-Perth area - so much so that the efforts of women from the Western Australian Division were commended by the Federal Women's Committee as exemplary. Throughout Australia, women's organisations did most of the vote-seeking, visiting recently arrived migrants in hostels, camps and at home, offering charitable assistance such as pots and pans, English lessons, and social evenings, and distributing pamphlets. The Staff Planning Committee, however, rejected a recommendation that the Party distribute leaflets on compulsory voting and enrolment requirements, considering perhaps that this was more properly a duty of the Electoral Commission. Nonetheless, the Department of Immigration supplied lists of names and - where possible - addresses of New Australians, and of recently naturalised citizens to the Liberal Party office in each state.

These were some of the ways in which Liberal campaigners canvassed particular demographic groups: broadcasting, of course, had to appeal to the

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80. Minutes, 26 July 1948. NLA MS 5000/1/3.
81. M.E. Morrissey, Secretary State Women's Committee [W.A.], Report, July 1948. NLA MS 5000/1/3.
widest possible audience, and as such the subjects raised in the 'John Henry Austral' advertisements provide a broad outline of the emphasis of Liberal campaigning in the late 1940s. A plain-talking Aussie bloke, the fictitious Austral starred in a series of short, dramatic sketches which sought to present political issues in an exciting and memorable fashion. The series was devised by Casey, and Sim Rubensohn of the Hansen-Rubensohn agency, which had handled federal Labor advertising until poached by Casey in 1947. The campaign commenced in February 1948, and 170 advertisements had been broadcast by July 1949. In May 1948, the secretary of the Victorian Division remarked that the series was “doing well and, apart from other things [is] having a very good effect on our own people.” After reviewing the series' reception over this period, Federal Council decided to continue the campaign, but to make its tone and content "more constructive" - State Secretaries had reported in 1949 that some people found the series relentlessly negative. The government had been sufficiently concerned about Austral to amend the Broadcasting Act so as to prohibit the dramatisation of current political events and personalities; since 1942 such a prohibition had applied during election campaigns. The new Act came into effect in November 1948, and from then on the Austral broadcasts became, by necessity became less topical. The Opposition denounced Labor’s amendment as a dangerous restriction of free speech; in 1960 the relevant clauses were still in place.

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82. The Secretary was J.V. McConnell. Casey diary, 12 May 1948. NL MS 6150, box 26, vol. 10, p. 131.
83. Sawer, op. cit., p. 200; May, op. cit., p. 113.
The Austral series was intended by Casey as public relations rather than advertising: that is, the intention was to create a favourable atmosphere for the Liberal message rather than to make an explicit appeal in party terms. Of seventyseven Austral advertisements broadcast or written by September 1948, the most common topics concerned the economy, Communism, and socialism:

**John Henry Austral radio scripts, 1948, by topic**

- black market: 1
- defence: 1
- women, marriage, the family: 5
- industrial relations, strikes: 7
- Communism: 11
- population, and rural or national development: 11
- socialism, regulation, bureaucracy (including 'free medicine', and 1948 prices referendum): 12
- economics (particularly inflation, tax, production, employment education): 16
- other: 13

The creators of the Austral series favoured a sensational, sometime ominous style. 'Does shopping shorten women's lives' condemned shortages. 'The Forgotten Women' reminded listeners that there "...is no forty-hour week for the housewife. She works a twelve to fourteen hour shift five or six days a week...usually for less than union wages." 'Happily Ever After' alluded to the

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84. Memo on public relations, forwarded by Casey to Menzies, 16 Sep 1947. NLA MS 4936/4010/3.
85. Federal Council, Programme & Agenda, Annual General Meeting - September 1948, pp. 27-37. NLA MS 5000/7/275. The categories are my own.
lack of privacy for married couples forced by the shortage of housing to live with their in-laws: "[T]o what extent are the irritations and repressions of modern living conditions in Australia affecting married happiness and domestic life generally?" 'Even sparrows have nests' was a "...dramatic indictment of go-slow methods in the building of homes for the Australian people. In play form, John Henry Austral exposes the results of official muddling and mismanagement". 'Creeping Paralysis' drew attention to "...the growing problem of 'key man' strikes." Advertisements on the dangers of Communism highlighted the subversion of trade unions; espionage; links between Soviet-trained Communists and Labor; living conditions in the USSR; Communist influence in Asian countries. Two of these advertisements had generic titles. 'The enemy within' warned that Australia could not insulate itself from "...a world torn by suspicion and intrigue...[and]...foreshadow[ed] what can happen when the agents of a foreign power are permitted to work unmolested." 'The threat' pointed to "...the menace of the over-crowded, under-privileged Asiatic nations, all with a high and rising sense of nationalism, and the Russian influence on these peoples." Austral sketches dealing with bureaucracy and socialism reminded listeners of the proliferation of official regulations; urged a vote of 'a thousand times no!' to the 1948 price-and-rent-control referendum; and played on fears of the invasion of the privacy of the home. 'Is your home your castle?' asserted that "[G]overnment regulations have conferred upon government officials even greater powers of entry and search than are possessed by the police." Most broadcasts on the economy concerned the need for Australians to work harder: one urged listeners to follow the example of the thrifty and industrious 'Little Red Hen' - the only Red for whom Austral had a good word. 'How not to
Live on Six Pounds a Week' and 'Let's Get Busy' claimed that only a rise in production could reduce inflation.86

It may be that governments, whose members can administer as well as fulminate, are in a better position to win - and for matter, lose - votes than are oppositions. Despite the party's inter-election campaigning, in January 1949, the Hansen-Rubensohn agency advised Casey that the Liberal position had deteriorated since 1948, as swinging voters had been attracted by the government's programme of tax reductions and social security benefits. Hansen-Rubensohn anticipated that the party's major challenge in the next ten months would be to counter-act the other 'sweeteners' which the government could be expected to introduce, including perhaps the abolition of petrol rationing.87 But the government's supporters considered that the anti-socialist campaign had worked; and four months before the election, Chifley's press secretary, Don Rodgers, was warned that:

...the big danger to the Government in the next elections as [far as] this State [Western Australia] is concerned, is the fear that it is going to nationalize everything.

Anti-Labor propaganda on this matter has been pretty shrewd and a lot of people have got the wind up - even down to the small shopkeeper who almost imagines he might wake up one morning to find Ben Chifley personally slicing some cooked ham or poloney for the customers.88

86. Ibid., pp. 27-37.
87. Hansen-Rubensohn to Casey [copy], 10 Jan 1949, NLA MS 4936/412/19. REF 1955
For the Liberal Party, however, anti-socialism and anti-Communism were more than simply publicity issues. Leaders such as Casey and Menzies regarded anti-Communism as a means of winning votes from Labor, but their private comments reveal a genuine concern about the threat posed to Australia and other Western powers by Soviet military power; and by Australians who seemed to owe loyalty to the USSR. For example, the Opposition sought to embarrass the government over its alleged negligence in guarding state secrets; but Casey, for one, also expressed these concerns in his diary.\(^{89}\) Similarly, in his private correspondence, Menzies, perhaps from habit as much as conviction, insisted that there was "no middle course" between Communism's direct action and the rule of industrial law.\(^{90}\)

The international situation was no less alarming. A direct Soviet attack seemed unlikely, but in South East Asia, where Britain was no longer a major force, de-colonisation was accompanied by the rise of Communist-influenced nationalist movements in the Netherlands East Indies (NEI), Malaya, and French Indo-China. Soviet power was more obvious in Europe, and by 1947, Albania, Bulgaria, Romania, Poland and East Germany had come under Soviet control. In February 1948, the local Communist party staged a successful coup in Czechoslovakia; this seemed particularly ominous to Menzies and his colleagues, as it was the first time a Communist regime had been established by internal subversion rather than direct military force.\(^{91}\)

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89. Casey diary, 4 Feb 1947. NLA MS 6150/26, vol. 10, p. 49.
90. Menzies to H. Brookes, 6 May 1947. NLA MS 1924/1/20 799.
its conference the next month, the Liberal Party, under pressure perhaps from the Country Party and from anti-Communist 'ginger groups' resolved to ban the Australian Communist Party.\footnote{92. John Warhurst, 'The 'Communist Bogey': Communism as an Election Issue in Australian Federal Politics, 1949 to 1964', PhD thesis, Flinders University of South Australia, 1977, p. 180.} Menzies, visiting Britain, was still not convinced, telling Clement Attlee he agreed that Communists should be prosecuted under general industrial laws rather than "'martyred by special legislation'".\footnote{93. Menzies' diary, 1948, cited Martin, \textit{op. cit.}, p. 50.} According to A.W. Martin, however, Menzies seems to have changed his mind while visiting Britain; where he was, like many others, alarmed by the confrontation over the Berlin blockade, the most dangerous incident in the early phase of the Cold War. On his return, in January 1949, Menzies launched into a series of public meetings, telling his audiences that Berlin demonstrated that the world was virtually at war, and that Communism, the creed of the enemy, should be suppressed as treason.\footnote{94. \textit{Ibid.}, p. 48.}

The mood of danger was further increased in 1949, when Communist forces took control of China, and the USSR exploded its first atomic bomb. More powerful in its immediate effect on Australian lives, however, was the coal dispute, which lasted from June to August 1949. Visiting the Newcastle fields in 1948, Casey had found that the miners in militant mood.

Any miner who raised his voice against the present methods [short stoppages designed to keep stockpiles low] would be asked if he wanted to give up voluntarily the very powerful
bargaining position and put himself back into the hands of 'the boss' - with a reminder of the wholesale 'sackings' of the 1930s.95

The aims of most strikers were probably those set out in their log of claims - a thirty five hour week, long service leave, higher pay and improved facilities. Nevertheless, some historians and contemporaries also interpreted the strike as an attempt by the Communist Party leadership to discredit Labor and to win back the union support which the Party had lost since 1945.96 Coal was at the time Australia's single most important source of energy. The strike - which coincided with the coldest months of winter - drastically reduced the supply of electricity and gas and caused a great deal of hardship and economic disruption, particularly in New South Wales. Soup kitchens appeared in Sydney's working class suburbs, half a million workers were stood down in New South Wales and South Australia, and a majority of heavy industrial plants shut down.97 One report on a Liberal Party rally in Evatt's Sydney electorate of Barton noted "...the number of old age pensioners and young men and women (out of work through the strike) who listened attentively - there were no interjections throughout."98

The Federal Government dealt harshly with the Miners' Federation, attempting to freeze its strike fund, banning donations to it, jailing officials for contempt of court, and using troops to work open-cut mines. These decisions

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95. Casey diary, 15 Jul 1948. NLA MS 6150/26, vol. 10, p. 73.
made the Government unpopular with some of its supporters, but did not prevent Labor being reviled by the Press as 'appeasers' of "...the Communists and their mine-working dupes". For the Liberal Party and those who supported Liberal policy, the strike provided yet another demonstration of the need to ban the Communist Party.

Hansen-Rubenson had anticipated the abolition of petrol rationing prior to the election; but Chifley, in order to conserve the dollar reserves of the sterling bloc, persisted with the rationing; on the other hand, tax reductions came into effect in July 1949. The government had reduced the consumer ration of petrol by approximately twenty percent in 1947; but in June 1949 the High Court ruled that rationing was *ultra vires*. According to the *Age*, the shortages which followed were worse than any during the war; rationing was restored in November; but the Opposition had a more attractive policy: to abolish rationing altogether. The Liberals also opposed Chifley's decision to devalue the Australian pound against sterling by thirty percent: promising to 'put value back into the pound', Menzies decried the effects of devaluation on inflation and, perhaps, national pride.

So, as the parties prepared for the 1949 federal election, the result was too close to predict. The September Gallup poll put the Coalition and Labor at forty six and forty three percent, with two percent choosing independents, and nine

percent undecided.\(^{101}\) People on each side of politics considered that the
Liberal publicity work carried out since the election had improved the
opposition's chances; yet the government presided over full employment;
and could point to an impressive record on social security.

In his policy speech, delivered at Canterbury, Menzies brought ideological
conflict to the foreground, warning that the election represented a turning
point in Australian history.

This is our great year of decision. Are we for the Socialist State,
with its subordination of the individual to the universal
officialdom of government, or are we for the ancient British faith
that governments are the servants of the people...?\(^{102}\)

The dramatic clash of philosophies was combined with some quite prosaic
issues: inflation entailed the theft by socialists of the 'little people's' hard-
earned savings; strikes were part of a campaign of 'class war'.\(^{103}\) Petrol
rationing was linked to the socialist obsession with rationing, but also to
Labor's suspiciously ambivalent foreign policy. The Liberal Party would
protect Australia by re-introducing peacetime compulsory military training.
Menzies explained that the so-called petrol problem was unnecessary and
generated by Labor itself: the sterling area produced plenty of crude oil, but
Chifley had neglected to encourage the construction of refineries and,

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antipathetic to private enterprise, had ignored alternative exporters of petrol. In peacetime, the NEI exported large volumes of petrol, but "....the Australian Government, through its ban on Dutch shipping helped to prolong the East Indies dispute."\(^{104}\)

Menzies admitted that Australia enjoyed full employment now, but warned that this situation might not continue if the Government were returned. In order for industry to remain prosperous the Commonwealth should encourage immigration and develop infrastructure; also, coal must be readily available, costs must fall, and productivity rise. Labor-tolerated Communist obstruction, Menzies implied, prevented the achievement of the last three of these goals. Furthermore, while a Liberal government would extend endowment to the first child, Liberals would never forget that the ultimate source of national wealth was not redistribution but production. Labor's obsession with redistribution had led to a neglect of production. "The Socialists, so far from protecting you from depression, are pursuing policies which, if allowed to go on, will inevitably produce one."\(^{105}\) The Commonwealth Bank would be protected from government interference. Menzies declared that "the pre-war pound - the Liberal pound, the Country Party pound - has been converted into a Socialist pound, which....is worth only twelve shillings and not twenty....". In Britain, the value of the bonds paid in compensation to shareholders ("...many of them financially small people...") for the nationalisation of the railways and the Bank of England has been eaten

\(^{104}\) Ibid., p. 19. 
away by inflation. "In three years, Socialism has stolen away 20% of the price it paid." Menzies insisted that "the day has gone for treating communism as a legitimate political philosophy", and vowed that a Liberal government would outlaw and destroy this "...alien and destructive pest." 

Chifley's policy speech set out the government's achievements in a matter-of-fact style, although there was a break from the stolid recital of policy when, recalling the miseries of the Depression, the Prime Minister declared:

[We] affirm for every man the right to receive a fair return for his labor, enterprise and initiative. But we do say that it is the duty and the responsibility of the community, and particularly those more fortunately placed, to see that our less fortunate fellow citizens are protected from those shafts of fate which leave them helpless and without hope.

That is the objective for which we are striving. It is, as I have said before, the beacon, the light on the hill, to which our eyes are always turned and to which our efforts are always directed.

But in the rest of his speech, Chifley said little about what the government would do in the future. Instead, he argued that the economy had been strengthened to withstand any return of the Depression; and that Labor rejected the pre-war assumption, still current in Liberal thinking, that a pool of eight to ten percent unemployment was required to ensure work discipline.


and productivity. Labor refused to accept that depressions were the result of immutable laws, but intervention had been tempered by caution. There had been five tax reductions since the war, and the budget remained in balance despite annual spending on social security increasing from eighteen million pounds in 1940, to over one hundred million pounds in 1949. Labor had only tried to nationalise the trading banks because the Commonwealth's ability to control inflation through regulation of credit had been jeopardised by the High Court's disallowance of the special reserves clauses of the 1945 Banking Act. Labor would and could not go beyond the limits of the Constitution. Immigration would increase the population and foster security and development. Labor's defence policy included co-operation with Britain in developing missiles, but peace was impossible without social justice, and so the government supported the United Nations.108

Considering that the country was enjoying full employment, the government's campaign was remarkably defensive. While Evatt was told by one supporter that the government's handling of the coal strike had helped to increase its stocks with the middle class109, it was evident that Labor politicians were convinced that the Liberal Party had made a powerful case against the Party's collectivism. Speakers were advised to explain that the idea of an omnipotent state controlling all industry was repellent to Labor, which strove instead for the freedoms of the Atlantic Charter.110 The candidate for the New

108 Australian Worker, 16 Nov 1949, pp. 1-2. 6-7.
110 Labor Speakers' Notes: Federal Election 1949, Melbourne, n.d. [1949], p. 78. In January 1941, Roosevelt, endeavouring to overcome isolationist opinion, proclaimed America's commitment to the 'Four Freedoms': freedom of speech and expression, freedom of worship,
South Wales country seat of Lawson sought to reassure voters that the Socialist Objective contained in Labor's preselection pledge was innocuous: this commitment had been in place since 1921, and had been current during the war years when the Labor government had virtually unlimited powers, and yet none of the dire consequences predicted by anti-socialists had eventuated. Socialism was not a threatening creed but should be understood as "social justice" in the form of full employment, public works, and welfare.

The electors of Evans were told that only Labor could defeat Communism, by delivering a superior standard of living. One contributor to Labor Call defended petrol rationing as a duty to Britain, and the fairest method of distributing this scare resource. Rationing's opponents were "un-Australian and anti-British." According to speakers' notes, the Liberal Party's proposal to ban the Communist Party would be counter-productive: on the Herald's authority, Communists would revel in martyrdom and thrive in the secretive conditions which banning would create.

Labor publicity, however, concentrated on the standard of living in general more than on prices in particular: the Labor line was that to elect a Liberal government was to risk the return of high unemployment. A cartoon strip told the story of the development of social security from the point of view of a freedom from want, and freedom from fear. These objectives were incorporated in the Atlantic Charter (August 1941) a joint statement by Churchill and Roosevelt, which signalled the end of United States neutrality. Kinder et al, op. cit., pp. 187 & 209.


112. Labor Call, 28 Oct 1949. NLA MS 4738/111, folder: '1932, 1940s newspaper cuttings'; see also Courier Mail, 3 Nov 1949, Ibid.

family, whose adult members reflected on how their lives had become more secure as a result of the benefits introduced since 1941.\textsuperscript{114} Addressing General Motors Holden workers at Adelaide, Calwell explained that bank nationalisation would prevent the banks from exacerbating any future recession by forcing a policy of deflation. His slogan, 'vote Bob and lose your job', drew laughter from the crowd.\textsuperscript{115} The Liberals were not alone in seeking women's votes by promising domestic security through full male employment.

\textit{Ladies! This is for you!}

\textit{Labor upholds The Home.}

'That's the last pay envelope until I get another job! And the Lord knows when that will be!' How many times have wives heard those words with a clutch of fear at their hearts? Unemployment, soul-destroying unemployment has ruined marriages, robbed men of their pride in their ability to work; has cheated women of happiness, and plunged children into misery! That's why the Chifley Government has made full employment, work for all, the foundation of its policy.\textsuperscript{116}

Liberal publicity during the election campaign will be treated briefly here as it continued the messages which had been promoted since 1946; except that anti-socialism and anti-Communism were given specific forms in the proposals to

\textsuperscript{114} You must read this story of how £18 million grew to £100 million under Labor, Melbourne, n.d [1949]. NLA MS 1633/924/2.

\textsuperscript{115} The News [Adelaide], 21 November 1949, p. 2. NLA MS 4738/111, folder: '1932, 1940s newspaper cuttings'.

\textsuperscript{116} The Esplanade Post [Isaacs, Victoria], Dec 1949, p. 3. NLA MS 4738/113, folder: '1949 press clippings'. See also Australian Women's Weekly, 12 Nov 1949, p. 53; and Events [Flinders], n.d. [1949], p. 2. NLA MS 4738/31, folder: '1949 election material'.

abolish petrol rationing and to ban the Communist Party. Readers of the *Australian Women's Weekly* were told that as children could not vote against socialism, it was the special responsibility of women to vote on their behalf.\(^{117}\) Women were also warned that their husbands or fathers might be 'manpowered': forced into a job of the government's choosing. Already the Labour government in Britain had restrictions on certain occupations, and from the tenor of Australian Labor's thinking it was probable that the same situation might develop here. In this danger of compulsory allocation of work lay the socialist threat to family life.\(^{118}\) This was an aggressive advertisement, but other appeals to women were defensive, and concentrated as much on what a Liberal government would not do (lower social security benefits and wages) as what it would do (reduce taxes and the cost of living, extend child endowment to the first child).\(^{119}\)

On 10 December, the Liberal and Country Parties won seventy four seats to Labor's forty seven, although Labor retained a majority in the Senate.

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\(^{117}\) Ibid., 19 Nov 1949, p. 24.  
\(^{118}\) *Australian Women's Weekly*, 26 Nov 1949, p. 20.  
\(^{119}\) Ibid., 12 Nov 1949, p. 42. Prior to the election, the Liberal party room had accepted a proposal to offer child endowment for the first child. The resolution was moved by Enid Lyons, and supported by Spender and Holt, but opposed by Menzies. Enid Lyons, *Among the Crows*, Adelaide, 1972, pp. 107-09.
Elections for the House of Representatives, 1946 & 1949

Roy Morgan, director of Australian Public Opinion [Gallup] Polls, remarked to Menzies that his campaign "...should become a textbook example of the importance of adhering to the major issue - in your case, of course, anti-socialism." Earle Page was told by one correspondent that co-operation between the Country and Liberal parties had contributed to the result. Chifley attributed his defeat to resentment of the persistence of war-style austerity and regulation; but, naturally enough, disagreed with the retrospective prediction made by many of his followers that voters might have looked more kindly on a Labor programme which included new benefits and concessions - in particular, endowment for the first child. He considered that while Menzies' promise to 'put value back in the pound' had been effective, the Liberals' most powerful weapon had been their radio and press campaign blaming industrial unrest on Communism and linking "Communism with Socialism and Socialism with the Labour Party, [and so creating a fear complex in the minds of a percentage of the middle class vote]."

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120. Hughes & Graham, op. cit., pp. 375 & 380. The number of seats was increased from 74 to 121.
121. Morgan to Menzies, 16 Dec 1949. NLA MS 4936/42/54.
122. S.E. Wilson, c/- Farmer and Co. Ltd, to Page, 12 Dec 1949. NLA MS 1633/925/145. This opinion is endorsed by Brian Costar, 'The Politics of Coalition', in Prasser et al, op. cit., p. 95.
agreed that the main reason for Labor's defeat, was that "for three years, a fear campaign had been conducted on the alleged evils of socialisation."\textsuperscript{124}

The 1949 result was a sweeping victory: the 5.1\% swing to the Liberal party\textsuperscript{125}, and the increase in the number of House of Representatives seats from seventy four to one hundred and twenty one, had transformed Parliament: in 1946, seventeen Liberal members were elected; in 1949, fifty five; and the Party's share of lower house seats grew from 23\% to 45\%. The new seats were concentrated in the larger cities but, as C.A. Hughes has shown, the Coalition majority should not be regarded as a "triumph of the suburbs", because in the two most populous States, Liberal and Country Party gains were mostly in non-metropolitan electorates; while in the smaller States, the gains came more-or-less evenly from bush and city.\textsuperscript{126} The established politicians of each party took the safest seats - so the many Liberal successes in marginal seats created a new cohort of young backbenchers, all of them ex-servicemen, while Labor's infusion of 'new blood' was relatively limited. This may have given the Liberals a long-term advantage\textsuperscript{127}, but for the new Government, the immediate significance was that a mandate could be claimed for its program, including the prohibition of the Communist Party.

\textsuperscript{124} Calwell to Forde, 16 Feb 1950. NLA MS 4738/4, folder: 1950.
\textsuperscript{127} Ibid., p. 86.
In retrospect, the 1949 election acquired wider significance. In 1956, for example, Liberal president W.H. Anderson told federal council that 1949 had been the only poll which the party had won on its own merits, rather than by exploiting anti-Communism and Labor's disunity; and after near-defeat in the 1961 elections, Liberals called for the revival of the "vitality, imagination, and emotional appeal" of their founding year of government. The 'famous victory' of 1949 continues to be regarded within the Party not only as a rejection of Labor but also as an endorsement of the Liberals' reformist mission. Thus in 1989, one of the more impressive of Menzies' successors, Malcom Fraser, wrote:

We of the Liberal Party are confident in our belief that our basic principles are shared by the vast majority of Australians. This was demonstrated to us most clearly and unambiguously in 1949 and 1975 when the people called upon our party to revive the national spirit.

We now know that the 1949 election began twenty three years of non-Labor administration; and this poll has been regarded as the earliest manifestation of a long-term shift in voter loyalties from Labor to non-Labor. John Warhurst's interpretation of the beginning of the Liberal ascendancy is more useful for our purposes, because he has examined not only the continuities in voting behaviour from 1949 to 1964, but also the origins of the 1949 result in

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128. Hancock, op. cit., pp. 89-90.
the issues of the late 1940s. Drawing on Gallup surveys of religion and voting intention, Warhurst classifies this election as the first phase in a drift of Catholic votes from Labor, evident between 1949 and 1958. He attributes the transition to the coincidence of organised Catholic anti-Communism with the upward social mobility of Australian Catholics who by 1947, according to the Census, differed little in occupational profile from the rest of the population. Middle class Catholics had a greater propensity to choose non-Labor, not only because of their economic position but also because as regular church-goers they were more likely to be exposed to the propaganda of Movement and hierarchy. Thus in Queensland and New South Wales, where the Bishops supported the Movement, the shift was apparent in 1949; whereas there was no marked change in Victoria until 1955, when Mannix finally gave his blessing.

The 1949 election has received more attention than most; and the main factors are thought to have been the Liberals' promises to extend child endowment to the first child, and to 'put value back into the pound', bank nationalisation, petrol rationing, the coal dispute and, more generally, the Cold War environment of anti-Communism and anti-socialism. Bolton considers that while the bank issue alone would have been unlikely to have

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131. Warhurst, op. cit.; Ibid., 'Catholics, Communism and the Australian party system: a study of the Menzies years', Politics, vol. 14, no. 2, Nov 1979, pp. 229-40. This strikes me as the more sensible approach, for despite postwar continuities in the electorate, parties and issues, we can not assume that the politics of affluence, or Catholic anti-communism, remained the same from 1949 to 1972. The relative stability of the party system leaves little doubt that party choices are habitual, but its fluctuations compel us to recognise that these decisions are also affected by short-term considerations. We know that the Liberals went on to win every election between 1951 and 1972, but this knowledge cannot serve as an explanation of the 1949 vote.

132. Ibid.
defeated Labor, the Government was, as in its earlier conflict with the British Medical Association, damaged by the enmity of professional groups respected in an almost deferential fashion by lower middle class voters. Crisp and Lee note that by 1949 the lead in the Gallup polls which the Liberal Party had won following the announcement of nationalisation had disappeared; and Crisp suggests that the issue of bank nationalisation was influential through the enthusiasm, and funding which it generated for the Liberals and pro-Liberal groups. May emphasises the vigour of the bank officers' campaign. Love contends that Labor's populist assumption that the power of the banks was exercised only by a small clique of bankers led the Government to underestimate the strength of the reaction against nationalisation; and implies that the success of this "capitalist mobilization" was inevitable. Lee makes a good case for the importance of petrol rationing, noting that sixty percent of voters who changed from Labor to non-Labor in the 1949 election told Gallup poll-takers that they had considered the rationing issue. Less convincingly, he cites a study of United States electoral behaviour to justify the proposition that as voters only consider the past and not the future, the anti-Communism of 1949, while undoubtedly a source of the non-Labor majority, is better regarded as a "retrospective" reaction to the Chifley government's failure to resolve the coal dispute than a "prospective" mandate for banning the Communist Party. No one at the time seems to have made this nice distinction. Rather, the scene was set for Menzies and

133. Bolton, op. cit., p. 73.
his colleagues to make good their promise to take drastic action against a political movement they regarded as a threat to prosperity and safety.\textsuperscript{137}

The impression one gains from the literature is that after eight years in power there was a concentration of grievances against Labor, encouraged by a Liberal campaign identifying 'socialism' with problems ranging from unnecessary rationing, to Communist influence on the labour movement.\textsuperscript{138} Most writers consider that while the Opposition offered attractive concessions and projected an image of modernisation and vitality, the Government’s reform agenda was played-out, its wartime prestige faded, and its rhetoric oriented towards the past. In particular, the injustices of the 1930s and the failures of the first Menzies-Fadden government, both stock-in-trade of Labor propaganda, would have been of little interest to younger voters. In contrast, the Liberals promised remedies for current maladies.\textsuperscript{139} A strong state would suppress the Communists, and a free market\textsuperscript{140} would release petrol sales: a policy likely to appeal to the drivers, predominantly male, of Australia’s 1,250,000 motor vehicles.\textsuperscript{141} It was, however, well-known that petrol rationing prevented retailers from delivering groceries to the door\textsuperscript{142}; so the promise of abundant petrol may also have appealed to women: more

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\textsuperscript{137} Lee, \textit{op. cit.}, pp. 516 & 502.


\textsuperscript{139} Bolton, \textit{op. cit.}, p. 73; Crisp, \textit{op. cit.}, p. 370.


\textsuperscript{141} Bolton, \textit{op. cit.}, p. 75.

\textsuperscript{142} Beverly Kingston, \textit{Basket, Bag and Trolley: a history of shopping in Australia}, Melbourne, 1994, p. 78; and see note 77 above.
precisely, to those who could afford to have groceries home-delivered, or who hoped to enjoy this service in the prosperous years to come.
...the Depression was the start of things for us in Australia, which still is a vivid memory for many, and the great desire for something better (and for security) - then the war - and the great lust for 'things' that followed, for increased standards.¹

In Menzies' first term as Prime Minister, he had led a minority government and his authority within the UAP had been tenuous. Now, the Liberal and Country Parties enjoyed a considerable majority in the House and Menzies' position as Liberal leader was secure, although not invulnerable. During their first two years in office, the Liberals implemented much of their 1949 agenda, but it became apparent that the Government was unable to provide a quick solution to the economic problems of the 1940s, and unwilling to embark on a crusade for 'desocialisation'. Menzies and his colleagues set out to give private enterprise a greater scope in the productive economy, but seemed to work within an assumption shared with Labor: that the imperatives of social cohesion and stable economic growth demanded a degree of government ownership and regulation unthinkable before the conspicuous failure of laissez faire in the Depression, and the expansion of social entitlement and government functions during the Second World War. Moreover, despite an increase in Cold War international tensions, the first post-war Menzies Government discovered the limits of the domestic politics of anti-Communism. The failure of the 1951 referendum suggested that the pervasive rhetoric of anti-Communism had created a misleadingly ambitious

¹. Casey diary, 6 Feb 1951, NLA MS 6150/26, vol. 113, p. 29.
expectation of how much anti-Communist coercion the public was willing to accept. This is not to say that the government's only political asset had been devalued, for the government's credentials as a guardian were based not only the suppression of the Communist threat, but also on the preservation of the benefits of postwar capitalism.²

Labor's Senate majority was the immediate restriction on the Government's power. Petrol sales were controlled by regulation rather than statute, so the Government was able to abolish rationing in February 1950. Endowment for the first child was too obviously popular for Labor to oppose it outright; the promised benefit of five shillings per week was enacted in June, after Opposition Senators had abandoned amendments designed to raise the benefit to ten shillings per week, and to prohibit the Arbitration Court, which was investigating a revision of the basic wage, from considering child endowment. By June, however, this was the only significant measure enacted.³ Parliament was deadlock on the Communist Party Dissolution Bill, and amendments to the Commonwealth Bank Act. The Bank had since 1945 been directed by its Cabinet-appointed Governor, H.C. 'Nugget' Coombs, the most influential of the cohort of Keynesian, planning-oriented economists appointed by the Curtin Government. The new Bill proposed to transfer directive power to a ten member Board, consisting of five business and five official members. Coombs would continue as Governor, and would chair and be responsible to the Board, while Cabinet would maintain ultimate

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authority over Bank policy. Labor opposed any retreat from the policy of
government-controlled central banking. The proposals were moderate,
however, and disappointed those in the parliamentary and organisational
Liberal Party who had been led by the 1940s rhetoric of 'free enterprise banking'
to expect a greater curtailment of the Commonwealth Bank, whose state-
subsidised competition with private banking created, they feared, the
conditions for the state absorption of all banking business. The Liberal Party in
Opposition had mobilised support by presenting the party division on banking
as a choice between private enterprise freedom and state 'totalitarianism'. In
office, Liberal policy was to manage credit and, despite the Country Party, to
separate the Commonwealth Bank's trading and central bank functions.4

From the outset, however, the Government had to deal with a more
pressing problem than reform of the Commonwealth Bank. Inflation, which
Menzies had promised to quell, instead gathered pace. The annual rate of
price increases had already reached 10.1% in 1949, and began to accelerate in
the second half of 1950. The average rate for the 1950-51 financial year was
19%.5 In April 1951, for example, the cost of canned fruit rose by 14%, and at
the Homebush markets in Sydney, lamb was fetching record prices.6 In the
later 1940s, politicians and economists had feared that peace would be followed
by a trade slump: this had been Australia's fate after the Great War. But it
became be apparent that 'the lust for things', along with the effects of currency

6. Mirror [Sydney], 5 Apr 1951; Argus, 2 Apr 1951; Daily Telegraph [Sydney], 7 Apr 1951.
Evatt papers, Flinders University of South Australia. file: 'newspaper clippings - elections -1951'.
depreciation, public spending on defence, immigration, and capital development, and a commodity prices boom (particularly in wool, following the outbreak of the Korean war in June 1950), had combined to make inflation the main economic problem of the early 1950s.7

Concerns over the cost of living and economic security would later erode the Government’s support, but not all the economic news for 1950 was dispiriting. The Government’s economic policy was basically expansionist, and oriented towards consumption and state-fostered growth rather than deflationary discipline. There was even a new Department of National Development, to replace Postwar Reconstruction: the minister, Casey, was principally responsible for the Commonwealth Scientific and Industrial Research Organisation, and the continuation of the ambitious Snowy Mountains hydro-electric project.8 Despite Labor’s fears that the extension of child endowment would provide the Arbitration Court with an excuse to restrain wage growth, at the end of the year the male basic wage was increased by one pound to £7/18/- per week; and the ratio of the female basic wage, in some industries as low as 50% of the male award, was increased to 75%.9 A Gallup poll reported that 76% of interviewees were satisfied with their housing. Another asked respondents if they were better off now than when they were children: 60% said they were better off; 26%, worse off; while 12% thought there was no difference and 2% did not know.10

9. Round Table, no. 161, Dec 1950, p. 94.
While there was evidence of prosperity, 1950 also saw a dangerous escalation of the Cold War, and with it a shift in Australian anti-Communism's focus on threats to prosperity, to dangers to national security. This was a change in emphasis rather than an abrupt transformation. By 1950 the Industrial Groups had made considerable progress in reducing the influence of the CPA within the union movement, but Menzies and his colleagues continued, as they had in the 1940s, to highlight the inconvenience and hardship caused by industrial conflict (see figure 8.1) and to blame economic problems (inflation typically, rather than shortages) on the restriction of production by Communist unions, particularly the New South Wales Miners' Federation. But the Government regarded the problem of domestic Communism in terms of war preparation, and the danger of war between the Communist and Western blocs seemed greater than ever. The Government's policies and rhetoric were predicated on the assumption that Australia should prepare not so much for a full-scale war with the Soviet Union or China, but for smaller conflicts, in South East Asia or, perhaps, the Middle East. Percy Spender, the new External Affairs minister, nominated "[N]ational security in the face of the thrust of Communism in Asia" as his main priority, to be achieved through alliance with Britain and the United States. (The new Government rejected as dangerously unworldly utopianism Labor's notion that Australia could, in part, enhance its national security by supporting attempts to negotiate through the United Nations a peaceful resolution of international conflict.)

13. *Round Table*, no. 159, Jun 1950, p. 275
In May, the Government despatched a squadron of military aircraft to assist the British in suppressing Communist insurgency in Malaya. Defence spending increased in the 1950-51 Budget, and the Government prepared to introduce a National Service scheme.15

One of the most alarming phases of the Cold War began in June, when North Korea invaded South Korea. A force of United Nations troops, dominated by the United States and including Australians, was quickly despatched to assist the South. By September the Americans had reached the Korean-Chinese border, and Chinese soldiers joined forces with the North. The United States commander, MacArthur, favoured attacking Chinese bases with atomic bombs, but was opposed in this by Truman, who eventually dismissed the General for disobeying civilian orders. The war reached a stalemate by mid 1951, with each side entrenched around the original 38th parallel border; a negotiated armistice two years later re-established the division of Korea on this pre-war boundary.16

Thus the controversy over banning the Communist Party took place at a time of war between the United States and its proxies, and a client State of the Soviet Union and the People's Republic of China. Furthermore, the Cold War intensified concerns about espionage and 'subversion' - a conveniently ill-defined term, usually thought to describe the undermining of political

support within Western nations for assertively anti-Communist policies. In 1950, Communist influence within the West seemed to explain two disturbing problems: the USSR's early acquisition of atomic weapons (in 1949); and the United States' failure to prevent the accession to power of the Chinese Communist Party. Western defence experts had not expected the USSR to explode an atomic test bomb as early as 1949. It became apparent that British and United States atomic secrets had been passed to the Soviets, and in March 1950, the first of the post-war atomic spies, the physicist Karl Fuchs, was put on trial in the Old Bailey. In the United States, politicians seeking explanations for the 'loss' of China scrutinised the loyalty of government employees. The Commonwealth Government had similar concerns. Menzies and his colleagues had always mistrusted Evatt's appointments to the Department of External Affairs, and even suspected the young political scientist he had appointed as Secretary, Dr John Burton, of being a Soviet spy. From the point of view of those who looked to the United States for leadership in a western alliance, the embargo on shared military intelligence imposed by the United States on the Australian government in 1949 had been an indictment of Labor's anti-subversion credentials. The Chifley Government had been pressured by the embargo and by pressure from the Opposition and its own Catholic rightwing, into setting up the Australian Security and Intelligence Organisation, and one of the incoming Government's first acts had been to place ASIO under the directorship of a career army officer, Colonel Charles Spry. Under Spry, ASIO's investigative and counter-propaganda activities

Figure 8.1  'Easter Egg'

*Bulletin, 5 Apr 1950, p. 7.*
were directed against Communist influence, especially in the trade unions and the organised peace movement.20

These were some of the circumstances of the debate on the Communist Party Dissolution Bill introduced by the Government in April. The Bill was made under the defence powers, to preserve "peace, order and good government", and was justified on the grounds that the ACP:

...in accordance of the basic theory of communism, as expounded by Marx and Lenin, engages in activities...designed to assist or accelerate the coming of a revolutionary situation, in which the Australian Communist Party, acting as a revolutionary minority, would be able to seize power and establish a dictatorship of the proletariat...21

The ACP was responsible for the use of violence, fraud and intimidation in its attempts to disrupt vital industries, and as "an integral part of the world communist revolutionary movement" engaged in "operations of a treasonable or subversive nature".22 A 'communist' was defined as one who "supports or advocates the objectives, policies, teachings, principles or practices of communism, as expounded by Marx and Lenin". 23 The Bill "dissolve[d] the Communist Party and appoint[ed] a receiver for its property"; dissolved by executive order other "substantially Communist" organisations;

22. Ibid.
23. Ibid., 3.-1.
allowed for the jailing of officials of Communist organisations; prohibited the employment by the Commonwealth of persons "declared" to be a menace to the "defence or the execution or the maintenance of the laws of the Commonwealth"; and also prohibited declared persons from serving as officials in unions covering "key" industries - specifically, building, transport, metalworking, coalmining, power, engineering.24 The Bill would operate retrospectively from the ratification of the ACP constitution in 10 May 1948 permitting, for example, the prosecution in 1950 of someone who had been the official of a declared organisation on 11 May 1948 but was no longer a member of the Communist Party.25

In June 1950, Gallup recorded that virtually all of its sample group had heard of the bill, and 80% approved.26 One Liberal sympathiser, a Sydney building contractor, advised Menzies that removing income tax from overtime would help to counteract the Communist influence which caused industrial conflict, for "[A]s citizens earned more money they would slave to build their own homes, and the voice of the disruptionist would not be listened to...."27 Casey, however, was worried about the difficulty of distinguishing lawful from unlawful union activities, remarking in November:

[I]t seems probable that strikes will occur in communist-controlled key unions on apparently legitimate industrial matters in the next month or two. Then, when we 'declare' their communist leaders, it will be made to appear that we are doing so as a means of combating their legitimate industrial demands.28

25. Ibid., p. 264.
Casey kept his doubts to himself, but anyone following the political news would have been aware that Labor was bitterly divided over the best way of responding to domestic Communism. The Bill exacerbated these divisions; and Menzies told one minister that he relished the prospect of a 'first class split in the ranks of the opposition.' At first, Caucus appeared relatively united - at least in its opposition to those clauses of the Bill which placed the onus of proof on the defence. That prosecutors should not have to call witnesses in order to prove the fact of Communist activity was justified by those who supported banning Communism on the grounds that if prosecutors were compelled to provide exhaustive evidence of Communist activities then the security service's network of informers would be compromised. So, the Labor Party and its affiliated unions were divided between two imperatives: to delete clauses which might be used against themselves; and to avoid a double dissolution in which Labor's obstruction of the Dissolution Bill would inevitably provide the main target for Government attack. Gallup Polls had found in July-August 1950 that if the onus of proof issue led to a general election, 53% would vote for the Liberal and Country Parties, and 38% for Labor; with 8% undecided. After six months of tortuous and well-publicised internal dissension, Labor Senators were directed by their Federal Executive to

pass the Bill in its present form: that is, with the minor amendments already accepted.

The situation, however, was not without its problems for the Government. Its constituents were accustomed to think of non-Labor governments as guardians not only of order, but also of liberty. The onus of proof question was more controversial than the Bill itself: according to Gallup, only 34% agreed that the burden of proof should rest on the 'declared' person. Menzies was warned by a Western Australian sympathiser that Liberal publicity on this issue lacked clarity. The Victorian secretary of the Council of Churches advised that while he and his fellow churchmen agreed with the purpose and general method of the bill, there was some unease about the clause which stipulated evidence of Communist activity.

To many of us it lacked definition and was something of a dragnet which could catch many innocent and idealistic ministers and laymen. For instance, we know of several churchmen who became involved with the peace movement here who would never support marxian communism...This clause (22) as it now stands would declare such men who would feel the stigma greatly.

Nonetheless, Menzies had made 1950 a very difficult year for the Opposition, and its travails continued after the enactment of the Dissolution Bill in October. The next month, deputy leader H.V. Evatt accepted a brief on behalf

32. The current Liberal Prime Minister, John Howard, has characterised Menzies' attempt to ban the Communist Party as an aberration in the Liberal Party's libertarian record. 'Some Thoughts on Liberal Party Philosophy in the 1990s', Quadrant, vol. 38, no. 7-8, Jul-Aug 1994, p. 22.
34. J.L. Paton, Perth, to Menzies 30 May 1950. NLA MS 4936/528/32.
35. Rev. Courtney Thomas to Menzies, 19 May 1950. NLA MS 4936/44/64.
of the WWF, one of ten unions which, along with the Communist Party, were mounting a High Court challenge to the Act's constitutional validity. In March 1951 the Court declared six to one, with Latham dissenting, that the Act was unconstitutional: essentially because Australia was not, for the purposes of the Commonwealth defence powers, 'at war'; nor did the Commonwealth require such an Act in order to preserve the Constitution. Convinced that this was an ideal opportunity to secure a majority in both Houses, Menzies persuaded the Governor General to grant a double dissolution, on the grounds that the Senate had failed for a second time to pass the Commonwealth Bank Bill.36

Menzies' policy speech set out the Government's superior credentials on national security. Only the Government realised the threat of Communism; Chifley persisted in regarding it as a legitimate philosophy. Under the Liberals, Australian defence and foreign policy was 'realistic' and recognised United States responsibility for the Pacific. It was not hysterical to warn of and prepare for the possibility of war. Even with its increased expenditure Australia was spending less per capita on defence than were the United States and Britain. The Korean experience demonstrated that well-trained troops suffered a lower rate of casualties. Compulsory military training should not be thought of as war-mongering but as a precautionary measure. "Do we want our sons thrown into war without the skill that training can give them?". Menzies also expounded the Government's superior record on living standards; but here the Communist issue was also relevant, for the best means

of lowering inflation was to increase production, and the barrier to greater production was the go-slow and absenteeism encouraged by Communist-controlled unions. Menzies concluded with a plea that the Government, faced with the challenges of securing prosperity and averting military danger, must be given control of both houses of Parliament.37

In his broadcast of Labor's policy speech, Chifley stated that in the last year housewives, and their husbands, had known the effects of inflation. The Liberals' defeat of the 1948 referendum had left the Commonwealth powerless to control prices. Labor would encourage production and industrial peace by consulting the trade unions, avoid the useless and dangerous policy of repression pursued by the Government, and maintain the law it had passed in 1949 to regulate union ballots. The Opposition was opposed to Communism, but would not be stampeded into authoritarianism, and had delayed the Dissolution Bill, which had now been shown to be unconstitutional, in order to expunge the worst abuses of "British liberties". Labor would not proceed with bank nationalisation: the proposal was defunct. Chifley had been advised by Leslie Haylen that marriage loans were "one of the Election winners"; and in his broadcast the Opposition leader announced that the Party would aid "legitimate home makers" with low interest loans. The rate of immigration, Chifley said, would be reviewed in regard to the housing shortage. On welfare, it was Labor policy to move towards the abolition of the means test on old age pensions: the first step would be raise the level of permissible income and assets.39 A Labor government would

39. Income to be raised 10/- per week; assets to be raised from £750 to £1000.
investigate the health and working conditions of Aborigines. Labor would reverse Coalition policy by co-operating with the United Nations, and opposing the rearmament of Japan. In conclusion, Chifley asked voters to throw out Menzies' "do nothing" administration.40

Much of Labor's campaign centred on inflation: newspaper advertisements detailed price increases, and blamed the frustration of the Chifley Government's price control proposals.

We ask you

DID MENZIES PUT VALUE BACK IN THE POUND?

Compare these prices

<table>
<thead>
<tr>
<th>Item</th>
<th>Under Chifley's Price Control</th>
<th>Under Menzies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rump steak</td>
<td>2/2</td>
<td>2/11 (if you can get it)</td>
</tr>
<tr>
<td>Pair sheets</td>
<td>56/-</td>
<td>103/-</td>
</tr>
<tr>
<td>Towel</td>
<td>4/8</td>
<td>9/7</td>
</tr>
<tr>
<td>Baby's napkin</td>
<td>2/10</td>
<td>5/3</td>
</tr>
<tr>
<td>Child's shoes</td>
<td>28/-</td>
<td>32/-</td>
</tr>
<tr>
<td>Bricks, per 1000</td>
<td>117/-</td>
<td>176/-*</td>
</tr>
</tbody>
</table>

Evatt took this domestic message to the streets of Sydney, where on one day he spoke at nine street meetings in two and a half hours. Most of the meetings were outside hotels, and the majority of the listeners were men, who stood outside with their glasses of beer. But women coming out of shops

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40. typescript of policy speech by J.B. Chifley, 28 Mar 1951. NLA MS 4738/32, folder: 'ALP policy speech, 1951'.
with their parcels cheered Evatt as he declaimed "'The value of the Australian pound is being cut to pence.'" 42

Labor tried to evade the embarrassing issue of Communism by turning the election into a plebiscite on inflation; the Government attempted to blame high prices on 'Red wreckers' in the unions, and to make every issue a question of Communism versus freedom. Voters must break the Labor "stranglehold" on the Senate if the Government was to have any chance of protecting Australia from Communism. Menzies warned that Communism...

...in this country as elsewhere, is the enemy of religion, the sworn opponent of democratic government and the constant friend of industrial disorder, of power shortages, of grossly inadequate coal production, of avoidable hardship for millions of Australian men and women. 43

The Liberals, whose slogan for Tasmania asked voters to choose between 'Menzies or Moscow', promised to seek broader constitutional powers to deal with Communism, and to strengthen national defences. Menzies argued in a radio speech that while Chifley claimed to have developed Australian defences in the later 1940s, as Leader of the Opposition he...

...plays the communist game by denouncing as warmongers a government which regards effective defences as the first obligation of any government worth the name....the families of those gallant Australians fighting in Korea and Malaya will indeed be shocked to be told that peace is secure.... 44

42. Sunday Telegraph, 22 Apr 1951. Ibid.
43. R.G. Menzies, Speech for broadcast, City Hall, Brisbane, 24 Apr 1951, p. 7. NLA MS 5000/5/112.
44. Ibid., p. 3.
Few would have been shocked to learn that the Government had secured victory: Labor was demoralised and disunited, and the Liberal and Country Parties were returned to power (albeit with a loss of five seats) and secured a much-needed Senate majority. Evatt was returned only narrowly in Barton.

<table>
<thead>
<tr>
<th></th>
<th>1949</th>
<th></th>
<th>1951</th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>seats</td>
<td>%</td>
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</tr>
<tr>
<td>Labor</td>
<td>45.98</td>
<td>47</td>
<td>47.63</td>
<td>52</td>
</tr>
<tr>
<td>Lang Lab</td>
<td>0.71</td>
<td>0</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Liberal</td>
<td>39.39</td>
<td>55</td>
<td>40.62</td>
<td>52</td>
</tr>
<tr>
<td>Country</td>
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</tr>
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<td>Com</td>
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<td>0</td>
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<tr>
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<td>0</td>
<td>1.02</td>
<td>0</td>
</tr>
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</table>

Elections for the House of Representatives, 1949 & 1951

The Staff Planning Committee's report is uninformative, but records that the secretary of the New South Wales division, J.L. Carrick, noticed a favourable response to the Government's emphasis on secret ballots for trade union elections. A Gallup poll conducted one month before the election, but published a month afterwards, suggested that for Liberal and Country Party voters, the Coalition's attitude to Communism was its most appealing policy; while more Labor voters nominated the cost of living than any other issue; and relatively few were attracted by Labor's policy on Communism. On both sides, many said that habit was the major influence on their choice.

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46. FPRPC minutes, 19 Jul 1951. NLA MS 5000/1/5. file: 'Public Relations (Staff) Planning Committee - Minutes'.

Reasons for party choices April 1951

Intending to vote Liberal-Country Party (52%) because...

<table>
<thead>
<tr>
<th>Reason</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>L-CP opposes Communism</td>
<td>30</td>
</tr>
<tr>
<td>General policy of L-CP</td>
<td>14</td>
</tr>
<tr>
<td>L-CP opposes socialism</td>
<td>5</td>
</tr>
<tr>
<td>Like L-CP candidate</td>
<td>2</td>
</tr>
<tr>
<td>Admire Menzies</td>
<td>2</td>
</tr>
<tr>
<td>L-CP look after farmers</td>
<td>2</td>
</tr>
<tr>
<td>Good defence policy</td>
<td>2</td>
</tr>
<tr>
<td>Oppose nationalisation of banks</td>
<td>2</td>
</tr>
<tr>
<td>Approve L-CP handling of industrial disputes</td>
<td>1</td>
</tr>
<tr>
<td>Habit (always vote L-CP)</td>
<td>9</td>
</tr>
<tr>
<td>Other</td>
<td>12</td>
</tr>
<tr>
<td>No particular reason</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

Intending to vote Labor (47%) because...

<table>
<thead>
<tr>
<th>Reason</th>
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</tr>
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<tbody>
<tr>
<td>High cost of living</td>
<td>23</td>
</tr>
<tr>
<td>Labor is workers' party</td>
<td>19</td>
</tr>
<tr>
<td>Labor's policy in general</td>
<td>8</td>
</tr>
<tr>
<td>Labor's anti-Communist policy is best</td>
<td>4</td>
</tr>
<tr>
<td>Admire Chifley</td>
<td>1</td>
</tr>
<tr>
<td>Favour nationalisation of banks</td>
<td>1</td>
</tr>
<tr>
<td>Labor best for social services</td>
<td>1</td>
</tr>
<tr>
<td>Prefer Labor's foreign policy</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
</tr>
<tr>
<td>Habit</td>
<td>16</td>
</tr>
<tr>
<td>No particular reason</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

Within the Labor Party and the unions, the ascendancy of Catholic Action was generating an increasing level of tension. Labor's problems worsened after

Chifley died on 13 June, and Evatt was elected leader. Chifley's personal opposition to extreme anti-Communism had made him unpopular with Catholic Action. Evatt's attitude was even more provocative, and he had none of his predecessor's talent for managing internal party conflict. These were auspicious circumstances for the new Government's referendum on powers to outlaw the Communist Party. Polling day was 22 September.

At a July meeting of the Staff Planning Committee, all Secretaries except J.L. Carrick, New South Wales (the most unionised State, which had returned Labor majorities at the last State and Federal elections), professed confidence in the prospects for their own State. T. Lockhart (Tasmania) reported that the Cosgrove Government was not opposing the referendum, and that the 'yes' case should have an easy run. H.F. Sleath (Queensland) predicted a strong 'yes' vote - in line with recent Senate results - but added that Queensland voters were traditionally loath to give Canberra an 'open cheque'. C. Palmer (Western Australia) expected a strong result, as did J.V. McConnell (Victoria), for many Labor politicians there favoured the referendum and would be publicly non-committal. The Victorian Division, however, "...was particularly anxious that a favourable atmosphere should be created by way of press report[s]. With this end in view, it was earnestly and respectfully submitted that the Prime Minister should...call a conference of leading newspaper proprietors." Carrick could not predict a 'yes' majority, but thought the result would be close: the New South Wales Labor Party was strongly against the proposals; Evatt "could be relied upon to put a strong legalistic case"; and there

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was also "collective sectarian" opposition. Furthermore, the referendum should not be

...considered independently of the Defence Preparations Bill and the Government's anti-inflationary proposals. Under circumstances of economic strain, it might not be easy to sustain the drama which communist activity has provided in the past.49

A month later, the State Secretaries' opinions remained essentially unchanged. Lockhart was "still optimistic", as was Sleath who warned, however, of apathy: many people complacently assumed the Government would win. Prospects appeared to be good in Western Australia, where the Labor member for Perth, Tom Burke, a prominent Catholic layman, was well-known as a supporter of the Dissolution Bill and a critic of Evatt. McConnell considered that the 'yes' case was gaining ground in Victoria, and noted that many unions were making only nominal financial contributions to the 'no' campaign. The South Australian Secretary believed that the referendum proposal was endangered in that State by the unpopularity of the Government's belt-tightening policies and rhetoric: Fadden's "tax until it hurts" style was particularly resented. Carrick reported little public apathy but much confusion; unions remained strongly opposed. "The response of individual trade unionists to the 'Yes' case was most important....Dr Evatt should not be underrated." Speaking of Australia as a whole, Carrick argued "...that we should not be too obsessed with the need to answer the 'No' case and that there should not be too much reference to the Commonwealth

49. FPRPC minutes, 19-20 Jul 1951. NLA MS 5000/1/15. South Australia did not report. Loan and import restrictions were the principal anti-inflationary measures. The Defence Preparations Bill allowed the Federal Government to make regulations to prepare swiftly for war. The Act, which expired in 1953, was never used. Souter, op. cit., pp. 423-24.
Security Service." Federal Public Relations Officer E.G. Holt contended that "...the first essential was to convince people that Communists and Communism were a menace. If this was achieved, then it would not be difficult to reply to minor criticisms." Menzies also addressed the meeting and "...was strong in his assertion that the Labor Party should not be tied with the Communist Party in the 'Yes' campaign" - advice at odds with Federal Secretariat instructions, and Liberal advertising.50

In his careful study of the referendum, Leicester Webb remarks that electors who had been following the Government's attempts to legislate against Communism would probably have assumed that "...they would be asked simply to say 'yes' or 'no' to the proposition that the Commonwealth Parliament should have power to deal with communists....." For many years Menzies had insisted voters make a stark choice between Communism and democracy. He continued to do so in the referendum campaign. "Let me remind you of the simple, undeniable facts. Don't forget them."51 The terms of the ballot itself, however, required voters to endorse a complicated and ambiguous set of powers, as Webb pointed out:

...the Government was now asking for three things: the right to legislate with respect to Communists and Communism, the right to enact the Communist Party Dissolution Act, and the right to amend that Act within certain limits. And it was asking for these things in language which a layman would comprehend with difficulty - if at all.52

50. FPRPC minutes 13 Aug 1951, NLA MS 5000/1/15.
52. Webb, op. cit., p. 245.
For all the complexity of these constitutional questions, both the 'yes' and 'no' campaigns rested on appeals to fear; in many ways the referendum was a contest between fear of Communism and fear of government power. The Liberal Party's Federal Secretariat set out three approaches.

(1) Our major line of attack [is] that this is a clear issue - the Free World versus Communism.
(2) A second line of attack [is] to meet the party political opposition of the Labor Party.
(3) A third line of attack showing the Labor Party as disruptors and champions of the Communist cause.53

In summary, Menzies and his Liberal colleagues argued that Communists posed such a dire internal and external threat to national security that the nation was effectively at war, or could be soon, and required for its protection pre-emptive and extraordinary war-style powers. Communists worked best under the protection of the law, and illegality would severely hamper their activities. The legislation would benefit most trade unionists and only bring within the criminal law those who happened to be Communists. Labor had itself supported the Dissolution Bill, admitted that the Crimes Act was insufficient, and only wanted a 'no' vote in order to embarrass the Government. These were the main 'yes' case arguments, which were frequently combined with the third, fellow-traveller line of attack.

Firstly, Liberal campaigners contended that "...[T]he deadly dangers of war...in such places as Korea, Indo-China and Malaya, in two of which our fellow Australians have been fighting and sustaining casualties, are all the creation of

Communist Imperialism."54 Russia was more powerful in 1951 than Germany had been in 1939.55 The Americans, Menzies said in his opening speech, have already lost more men fighting Communist aggression in Korea than they lost in the First World War - they have not hesitated to say 'yes' to extra powers against Communism. Nor have "[O]ur own brave men in and above Korea...."; or the Liberal and Labour Governments in Canada and Britain.56 Liberal Campaign notes stated that Australia and the other Western powers were engaged in an undeclared global war, "...in a military sense..." in Malaya, Korea, and Indo China, and "[P]olitically" within Communist countries. The war also raged in "..free countries where its [the Communist] Fifth Column uses the weapons of industrial and economic sabotage, to promote strikes and to increase inflationary pressures...."57 All industrial conflicts involving unions with Communist officials, apparently, were treasonous military acts.

As Australia was in grave danger no reasonable person could expect the security services to be constrained by standards, such as the judicial assumption of innocence, appropriate for a time of peace. "Fancy conducting your Intelligence Service in time of war by advertising the names and faces of your secret service! And are not the Communists waging a 'cold war' against us today?"58 Common sense, the Prime Minister insisted, was firmly on the side of the 'yes' case; he was at a loss to understand why anyone might vote 'no'.

56. R.G. Menzies, Opening Speech in the 'Yes' Campaign, Canterbury, Victoria, 4 Sep 1951. NLA MS 5000/5/117.
58. The Case for Yes, p. 3.
Now, why should the Parliament not have powers to deal with Communists? No one has seriously attempted to suggest one sensible reason! Can you? How can you charge your national parliament with responsibility for national defence, and then leave it without power to deal with our worst enemies at home?59

Menzies gave a dramatic illustration of the limitations which a requirement to call prosecution witnesses would impose on the Government. He himself happened to know that at the recent Communist Party congress, "...held behind closed doors at the Ironworkers' Hall...", delegates were told they should concentrate on securing control of the steel industry.

Now, if I wanted to prove in a Court of Law the facts which I have just stated, quite obviously I could not prove them except by putting my source of information in the witness box. Yet any child knows that the consequence of that would be to close up one avenue of information after another and make it more and more difficult to keep a tab on the nefarious activities of these people.60

Furthermore, the Communist Party Dissolution Bill only placed the burden of proof on those who refused to swear that they were not Communists. Menzies professed that given this reasonable concession and under present circumstances of national danger he could not understand why "...an alleged

60. Opening Speech in 'Yes' Campaign. NLA MS 5000/5/117. In essence, this had been Menzies' argument in The Rule of Law During the War, in which he had quoted approvingly the opinion that: 'Those who are responsible for the national security must be the sole judges of what the national security requires. It would be obviously undesirable that such matters should be made the subject of discussion in a Court of Law or otherwise discussed in public.' The Law Reports, 32, p. 436, in The Rule of Law During the War, Melbourne, 1917, p. 26.
communist should be relieved from the simple responsibility of declaring on oath that he is not one. He insisted that the powers he sought could not be used to suppress non-Communist dissent.

Look at the first branch of the amendment. It gives power to make laws 'with respect to Communists or Communism'. Does anyone seriously pretend that the Labor Party, the trades unions, Church societies, come within these words?

Apparently, Menzies feared that many people would answer this rhetorical question in the affirmative. He must also have been keenly aware that only four of the twenty-three constitutional alterations proposed to date had succeeded. Menzies had begun his political career campaigning against the Bruce Government's unsuccessful Industrial Powers referendum (1926), warning the audience at one public meeting not to "take a leap in the dark", and had in recent times opposed extensions of Commonwealth powers in 1944, 1946 and 1948. Now, advocates of the 'no' case were using similar arguments - 'do not trust the government, it has too much power already' - against him. In the last week of the campaign, Casey wrote that the government's case had been weakened by Evatt's cultivation of fear about the uses to which the government might put its additional powers, and that officials from the New South Wales Division were especially pessimistic.

61. Ibid.
62. Ibid.
63. Webb, op. cit., p. 51. There had been eleven referenda.
64. Martin, op. cit., p. 50.
65. Webb, op. cit., p. 132. In 1946 Menzies had supported the primary products and social services and opposed the employment conditions proposals. Only the social services proposal was accepted. Sawer, op. cit., p. 180.
'Yes' advocates were asking voters to entrust the Government with more power and to view the 'no' case with suspicion, so perceptions of integrity were important. One way in which Liberal campaigners attempted to make their case more credible was by defending the Government's and attacking Labor's intentions and leadership. In passing the Communist Party Dissolution Bill and then opposing the referendum which would enable this same law, the FPLP had made itself an easy target for such criticism. At best, Liberals suggested, these reversals in policy betrayed a "party political" insincerity; at worst they indicated Communist manipulation. Federal Secretariat's 'Notes on Campaign Tactics' suggested this argument.

The Labor Party opposes the Referendum in the name of justice

ANSWER: This means 'justice' for the Communist Fifth Column; in other words [this] is a plea for the right of the Communist Party to carry out its treasonable activities. Thus, in carrying out its Party warfare to the limit, the Labor Party emerges as the defender and protector of Communist Imperialism....In this final stage the Labor Party uses the propaganda and jargon of the Communist Party itself - and here there should be no punches pulled in identifying Dr Evatt as the champion of Communism in Australia.

The Menzies Government had won a double dissolution election in April using very similar campaign tactics - there had been a 0.5% swing to Labor, but the Liberals, now with a Senate majority, were manifestly the dominant Party. Labor was disunited; Evatt embarrassed; and the newspapers full of stories about Communist expansion. Despite the Opposition's internal divisions, the Labor and Liberal parties were now conspicuous partisans of the referendum,

67. Opening Speech for 'Yes' Case.
68. Notes on Campaign Tactics.
and the 'no' and 'yes' cases could be expected to follow their respective fortunes. Not surprisingly then, eighty percent of respondents to a Gallup poll taken in June had said that they would vote 'yes', but thereafter the proportion fell to 73% in July and 53% percent in September.\(^6^9\) Press commentary followed a similar pattern: for the most part, journalists began the campaign predicting an easy win and finished by admitting that the contest was too close to predict.\(^7^0\)

On 22 September the 'no' vote was 50.48%, a winning margin of 53,082 - about ten thousand less than the total number of informal votes. New South Wales produced the largest 'no' (104,030) and Queensland the largest 'yes' (77,137) majorities. The 'no' total exceeded the Labor vote at the 1951 Federal Election in all states except Western Australia, which had a history of approving referenda. According to studies reviewed by Webb, about 14% of non-Labor voters chose 'no', and 11% of ALP voters chose 'yes'. The biggest swings from the last Federal Labor vote to the 'no' total occurred in country seats.\(^7^1\)

Webb concluded that the results were inconclusive. Fremantle, a seat with a vigorously anti-Communist local member, Kim Beazley, produced a small 'yes' majority, but the electorates of two of the principal Catholic Action-influenced Labor member, Yarra (Stan Keon) and Gellibrand (John Mullens)

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\(^6^9\) Australian Public Opinion Polls were accused in the Labor press of trying to boost the referendum. Webb remarks that one (unspecified) newspaper received the APOP press release 'Referendum will be close, Gallup Poll predicts' and printed a story under the headline 'Yes' vote forecast by Poll'. \textit{op. cit.} pp. 132-35.  
\(^7^0\) Ibid., p. 129.  
\(^7^1\) Ibid., p. 145-47.
voted 'no' in overwhelming numbers. Those seats which voted 'no' by atypically high margins (in comparison to seats with similar voting histories and in similar regions) tended to be rural, but so were the three States - Tasmania, Western Australia, and Queensland - which returned 'yes' majorities. Also, there was no apparent correlation between recent State Election results and the referendum returns.

Nor could the referendum's partisans agree on the causes of the defeat, although both Evatt and Menzies attributed the result to fears that the Government might set up a police state. In the opinion of Menzies and other Liberal politicians these unwarranted anxieties had been encouraged by Evatt, and there were many complaints that the Labor Party had lied its way to victory. Liberals also complained that the electorate had been distracted by secondary issues. That dairy farmers resented the Menzies Government's refusal to subsidise them might explain the high 'no' vote in some rural seats. Other local issues may have been important: the Victorian Division of the Liberal Party, for example, blamed the Country Party Premier J.G.B. Macdonald (who had made large numbers of public servants redundant and harshly criticised Menzies and Fadden over loan restrictions) for the poor 'yes' result in that state. While politicians and journalists disagreed on the extent to which the result entailed a rejection of the substantive proposal rather than a by-election-style 'slap on the wrist', there was a consensus that the interventions of church leaders and academics were influential in persuading

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72. Stan Keon, MHR for Yarra (Vic), 1949-55; John Mullens, MHR for Gellibrand (Vic), 1949-55. Yarra voted 'no' by 59% to 39% 'yes'; Gellibrand, by 70% to 28%. Statement showing Result of Count in each Division NLA MS 5000/5/117.

73. Ibid., pp 147-50.
Liberal voters to vote 'No' and Labor voters to vote 'yes'.

Frank Cain and Frank Farrell suggest that the rowdiness of pro-Government public meetings may have been self-defeating in that this disruption made the referendum appear to be the prelude to a period of violent social division. This is a reasonable surmise, and although no one can explain precisely the causes of the referendum's defeat, it does seem that on this occasion the Liberal Party, enthusiastic practitioners of this technique, were the victims of a scare campaign.

Over the next four and a half years, anti-Communism, and the equation of Labor socialism with austerity, and Liberal free enterprise with plenty continued to be central to Liberal electioneering. In the period between the referendum and the 1954 Federal Election, however, the Government's own economic management faltered. Immediately after the referendum, Fadden brought down a severely deflationary 'mini budget' which raised taxes and interest rates. High demand continued to draw in imports nonetheless, and in March 1952 the Treasurer, who had over the last two years been adamant in his opposition to import restrictions, imposed just such a policy; Fadden's budget of that year was similarly unpopular. By mid 1953 inflation had subsided, but in September the Arbitration Commission suspended, for the first time since 1923, quarterly cost of living adjustments of the basic wage.

74. Ibid., pp. 80, 160-62.
Labor attributed this decision to pressure from employers and the Federal Government.77

A 'political appreciation' prepared by the Staff Planning Committee in March 1952 commented that the Government's prospects, as it approached the Senate elections due in May 1953, were weak. The Senate elections would be regarded by press commentators as a preliminary round to the next Federal Election. The abrupt decision to impose import restrictions was one of the main causes of the Government's unpopularity, which was so severe that for the first time since 1944 a State Liberal Party - Victoria's - faced electoral defeat due to resentment of its Federal counterpart. To regain support the Government should eschew gloomy 'bitter medicine' rhetoric; promote its achievements more vigorously; cultivate better relations between State and Federal Liberal governments; and revive the enthusiasm of supporters by re-affirming Liberal "basic beliefs". In particular, the report continued, Liberal supporters were disappointed that the Government had failed to promote a Constitutional amendment requiring any future attempt to nationalise the banks to be tested by a referendum. While the time had come to announce that the Government considered this impossible, it was necessary to reassure the Liberal-minded that the Government was indeed committed to protecting private banking, by relaxing credit restrictions.78

Four months later the Staff Planning Committee remained pessimistic: fear of unemployment posed a grave political danger. In New South Wales by-

78. FPRPC, Political Appreciation, Mar 1952, NLA MS 5000/7/126; FPRPC minutes, 20-21 Mar 1952. Ibid., 1/15. fldr: 'P.R. 'Staff' Planning C'ttee - Minutes File.
elections that year a 3.7 per cent swing against the Liberal Party in Liverpool (May) had increased to 8.9 per cent in Ashfield (June). "The all important political task at the moment is the conquest of fear. Until widespread public fears are allayed the swing against the Government will continue." Ministers might disperse economic gloom by releasing an expansionary "incentive budget" and a policy document on unemployment; they should promise not to interfere with wage cases, and let voters know they were serious about free enterprise by de-regulating the banks and ensuring that any future nationalisation would require a referendum. The Government's unpopularity seemed to be underlined when Labor took the federal Victorian seat of Flinders in a by-election in October 1952.79

Launching the Senate campaign in April the next year, Menzies once again spelled out the dramatic choices facing Australia, and reminded listeners of the mundane hardships they had endured in the 1940s.

Housewives were tempted to make unnecessary purchases to get just a little of this or that from a patronising store-keeper. Your life was regimented. You knew the meaning of standover tactics. You carried heavy loads in string bags. Your housing problem was a nightmare. These were the living conditions under a Federal Labor Government four years after the war ended.80

Setting Labor's war austerity regime against the new Liberal era of brimming petrol bowsers was a powerful argument, but encouraging fear of invasion and treason was still a principal tactic of Liberal propaganda. The main development was an increased emphasis on leadership, responsible economic

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79. Ibid., Jul 1952.
80. 'Living Standards', Campaign Notes, 19 Jan 1953, NLA MS 5000/9/333. Italics in original.
management, and Labor Party disunity, and Evatt himself was central to these contrasts: the Labor leader was the Communists' best friend; his extravagant promises demonstrated the Labor Party's financial irresponsibility. In Liberal demonology Evatt, flanked by Calwell and Ward, presided over an unholy Trinity.

There is no middle course. Either the voters confirm us in a Senate majority, or they accept the imminent risk of having Dr Evatt in charge of our foreign relations, Mr Calwell in charge of our relations with South East Asia, Mr Ward in charge of our territories, and the Treasury conducted by a group of people whose policy is more expenditure, more inflation, and sheer irresponsibility.81

Labor continued to criticise the Government’s economic management and claimed that its approach to resisting Communism was the more democratic. The Opposition reminded voters that Menzies had promised to reduce the cost of living, and that breaking this commitment also meant that the Government had been unable to maintain the value of pensions.82 Launching the campaign in Brisbane, Evatt noted that unemployment had exceeded 100,000 - the first substantial unemployment since the war. The Government’s restriction of credit, which entailed more heavy-handed economic control than any wartime regulation, was responsible.83 Labor

81. R.G. Menzies, Opening Speech in the Senate Campaign, Brisbane City Hall, 14 Apr 1953. NLA MS 5000/9/334.
82. Labor Speakers' Notes: Senate Election, 1953, Sydney, n.d. [1953], p. 11.
83. Cairns Post, 16 Dec 1953. Evatt papers, Flinders University of South Australia. file: 'elections - 1953 Senate - correspondence' (the file also contains newspaper cuttings); Daily Telegraph, 7 May 1953. NLA MS 4738/114, folder: 'political topics - 1953 - newspaper cuttings'.
speakers were prompted to deny that the Menzies Government could take credit for the secret union ballot legislation, which had been introduced by Menzies as a private member’s bill in the last year of the Chifley Government. Labor had opposed the “totalitarian” methods proposed in the 1951 referendum, and would continue, through its Industrial Groups, to work against Communist influence in the unions.84

That the Liberal Party was sensitive to the unpopularity of Government economic policy may be judged from the refusal of the State branches to allow the Treasurer, Arthur Fadden, to speak in their campaigns. Casey complained of “an uphill campaign, lacking in public interest.”85 Voters confirmed the Government’s majority, but reduced its margin from four to two; the Opposition received 50.61 per cent of the formal vote, up from 45.88 per cent in 1951.

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Senate and half-Senate elections, 1951 & 195386

This was one sign of a nation-wide swing to Labor. State politics provided another: in February the New South Wales Labor Government had been

84. Labor Speakers’ Notes...1953, p. 15.  
86. Hughes & Graham, op. cit., pp. 386 & 391.
returned with an eight per cent swing, and Labor won narrowly in Western Australia despite a poorly-funded campaign. Although the Liberal Party's successful defence of the federal electorate of Gwydir in the December 1953 by-election was a hopeful sign, by 1954 all State Governments except for South Australia's were held by Labor - and even in that malapportioned electoral system the Party received its highest vote since 1927.  

Liberal Party activists, particularly women, devoted time to canvassing New Australians when the Party's electoral fortunes were on the rise, that is, approximately from 1947 to 1951; this type of electioneering remained important over the next three years. Liberal Party workers used information provided by the Department of Immigration to establish contact with immigrants: in fact, there seemed to be some confusion about the respective roles of the Party and the Public Service. Assistant Secretary of the Western Australian Branch, Lel Thomas, wrote to Federal Director J.R. Willoughby recommending the employment of a migrant liaison officer at Australia House, London. In his reply Willoughby asked whether the officer "would be a Liberal Party one or a Government appointment [...]...obviously, the Migration Department at Australia House now have a pretty good liaison with migrants and intending migrants..."  

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87. McMullin, op. cit., p 266 & p. 269. Labor also benefited from malapportionment: in 1950 the Hanlon government consolidated Labor's Queensland hegemony with the introduction of a zonal gerrymander system giving votes cast in the west of the State approximately twice the value of urban votes. The increasing mechanisation of agriculture and shrinking of the bush population would in later years tilt Queensland's electoral system in favour of the Country Party.  
88. J.R. Willoughby to Lel Thomas 13 Sep 1954. NLA MS 5000/7/158. The Liberal Party in Western Australia was officially known as the Liberal and Country League of W.A.
Approximately 100,000 immigrants were arriving each year, and an increasing number were being naturalised. Staff of the Federal Secretariat remarked in their 1954 *Campaign Plans* that many immigrants would be voting for the first time and that local campaign workers should "...endeavour to contact these new electors and to convey our message to them." Eileen Furley, Chairman of the Women's Group (NSW), spoke at naturalisation ceremonies and was an executive member of the New Settlers' League; she reported that the Women's Group had "played an active part in all assimilation activities...." T. Heyes, Secretary of the Department of Immigration, addressed the 1954 Annual General Meeting of the Federal Women's Committee, and "...and answered numerous questions on problems which are being constantly set by our people during their day to day work in the interests of the Party and the Government." This routine work included distributing anti-Communist pamphlets, such as the Western Australian Division's *What you hate we fight*, which was translated into a number of languages including Lithuanian.

Although it appeared that the Party's volunteer and professional workers were assiduous in their pursuit of the migrant vote, the Federal Secretariat

92. May Porter [Secretary to J.R. Willoughby] to Lei Thomas [X, WA Division] 29 Sep 1954. NLA MS 5000/7/158. (I have been not been able to find a copy of *What you hate we Fight*, nor discover what other languages it was translated into.) The Federal Women's Committee distrusted some foreign language publications. Their Jun 1946 meeting considered the resolution 'That it be compulsory for all newspapers, printed and/or published in Australia, in a foreign language, to have a fair English translation column by column.' The minutes do not show whether this was carried. NLA MS 5000/1/2.
would have liked to have done even more, and explained to potential business donors that:

WE WOULD LIKE to extend and greatly build up our New Australian Liberal Movement, educating New Australians in civics and politics. Their votes will soon make or break governments in Australia. They are potential supporters of the Liberal Government cause - strong opponents of Socialism. Here again, lack of funds frustrates us. The numbers of new electors from Immigration is likely in the near future to reach a great total of 480,000.93

In a letter to Menzies discussing "general 'slants'" for the 1954 election, W.S. Bengtsson (Senior Research Officer) reminded the Prime Minister that Central and Eastern European migrants were particularly predisposed to the anti-socialist message.

You will recall that you had some well chosen words in 1949 on the subject of socialism. We are firmly of the opinion that there is a growing consciousness of the fact that the disturbing decline in moral values when the socialists were in office has been arrested in our Government's term. The decline we witnessed in the post-war years (and still frequently the subject of Royal Commissions etc in Labor governed States) were and are invitations to totalitarian forms of government. New Australians recognise these trends.94

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94. W.S. Bengtsson to R.G. Menzies, 21 Apr 1954. NLA MS 5000/5/134. Bengtsson may have been referring to the Royal Commission of Inquiry into matters relating to the Joshua George Arthur and Reginald Aubrey Doyle, 1953. The Commission investigated allegations of improper or corrupt association between Arthur, a minister in the NSW Labor government, and Doyle; and found that there had been impropriety, but no corruption. D.H. Borchardt, Checklist of Royal Commissions, part 4: New South Wales, 1885-1960, Melbourne, 1975, p. 335. J. Arthur was MLA for Hamilton, 1935-50; for Kahibah, 1950-53; Minister without Portfolio, 1949; Minister for Tourist Activities and Immigration, 1949-50; Minister for Mines and Immigration, 1950-53.
Many immigrants admired the Liberal Party's anti-Communism and anti-socialism because they had witnessed the effects of Soviet power in their old homes; but many must have chosen Australia because they thought it would be a good place to live. Liberal electioneering then, did not simply exploit the fear of Communism and socialism, potent as those fears were - rather, the Party's advertising celebrated the prosperity Australia had achieved under the Menzies Government and warned that this new world of comfort and security would be destroyed by a Labor Government.

This message could only have been reinforced by the Petrov affair. On the evening of Monday 13 April, one day before Parliament adjourned for the election, the Prime Minister announced that a Soviet spy, Vladimir Petrov, had been granted political asylum and that the Government would appoint a Royal Commission to investigate his allegations of espionage in Australia. "These matters...", Menzies told the House, "...concern not only the activities of M.V.D. agents in Australia, but also the position of some Australian citizens named in the documents under 'cover' or 'code' names."

Menzies regretted the timing of the announcement.

'[W]hile I would have been agreeable for all of us to defer an appointment of such importance until after the new Parliament had been appointed, there should be no unavoidable delay of investigation of what are already beginning to emerge as the outlines of systematic espionage and at least attempted subversion."

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The Prime Minister held a press conference the same night, and Tuesday's newspapers carried front page stories speculating on the dramatic revelations which the enquiry could be expected to make.

The proximity of the Petrov defection to the elections aroused much suspicion in the minds of the government's critics, but Menzies had at least one other motive for holding the poll in mid April: the Queen and Prince Phillip had left Australia only recently, on the first of that month, after a highly popular two month tour. Nevertheless, the juxtaposition of the election and the Petrov controversy, whether or not this was planned before the defection, created compelling publicity. The Commission began its hearings less than a fortnight before polling day; more powerful, perhaps, in its impact on public opinion was the spectacle - captured by photographers - of Evdokia Petrov being hustled across the tarmac of Sydney airport towards the aeroplane waiting to take her back to Russia. While the aeroplane was refuelling at Darwin, Petrov's thuggish-looking escorts were disarmed by airport police and, after a phone call from her husband, Evdokia agreed also to accept an offer of political asylum.

Retaining the slogan of the Senate elections - 'don't gamble with your prosperity' - Liberal campaigners encouraged voters to fear Communist influence on the Labor Party and the trade unions. Labor's association with Communists made its leaders unreliable in fending off foreign aggression and

96 Lowe, op. cit.
97 One newspaper headlined a picture of the courier Karpinsky being disarmed by a burly policeman 'We can be tough, too!' Whitlam & Stubbs, op. cit., pp. 89-93.
domestic subversion. When in office, Evatt and his colleagues had failed to stand up to Communists in the unions; this, along with Labor's obsession with economic controls, had caused the shortages, strikes and low production of the 1940s. To return a Liberal Government was to choose a proven philosophical and economic alternative - the free enterprise way - to Labor's discredited program of restriction and regulation. Menzies alone possessed the courage and integrity to lead Australia safely and comfortably through the challenges of the 1950s, an era every bit as testing as the last war.

Menzies, delivering the Government policy speech, boasted that since 1949 Australian society had become more prosperous, fair, and well-defended, "with more friends abroad than ever before." The alliance with America had been sealed with ANZUS, through which "we are in the closest communion with our friends." A Coalition government could always be trusted to preserve internal security, but Labor had been converted to the anti-subversive cause belatedly and under pressure of public opinion. Liberals had proved equally reliable in quelling inflation, by lowering the taxes which had inhibited production. National development was being pursued in both the public sector (the Coalition had provided all the funding for the Snowy River project) and in private enterprise, with the encouragement by tax concessions of oil refining. Security in old age would be enhanced by a relaxation of the conditions of the old age pension; but the total cost of welfare had grown to a point where the complete abolition of the means test was impossible. The Government would work in co-operation with charities to provide care for the elderly, matching, pound for pound, private spending on old age homes. Menzies reiterated the Liberal commitment to combine "social obligation"
with "free enterprise" and warned that only Liberals realised the basic truth that if the individual "becomes submerged in the mass, and loses his personal significance, we have tyranny." 98

Evatt's policy speech concentrated on the Government's economic management. He complained that while Menzies had boasted of progress, there had only been a small and recent improvement after four years of inflation and intermittent unemployment. Inflation had meant that the Government had broken its promises to restore the value of the pound and maintain the value of social security benefits. Old age pensioners, in particular, deserved a "New Deal", which Labor would provide by abolishing the means test within its first term in government. Defensively, Evatt insisted that the money could be found without tax increases by switching spending on capital works, which benefited future generations, from current revenue to loans. Evatt endorsed the means test proposal in language reminiscent of non-Labor themes: abolition would remove a penalty on "thrift and energy". Anticipating other criticisms, Evatt reminded his audience that the Chifley Government had passed laws to protect the Woomera rocket site from Communist interference, and promised that Labor would continue to safeguard the Commonwealth against espionage. 99

The Labor campaign continued these themes of material well-being and anti-Communism. Labor advertising directed at women recalled the inflation of

the early 1950s and, pointing to the social security reforms of the Curtin and Chifley Governments, insisted that "[H]appy, contented home life is Labor's objective for all." Speaking at the Warragul RSL Hall, the Labor leader claimed that Menzies had a "vested interest" in preserving Communism; there had been no prosecutions or convictions, and the issue was merely designed to draw attention away from the Government's failure to keep its promises. Labor would prosecute Communists engaged in treachery, but would also strive to free the world from the fear of a third, atomic world war. Workers at the Launceston railway yards were told by the Opposition leader that Australian warehouses were full of Japanese goods ready to be released on the local market. Addressing a lunchtime meeting at the Caltex refinery in Kurnell, Evatt turned to a more idealistic variation of this theme, insisting that only through Labor could Australia "fulfil its manifest destiny as a great outpost of European and British civilisation in the Pacific." Labor considered that agricultural production must be increased because plentiful food was one of the West's best defences against Communism. Writing in the Courier-Mail, the secretary of the Queensland branch of the Labor Party, Jack Schmella, also made the common Labor argument that the real answer to Communism was to raise living standards, a reform only Labor could achieve. Schmella insisted that while the Liberals had used the Communist issue effectively in 1949 and with less success in 1951, the issue was too tired to be effective a third time. On the other hand, ALP federal secretary J.A. Ferguson urged that

102. Sun [Sydney], 27 May 1954. Ibid.
the Petrov issue required a re-orientation of the Labor campaign towards another, suitably distracting issue. Ferguson's suggestions were the re-armorment of Japan, and control of the atomic bomb; but he considered that abolition of the means test would only have a limited popularity, because many people were not affected, some would not believe the promise, and others were opposed to granting concessions to the rich.¹⁰⁴

The Liberal Party, however, was determined to prevent Evatt from escaping his past. Liberal publicists recalled that he had lifted the wartime ban on the Communist Party; defended it before the Arbitration Court and the High Court; led opposition to the Government's secret ballot legislation; campaigned against the Dissolution Bill; and failed while Attorney-General to suppress Communist-fomented strikes.¹⁰⁵ All this made for a poor record: but the implication was that while Communists posed a direct threat to Australia, Labor represented more of a risk - an uncertain prospect - than a definite menace.

You know the Menzies Government will continue to fight the Communists, but can you be certain that a Labor Government would? Remember that Labor's appeasement of the Reds promoted strikes, created shortages, and arrested Australia's development.

Recent events have surely demonstrated that 'IT CAN HAPPEN HERE'. You dare not gamble when you vote next Saturday.¹⁰⁶

¹⁰⁴ Ferguson to Evatt, 4 May 1954. Ibid., file: 'elections - 1954 - congratulations'.
'Recent events', a notable euphemism of the 1954 campaign, referred of course to the Petrov affair. As Robert Manne insists, Menzies did not directly refer to the Petrov affair in his policy speech or in any other public meeting during the campaign. Manne errs, however, in asserting that after a few outbursts early in the campaign, Menzies succeeded in suppressing all reference to the Petrov affair in Liberal Party publicity material.\(^{107}\) Liberal literature published during the campaign did indeed refer to the Petrovs' defection. In one article-style Liberal newspaper advertisement, 'Dan' shared his feelings about these dramatic events.

This week the Petrovs have shown all free men for a moment past the Iron Curtain. We saw Communism stripped to its hideous reality...I know what my own reaction was. The thing smashed at all I believe in the soul of every freeman. I thought: 'By the living Harry, if I'd been born into Communism that could have been my own wife in those newspaper pictures - terrified, hysterical, man-handled by strongarm Soviet escorts and being frog-marched off, God knows where and to what fate'.

That thought will have occurred to a lot of men; so will the question mark that stands as large as all Australia over the Petrov affair. 'How does Dr Evatt reconcile all this with the way he has acted in regard to Communism?' I ask that not with a political motive, but a national one.

*Labor have called me 'Disillusioned Dan'. In one sense they are on the ball. I am disillusioned about Labor. One good thing though - I've more than an idea that a lot of Labor people,

\(^{107}\) Robert Manne, *The Petrov Affair: Politics & Espionage*, Sydney, 1987, p. 106. Manne complains that the myth is all students know about Petrov. The myth, in Manne's account, has three points: firstly, that for the sake of publicity Menzies and ASIO arranged for Petrov to defect just before the election; secondly, that Menzies and the LPA exploited the issue during the campaign; third, that the government would have been defeated if not for the Petrov affair. *Ibid.*, pp. 93-94.
women especially, will use their own judgement this time and will vote Liberal.108

'John Doe', another copywriter's representation of the disenchanted Labor voter, offered a similarly disingenuous account of the Petrov affair in an article published in the Isaacs Standard, newsletter of the Liberal member for that seat. Doe insisted

...[T]here is no doubt that the impending Royal Commission into espionage, following the sensational disclosures by the Russian ex-diplomat Petrov, cannot be allowed to become an issue at the forthcoming Federal Election.

The matters that will be placed before the Royal Commissioner are above all party considerations. [sic] They are matters of vital national security. The Prime Minister himself has made it very clear that he regards it as unfortunate that so grave a crisis should have arisen so soon before an election.

The Royal Commission's findings, Doe continued, must be pursued by a reliably anti-Communist government. "And that is the thought to carry to the polling booth: We must be sure. We must be certain."109

Dan, and John Doe were, like John Henry Austral, characters intended to sound like working men. The Party was determined to win the support of skilled tradesmen, and here anti-Communism came into its own, for secret

109. Isaacs Standard 17 May 1954. NLA MS 5000/5/113. The Member was W.C. Haworth.
ballots provided one of the Government's most important selling-points in its pitch for the votes of working class men. Advertisements in the Adelaide News and Advertiser asserted that the Government's provision for Commission-supervised ballots was the main reason why "workers voted Liberal and Country League in 1951 and will again vote Liberal and Country League on May 29". To date, the amendments to the Arbitration and Conciliation Act allowing court-ordered ballots had been invoked sixty three times, demonstrating that the Liberal Party's reforms were not anti-union, rather they gave rank and file unionists the opportunity to get rid of ballot-rigging Communist cliques.110 Speakers' Notes contended that the Government was able to break Communist-led strikes in Melbourne, Geelong, Mackay (New South Wales) and Bowen (Queensland) because it enjoyed "...the support of an overwhelming majority of loyal, industrious, rank and file members in the unions concerned."111

In denying that the Labor Party was the only authentic political voice of the working class, Liberal campaigners also liked to point out that their party stood for strong national defence, without which no worker could be secure.112 Labor, however, could not be trusted to safeguard Australia against Communist aggression. Once again, the 1945-46 Netherlands East Indies episode was recalled: Evatt, Attorney-General at the time, was found guilty in one pamphlet of "appeasement" of the WWF: "...in consequence, in place of a strong Netherlands screen between us and the Red thrust from Asia, we now

111. Liberal Party Speakers' Notes 1954 Federal Election, 'Industrial Peace'.
only have the eggshell Republic of Indonesia." If not for the election of a Liberal Government in 1949, New Guinea would surely have gone down the same path. "Evatt has always appeased Red China. He won't stand up to the Communists in Indo China, which is now a Red Spear aimed at the heart of Australia." Weakness carried the threat of deracination: the pamphlet these quotations were drawn from warned that a Labor victory would mean "[P]olicy Red'...Markets...Black...Australia...Brindle...Labor's Communist allies are the enemies of White Australia."113

The back cover of this pamphlet featured the slogan 'Keep Labor out!' superimposed over a red sun reminiscent of the Japanese flag; most arguments about Evatt's inability or unwillingness to stand up to Communism cited his lifting of the ban on the Communist Party during the war; and his weakness in the face of wartime industrial "sabotage" 1942-1945. Another complaint was that during the 1940s Evatt and other Ministers appointed Communists, such as the Federated Ironworkers' Association secretary, Ernest Thornton, to positions of official responsibility. "Don't you think it fair in view of all this, that Labor and its leader, Dr Evatt, be judged by the company they kept?"114

Furthermore, the Chifley Government had neglected to protect Australia's northern approaches. "The insular Mr E.J. Ward, with an outlook limited to

114. Dr Evatt & the Communists. 1954. NLA MS 5000/5/113 Qld file
the electoral boundaries of East Sydney, was Minister for External Territories from 1943 to 1949." Under the Ward regime, shipping and flights to New Guinea were restricted, and "...a mood of depression settled upon the islands, disturbed only by the timber and war disposals scandals." The latter was duplicated, according to Liberal politicians, on Manus Island - an important American-Australian base used in the invasion of the Philippines, which the Chifley Government had allowed to fall into a state of disrepair. "Mr Ward could not see our Northern Territories as a defence frontier any more than Dr Evatt could see Manus Island as a link in our chain of defences."115 Although the United States Government had offered to share responsibility for the upkeep of the base, Evatt - External Affairs Minister at the time - gave this offer the "cold shoulder". Evatt had failed to safeguard Australia from Communist subversion during the war; nor could he meet the new threats of the post-war world.

Japan had been defeated. No man could have know better than Dr Evatt that in the alliance of Communist Russia with Communist China a vast Asiatic threat was developing in Australia. Manus might have been made into a mighty base for the defence of the Commonwealth.

By 1949, the United States had abandoned Manus Island "in disgust" - leaving the way clear for "Chinese dealers" who "...bought at disposal sales an otherwise unprocurable mountain of vital equipment which went to bolster the Chinese Red Armies."116

116. Dr Evatt & the Communists.
Further evidence of Labor's uncertain commitment to defence was that between 1945 and 1949 Communism appeared so rife in Australia that the Attlee Labour Government "...withheld from us its defence secrets."117 In contrast, the Menzies Government could, from October 1952, cite its hosting of the British atomic tests as proof that Australia was loyal to Britain and trusted by her in return. Also, total defence spending had risen from £169, 000, 000 in the last three budgets of the Chifley Government (1947-50) to £585, 000, 000 between 1951 and 1954.118 This expansion - of the Air Force in particular - was claimed in the 1954 campaign as one of the Government's principal achievements: for example, a pamphlet for Bill Grayden, Member for Swan (Perth), described under the heading 'A Strong Australia' the neglect of Manus Island; and stated that the Federal Government now spent £200, 000,000 a year on defence. Casey told his constituents:

...we have closer links with our powerful friends than at any time in our history....Through our defence policy and our mutual defence arrangements with our powerful friends we will do everything possible to make Australia secure for the future.119

Grayden also argued that the Government "...has succeeded to such a degree in making powerful friends and allies that Australia no longer runs the risk of having to stand alone." As well as supporting plans for future defence,

117. 'Defence'. 5 Mar 1954.
118. Achievement, 1949-54, p. 35.
Grayden, who left the army as a Captain, could note that he had already seen active service in Syria, New Guinea, Borneo, and the Celebes.\textsuperscript{120} The Member for Swan was at the time thirty-three years old, one of the young ex-servicemen elected as Liberal Members of Parliament in the decade after the war. Liberal speakers were advised to remind voters that no less than sixty-nine Government members of the last Parliament had served in the armed forces, including thirty two in Japanese combat areas; five were prisoners of war under the Japanese.\textsuperscript{121}

Of course, while national security was an issue which promised to attract support from wavering Labor voters and from specific groups such as New Australians, Liberal electioneers hoped the Government's defence credentials would appeal to voters of all backgrounds. Defence was an issue in relation to which all members of the community, rich or poor, could depend on the integrity and determination of Menzies and his supporters.

Another Liberal argument intended for general consumption was that Labor's commitment to the socialist objective demonstrated its identification with the Soviet Communist Party. After all, Article Four of the Soviet Constitution stipulated that "'the economic foundation of the USSR is the Socialist system of economy and the Socialist ownership of the instruments and means of production'"\textsuperscript{120}, while Labor candidates were pledged to "...actively support and advocate at all times the Party's objective: the

\textsuperscript{120} Bill Grayden, 1954. NLA MS 5000/5/113. WA file
\textsuperscript{121} 'Defence'.
socialisation of Industry, Production, Distribution and Exchange."122 Leftwing firebrands such as Eddie Ward and Clyde Cameron (Member for Hindmarsh, Adelaide) made defiant statements about the Objective, and these were cited as evidence that Evatt and Calwell were only pretending to eschew nationalisation and that any future Labor government would try to finish the job Chifley started.123

Do you want a Prosperous Australia? It's here....More goods in the shops, more money to spend and more money in the bank in your name. Remember 1949! Labor will drag your back to that....Do you want a Free Australia? Under Labor we CAN lose it. They still want to socialise YOU and YOURS....Don't gamble with your prosperity and security.124

Chifley's failures stood in contrast to Menzies' successes: the Liberal campaign relied heavily on contrasts between "happy" 1954 and gloomy 1949 (see figure 8.2).125 The Menzies Government claimed credit for an unprecedented level of sustained prosperity. As Willoughby's letter to Myer suggested, this positive claim was equally important to fellow traveller scare tactics - the two arguments complemented each other. Australia's quality of

123. Take no risks...reject Labor . 1954. NLA MS 5000/5/113. Vic. file
125. Menzies is Australia's Choice...[original, newspaper advertisement] 1954. NLA MS 5000/5/113.
Figure 8.2  'The Customer is always right!'

life had improved since 1949 - more (and more varied) goods were available: cars, refrigerators, washing machines, radios.\textsuperscript{126} People could afford these things because real wages had risen, and were willing to buy them because full employment gave them confidence. Consumer goods were available because the crack-down on Communism in the unions had increased industrial efficiency: "...we have attained the great economic goal of stability....Australia is set for a period of great progress in which the good things in life will be enjoyed by all."\textsuperscript{127}

The supply of housing, according to Liberal publicity, had risen substantially: the Menzies Government had spent £115, 000, 000 over the previous three years; Labor had spent only £56, 000, 000 in its last three years in office. Despite this generosity, the Liberal housing policy (like that of the Conservatives in Britain) was a free enterprise one: the Commonwealth gave "support" to lending institutions, and enabled tenants to buy war service homes.

Remember, Labor discouraged the purchase of homes to stop people becoming, in their [Dedman's] famous phrase, 'little capitalists'. \textit{The Menzies Government believes in home ownership and aids it.}\textsuperscript{128}

\begin{flushright}
\textsuperscript{126} \textit{Achievement, 1949-1954}, p. 6.
\textsuperscript{127} Peter Howson \textit{[pamphlet - Liberal candidate for Fawkner]. 1954. NLA MS 5000/5/113. Vic. file.}
\textsuperscript{128} \textit{Advertiser, 29 May 1954, NLA MS 5000/5/113. SA file.} John W. Young remarks that the Conservatives"...were able to establish their identity as the party which stood for freedom by ending rationing in 1954.". By relying on private contractors the Churchill and Eden Governments also presided over the construction of 300, 000 houses a year, taking credit "...where Labour had failed..." \textit{Cold War Europe, 1945-89: a political history}, London, 1991, p. 111.
\end{flushright}
Furthermore, a health benefits scheme (which supplemented friendly society benefits) had been accepted by doctors and was actually working: hospital, pharmaceutical, and tuberculosis benefits had been increased.\textsuperscript{129} Public hospitals received higher revenues; the Commonwealth Government now paid for one in three prescriptions; treatment and medicine for old age pensioners were free; the tuberculosis death rate had fallen by more than one third. These achievements were possible because the Government repudiated coercion and embraced co-operation: "...all this has been done without regimentation...."; but Liberal backbencher W.C. Haworth, a former pharmacist, warned that

\begin{quote}
[I]t would be a tragedy to see this service ruined in the hands of Labor planners, who would certainly use it in their schemes to nationalise the medical and other professions concerned.\textsuperscript{130}
\end{quote}

Every celebration of present wealth was accompanied by a warning that the bad old days could return with Labor.

\begin{quote}
Remember the Guilty Men!
When Evatt, Calwell and Ward were in power they were responsible for
\begin{itemize}
\item Controls and restrictions
\item Communist domination
\item Bank nationalisation
\item Industrial chaos and strikes
\item Manus Island defence sell-out
\end{itemize}
\end{quote}

\textsuperscript{129.} \textit{Good Health!} [original, newspaper advertisement] NLA MS 5000/5/113.  
\textsuperscript{130.} "Satisfaction' in National Health', \textit{Isaacs Standard}. 

Don't Gamble with your prosperity¹³¹

Shoppers were reminded of the "squalid" extortion of the black marketeers; motorists of Chifley's stubborn and unnecessary refusal to import petrol.¹³²

Literature on the austerity of the late 1940s was often directed at women, who where mainly responsible for shopping and household budgeting. Not all such material, however, was written with housewives (described by Menzies as "...the hardest workers of all...") in mind.¹³³

'Sorry...no beer' it said.

Down at R.T. Taylor's licensed grocery at St Kilda Junction they've got a relic of the bad old days. It's a sign that reads 'Sorry, no bottled beer, no tobacco, no cigarettes'.

It's a battered and dusty sign now, not used any more. Since the Menzies Government took over there isn't any need for it.

But Taylor's are keeping it just to be on the very safe side. They'll need it again if by any chance there should be another Labor regime.¹³⁴

Labor politicians, opponents alleged, were themselves looking battered and dusty. Discredited by their performance in the post-war years and clinging

¹³⁴. Isaacs Standard. .
blindly to socialist dogma, Labor was outmoded but refused to change. "In this new era the Labor Socialists are out of step: Time has marched on and left them behind!" Menzies, however, offered the strength and wisdom to guide Australia through the post-war world: he was committed to winning for Australians the comforts of modern life while preserving the reassuring boundaries of old fashioned authority and responsibility. The Liberal Party, with its cohort of young ex-servicemen, offered the energy of youth; Menzies provided the wisdom of experience.

Liberal candidates could not mention the issue of capable leadership often enough. The candidate for Perth, Bob Phillips, adopted the slogan "[A] vote for Phillips is a vote against Evatt!". In Fawkner, a pamphlet on behalf of Peter Howson warned that there could be "...no neutrality in this matter. If you vote against the Menzies candidates, you vote to make Dr Evatt Prime Minister of Australia." Paul Hasluck asked constituents to "MAKE UP YOUR OWN MIND" on a number of questions: the first was whether Menzies or Evatt possessed "...the qualities needed to be Prime Minister of Australia." The Leader of the Opposition, all four questions and answers made clear, would be a uniquely unreliable custodian of both prosperity and national security.

Evatt, however, was depicted as both incompetent and malevolent. Notes on his policy speech suggested that the proposal to abolish the means test on pensions constituted a plot to destabilise the economy as a prelude to the imposition of socialist controls. The plan might proceed as follows: increased lending and taxation "deliberately" induce hyperinflation; Evatt then secures emergency powers over prices and employment, and thus implements the Socialist Objective. Non-Labor had long warned against ruination of the currency. Now, once again, Labor had revealed its true colours: Evatt's promise could only be financed by tax increases or the

...'expansion of credit' and that means printing more money, which would again plunge Australia into the maelstrom of inflation - and swiftly following Inflation comes a resurgence of Communism.

**Communism and Inflation!**

Communism and inflation are closely linked. One avowed Communist aim is to wreck the national economy and, as a means to this end get control of unions, foment strikes - thereby reducing production, creating unemployment and by reducing supplies of goods, induce inflation.

Evatt was irresponsible because he had made extravagant promises; provoked disunity in his own party; and associated with Communists. Another shortcoming which made Evatt a foil for Menzies was that the Labor leader, through his activities in the United Nations, had shamed Australia in the eyes of the world, and caused particular displeasure to our powerful friends. In a

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letter to Lel Thomas, Willoughby advised against printing an (unspecified) rumour about Evatt - there was plenty of verifiable material. Willoughby suggested Thomas "play up"

1. His term as the one man foreign policy in which Australia's prestige abroad suffered tremendously in his toadyng to the small Latin nations as against the U.K. and U.S.A.\textsuperscript{140}

No leader, Liberal advertising proclaimed, could differ more from Evatt than Menzies did.

For Australia, the hour has produced the man, Robert Gordon Menzies, Australia's greatest statesman! Not only Australia, but London, Washington, and the whole free world have acknowledged his superlative capacities.

Few men have had to grapple with problems of such magnitude as those which have confronted Menzies. And no man has more successfully met the challenges of his time.\textsuperscript{141} MENZIES' MIGHTY ACHIEVEMENTS...the winning of the Battle of Production...the Victory over inflation, and the attainment of industrial peace.\textsuperscript{141}

The standard leaflet for Victorian candidates spelt out the differences between Labor and Liberal leadership in distinctly war-like terms: Labor "appeased" the unions; its nationalisation plans "...menaced the home front..."\textsuperscript{142} "Menzies

\textsuperscript{140} J.R. Willoughby to Lel Thomas, 12 Apr 1954. The other points concerned Communism and Labor disunity.

\textsuperscript{141} Advertiser, 28 May 1954. NLA MS 5000/5/113. S.A. file.

\textsuperscript{142} NLA MS 500/5/113. Vic. file.
will never compromise with the Communists", a South Australian advertisement trumpeted. "Menzies has fought them tooth and nail everywhere...in the Federal Parliament...the High Court...on the Wharves...in the Factories...." Had the list included 'beaches' and 'airfields' the Churchillian references could hardly have been more obvious.

Liberal advertising featured the Prime Minister and Leader of the Opposition to such an extent that the campaign became a presidential-style contest. Menzies was by far the more skilful of the two; and this marked difference in political skills may have been decisive in ensuring the return of the Government, albeit with a reduced majority.

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Elections for the House of Representatives, 1951 & 1954

One of Evatt's supporters remarked:

Another such victory for Menzies and he would be undone. I never believed that you could beat the good season and the high employment. To have gained seats was a triumph. But you have too much to carry with the Wards and his like. Socialism is as dead as the dodo, despite Calwell. You have to get a new objective, the democratisation of industry. The old shirt sleeves stuff is dead.145

But another correspondent, the Department of External Affairs officer, Alan Renouf, thought that Evatt had been too hasty in replacing 'the shirt sleeves stuff' with new policies, hidden from the public until the last minute: "...What Labour did was to present the 'New Look' of the party - the first really post-war model; what I feel is that for such a momentous step the presentation was a bit too sudden...." Renouf also blamed insufficient party support, especially from the Catholic Action-influenced Victorian Branch: five months later, Evatt triggered a party split by making this accusation. Renouf agreed with Claude that Labor needed a new image, one more acceptable to middle class Australia.

In these times people are not satisfied, as they were before the war, with the old trade-union representative, irrespective of his ability or personality. New blood with education, and with some status in the community, is needed. Examples are Whitlam, and the new man in New South Wales, Manning.146

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146. Renouf to Evatt, 30 May 1954. Ibid. E.G. Whitlam, MHR for Werriwa (NSW), 1952-78, Leader of the Opposition, 1967-72, 1975-78; Prime Minister, 1972-75. There was no Labor politician of the time named Manning, and Renouf may have been thinking of Norman Manning.
In its report on the election result, Federal Executive summarised the emphases of the Liberal campaign and nominated the return of working class voters as the single most important cause of the Liberal victory.

The lines followed in all the literature and propaganda were:-

a) the Government's achievement;
b) Leadership in the national interest, with strong emphasis on the Prime Minister's role; and
c) The 'fear' of what Labor had done and might do.

Some had advocated a promises campaign, but the Party decided on "achievement as the most potent vote-winner, with the fear issue (what Labour might do) as the second line of attack."

The result is the more interesting when one recalls that although the great issues of 1949 - Communism and Bank Nationalisation - drew many votes away from Labour, those votes went back to the Labour Party in the unpopular days of the Menzies Government. Gallup polls and by-elections show that clearly enough. The inflationary and post-inflationary periods restored to the Labour Party the votes lost in 1949. Yet in 1954 a big proportion of what might be called the swinging working class vote came back to the Menzies Government and the Liberal Party....The Liberal Party cannot govern without a big percentage of 'worker' votes!!147

At the general election in December 1955 the Government increased its majority from seven to twenty eight. The arguments prominent in 1954 were repeated by Liberal electioneers, but now the divisions within the Labor Party which had become increasingly apparent over the last six years had reached fruition. Furthermore, the unemployment and inflation of the first four years

of Liberal government were under control. The Liberals were consolidated in government and Menzies' authority over the Party was confirmed.148

Between 1944 and 1954 the Liberal Party moved from weakness to strength. The Party appealed to those wearied by strikes and shortages, and frightened by the prospect of another world war. Liberal electioneers presented the Party as modern in the sense that a washing machine was modern: a Liberal government would bring in a prosperous and comfortable future. Liberals, however, also promised to guard Australia against the evils of the modern world - or, from the viewpoint of the Eastern and Central European immigrant, against the evils of the old world. Fear of war with the Soviet Union, actual war with Soviet proxies, and sabotage by the USSR's Australian agents permeated Liberal election campaigning in the 1940s and 1950s. Bolton's summary is that "[F]ear of communism dominated political debate between 1945 and 1951...."149 A more accurate generalisation would be that anti-Communism was the most consistently recurring issue, but was not invariably paramount. In Liberal Party planning, press commentary, and the statements of both Labor and Coalition politicians, Communism was often less prominent than other issues - child endowment, pensions, or wage cases for example - but it was always present, and in the aftermath of a dramatic event could be called forth by party publicists to become the subject of intense debate. As anti-Communist rhetoric intensified in the post-war years, so Communist Party membership fell away. Nevertheless, industrial strife

involving Communist-influenced unions, and the expansion of the Soviet Union in Eastern Europe and its sponsorship of nationalist movements in South East Asia made Communism seem dangerous. In presenting the choice between Labor and Liberal as a struggle between socialism and freedom, Liberals gave voice to community impatience with strikes and wartime shortage and regulation. They also shared, and played on, the fear that the traumatic experiences of the last forty years - war, revolution, and Depression - would come back, and that this time, in an age of atomic bombs, Australian could not be protected from war. Government members liked to claim they had safeguarded Australia's future by winning the protection of 'powerful friends'. The Liberal Party sold Menzies himself as a powerful friend, the little person's ally against dangers at home and overseas.

A common assumption in studies of non-Labor in the Cold War is that anti-Communism, if genuine, was foolish. It is often alleged, or implied, that anti-Communism was to a large extent a phoney war, an exercise in electoral scaremongering. For example, Stella Lees and June Senyard set the political scene for their analysis of 1950s boys' adventure stories by asserting that "As soon as Menzies became Prime Minister in December 1949, the bogey of communism was brought out, dusted off, and used to consolidate his government." Accounts of 1950s Australia emphasise 'hysterical' anti-Communism, the dominance of those fanatics who struck a "note of wild

150. Ibid., pp. 59-60.
alarm" at dissidence and difference. In his *Inventing Australia*, Richard White argues that from the late 1940s a new media cliche of national identity - the Australian 'way of life' - began to be invoked as a "...mental bulwark against communism, against change, against cultural diversity..." For the authors of 'The social context of postwar conservatism', the counterpart to prosperity and optimism was fear of a vaguely-imagined enemy which might take this new prosperity away. Thus Australians were in the 1950s "...petrified of numerous threats and fantasy enemies challenging [its] traditional existence." Alomes et al suggest that such fears were unwarranted:

> It did not matter that the Asian theatres of war were thousands of miles away or that the Chinese had no navy worth speaking of. It did matter that an isolated conservative community undergoing change was easy to scare.

The problem with these arguments is that they verge on anachronism in breezily dismissing the fears of the time; and on contempt for democratic choices in dismissing as folly the majorities voted by a literate electorate in secret ballots. Australians could not know in the 1950s that there would be no 'hot war' with the Sino-Soviet bloc; and, furthermore, while the definition

of Communism in non-Labor electioneering was conveniently vague, the problems and dangers attributed to Communism - housing shortages, blackouts, an atomic world war - were acute, and specific to contemporary knowledge and expectations.

But since the publication of *Australia's First Cold War*, there have been studies which should prompt historians to reconsider the assumption that the electoral politics of non-Labor anti-Communism involved nothing more complicated than the exploitation by cynical politicians of a naive electorate's baseless fears. On published sources alone, it would take a resolutely myopic historian to deny that the Liberals were alive to the political benefits of anti-Communism. Moreover, work published in the 1980s and 1990s, mostly by historians critical of the domestic and external national security policies of the Menzies years, has accumulated archival evidence that Liberal politicians were genuinely concerned that Communism was a threat to Australian security, in that the USSR was the ultimate power behind Communist forces in Asia, and the object of the misguided loyalty of Australia’s own Communists.157 Some recent studies of the Menzies years attribute non-Labor’s anti-Communist electioneering to both conviction and calculation:158 an argument supported by the private communications researched in this and the previous chapter.

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How effective was Liberal anti-Communism? One historian has referred to the "incalculable" electoral advantage which the Menzies-era Liberal Party derived from the Red Menace.\(^\text{159}\) This is precisely the point. Given the secrecy of the ballot, we can not gauge precisely the effectiveness of anti-Communism as a motivation for voting. Careful studies of elections\(^\text{160}\) demonstrate the difficulty of attributing voting behaviour to issues. It is undoubtedly true that anti-Communism accompanied the Liberal triumph of 1949, but this issue was no less prominent in the preceding general election, in which the Liberal Party made no real gains, except for the almost inevitable reversion of some of the seats won in the Labor landslide of 1943. Gallup polls tend to confirm the conventional wisdom that anti-Communism was an electoral advantage for non-Labor. The last two chapters of this thesis have also shown that the while the Liberals considered anti-Communism to be a powerfully advantageous issue, they never believed that anti-Communism alone was sufficient to win a majority of seats. Positive electioneering was also important. Liberals demonised Communism and socialism, and they also idealised the advantages of capitalism.

Admirers of the Liberal tradition in Australian politics tend to explain the success of non-Labor after 1949 as a just reward for superior economic management.\(^\text{161}\) The extent to which the policies pursued by the Menzies Government contributed to the relative prosperity of the 1950s and 1960s is

\(^{159}\) Louis, 'Communism as a Hanging Offence', p. 13.
\(^{160}\) Carboch, \textit{op. cit.}, and Webb, \textit{op. cit.}, are exemplary in this regard.
beyond the scope of this thesis. But one point that should be made is that the changes in the positive politics of non-Labor in the 1940s and early 1950s provide evidence that non-Labor adapted its policies to changes in intellectual assumptions and 'real world' conditions, and has been neither been indifferent to ideas, nor uncompromisingly conservative. For example, in 1931 Menzies was among those die-hards who had refused to countenance the compulsory conversion of bonds to lower rates of interest. Perhaps, as Allan Martin suggests, the humiliation of 1941 made him less dogmatic. But it is also possible that the experience of wartime national government was influential: even before the Beveridge-influenced re-thinking associated with the Liberal renaissance there had been, in 1940, a portent of the new non-Labor politics: child endowment, a policy which broke the prevailing non-Labor dogma that benefits must be financed entirely from individual contributions. There is also some evidence in the policies of the third and fourth Menzies Governments for the 'initiative and resistance' theory: in office, the Liberals made an electoral virtue out of social security programs which, in opposition, they had denounced as vitiating extensions of state provision. As one sympathetic commentator has remarked, as a policy-maker Menzies became a kind of "super-Butskell" and was, perhaps, all the more successful for it. 162

Conclusion

It is a truism that non-Labor has been in Commonwealth government more frequently than Labor has, but that more has been written about the latter. Non-Labor persuasion has often been dismissed as transparently opportunistic scaremongering. There was plenty of this, of course, but I have tried to show that the story of non-Labor attempts to win elections, 1914-54, has been more complicated than some writers have assumed.

In concluding this study, it may be useful to look again at previous interpretations of Commonwealth party political history, and to ask why non-Labor electioneering has attracted so few studies. It still seems reasonable to surmise, as Mayer did in the mid 1950s, that the scarcity of studies of non-Labor organisation and the relative abundance of studies of the organisation of the left suggests that writers have assumed that non-Labor political action has been automatic and has not required organisation.1 Perhaps similar assumptions underly the neglect of non-Labor campaign issues and rhetoric. One reason may be that historians have regarded non-Labor publicity work as superfluous. Historians have noticed the prevalence of the typical non-Labor values of economic individualism, and orthodox nationalism2 and, perhaps, have assumed that these values were too widespread to have required substantial promotion by the non-Labor parties. Through electioneering, however, non-

Labor politicians have worked to reinforce these values, as if they were afraid that without reinforcement sound values, and for that matter their political representatives, would be lost, with foreign replacing native allegiances, and the discipline of sound finance succumbing to the temptations of socialistic easy money.

Historians also seem to have regarded non-Labor beliefs as too homogenous and persistently conventional to warrant close study. The electioneering studied in the preceding chapters has varied in content and style, however, and it is to be hoped that historians will continue to explore non-Labor's different versions of liberal and conservative politics. Janet McCalman's history of the middle class residents of Melbourne's southeastern suburbs has shown that social experiences varied within the middle class, and were contingent on those circumstances, such as war and economic Depression, which affected broader Australian society. There may be a lesson here for political historians: that despite the appearance that non-Labor ideology has been simplistic and resistant to change, its story can be told in terms of diversity, and transformation over time.

Scholars might also gain new perspectives by re-examining the assumption that non-Labor politics has been essentially resistant. Mayer commented that his contemporaries tended to regard the left as ideologically dynamic. This is one explanation for the neglect of non-Labor, and we can see the preference in the

literature of Australian politics 1914-1954 for studies of the left as appropriate for studies of a time when the principal innovations in the theory and practice of government seemed to have been generated by those parties descended from a 1890s-early Commonwealth politics of organised labour, and socialist and new liberal ideas.4

Interpretations shaped by the Labor initiative theory could be summarised as follows. In 1914, the Labor program was influenced by the Liberal initiative of New Protection; but non-Labor creativity, already stifled by the Fusion of the Liberal Protectionists with the Free Trade party, was extinguished by Great War loyalism. During the Great War, social experimentation became the antithesis of loyalist concentration on supporting the AIF. Between the world wars, social welfare initiatives were restricted to returned soldiers; defence and external affairs were based on the fallacy that Britain continued to be a Great Power in the Pacific; and fiscal and monetary orthodoxies were glorified as British traditions. Innovation reappeared only with the Curtin and Chifley governments; and then was smothered again by the onset of the Menzies era. Menzies' policies were derivative adoptions of the welfare extensions engineered by Labor in the 1940s; resistance remained important in LPA rhetoric and in the motivations of its members.5

4. Since 1979, Margaret Thatcher's governments have transformed British politics, and there is now an abundant literature on Thatcherism (some recent studies are discussed by Jeff Archer, 'Elections, Contemporary History, Policy and Ideology: Current Writing on Mrs Thatcher', Australian Journal of Political Science, vol. 25, 1996, pp. 309-316.) Australian non-Labor has yet to embark on such a crusade, and has no equivalent literature.

Much of the evidence presented in this thesis supports these generalisations, but some qualifications need to be made. Firstly, the non-Labor rhetoric of resistance sometimes concealed changes in policy. For example, the Lyons government continued throughout the 1930s to insist that its polices preserved those sound finance British verities the UAP had rescued in 1931, but this concealed a relaxation of government borrowing requirements, and attempts to negotiate the waiving of British bond debts. Moreover, the non-Labor parties were not alone in clinging to past certainties. Nationalist and UAP thinking about external affairs was based on a desire for the pre-war global dominance of Britain to continue. Labor, however, was also slow to adapt its attitudes to the challenges posed by Japanese, Italian and German militarism, preferring in many instances to respond to the approach of war in the 1930s by asserting pacifist and internationalist sentiments derived from reactions to the Great War. Finally, non-Labor innovation was not unique to the early Commonwealth. For example, in 1940, the Menzies government introduced a significant new policy, child endowment, and might have legislated for further innovations in welfare if it had stayed in power. Non-Labor could also force the pace in electoral politics: Evatt's adoption in 1954 of the 'reward for thrift' policy of asset test abolition demonstrated the influence of Liberal on Labor.

In Australia, both Labor and non-Labor have claimed to be progressive, and have argued that progressive reforms were both necessary and possible in a new society. Non-Labor has always contrasted its progressivism with an
unacceptably extreme type of the politics of change, socialism. Yet while non-Labor has always been anti-socialist, this politics has changed along with the evolving meaning of socialism itself. As a disposition, socialism has been distinguished by communitarianism and radicalism; but as the modest increments of state ownership, regulation and provision added over the years by Labor have lost their controversial novelty, so too has their relative communitarianism and radicalism. For example, non-Labor initially regarded the Commonwealth Bank as socialist, but in time it became less remarkable. Throughout 1914-1954, non-Labor suspected the Bank as a launching point for wholesale socialisation, but the actual state ownership of a trading bank became less contentious with the passing of time, as opponents ceased to fear and advocates to hope that the Bank would provide the starting point for the elimination of private banking.

Militant anti-socialism has been the hallmark of the threat and loyalty style. In contrast, the anti-socialist fears expressed in the limited style of non-Labor politics have been less intense. Limited propaganda has expressed social contentment: its proposals have been measured and its style has lacked fervour. Historians have found little romance in such moderation, and have preferred to study the non-Labor politics of denunciation and alarm.6 Perhaps party ideology is more interesting when formed in adversity, whether real or perceived by the party’s champions. An historian of British Liberalism has commented that while the Great War precipitated the terminal decline of the Liberals as the principal party of reform, the War’s crisis stimulated an

outpouring of Liberal doctrine, which had never before required strenuous justification. It may also be significant that the broadcast many consider to be one of the most remarkable instances of Australian non-Labor propaganda, Menzies' 'The Forgotten People', was made in 1942, when the UAP was not only out of government but felt itself to be at odds with the mood of the times. Admittedly the tone of 'The Forgotten People' is moderate, but its message is a warning to the middle class that powerful trends were at work to increase their present disadvantages. Perhaps adversity sharpened Menzies' political consciousness, and the challenge of 1940s collectivism drew from him an unusually cogent statement of non-Labor's conception of the middle class home as the source of material and spiritual wealth.

Nevertheless, 'The Forgotten People' 's measured tones are atypical of the style of non-Labor politics that has most interested historians, who have concentrated on threat-and-loyalty arguments made by politicians who believed, or claimed to believe, that non-Labor values were in danger of being overpowered by a radical, foreign challenge. This is the political style labelled 'pseudo-conservative' by Hofstadter, and others have noticed its adherents' anger at what they have regarded as a 'progressive establishment'. Threat and loyalty politics has received much attention from historians fascinated by its violence and authoritarianism. While political scientists have speculated that

7. Bentley, op. cit., p. 3.
8. Eric Hobsbawm remarks that when Friedrich von Hayek's *The Road to Serfdom* was first published, in 1944, the liberal philosopher considered himself a prophet crying in the wilderness. *Age of Extremes: The Short Twentieth Century*, London, 1994, p. 177.
parties seek advantage by offering extreme policies they know they will never have to implement, historians of Australian non-Labor have seen threat and loyalty rhetoric as a product of the same ideas which motivated non-Labor governments to discard liberal scruples against the draconian suppression of dissent.\textsuperscript{10}

Since studies of non-Labor have concentrated on threat and loyalty politics, it is necessary to review these interpretations in respect to electioneering. Warhurst comments that the assumptions prevalent in the literature on non-Labor anti-Communism (1949-64) in electoral politics have been that the 'red bogey' was contrived, effective, and recurrent.\textsuperscript{11} These themes are also common in the literature on threat and loyalty politics 1914-54, and offer a useful way of drawing together some of the implications of the research presented in this thesis.

The question of whether non-Labor politicians were sincerely concerned about existential social threats is important because anti-Irish and anti-Communist politics were discredited, at the time, and since, by accusations that non-Labor,


while claiming to act in the interests of the nation as a whole, was only or mostly interested in exploiting popular fears for party advantage. The conclusion of this thesis is that non-Labor politicians were genuinely concerned about disloyalty, but deliberately exaggerated it for political effect. There is no doubt that Menzies and other non-Labor leaders were adept at exploiting misgivings about Labor's loyalty - and to admit this is only to admit that they were professional politicians. But it is also apparent that they believed in their stock-in-trade, the middle class values of patriotism and self-reliance. A.W. Martin comments that even as a student, Menzies could speak effectively for Melbourne University loyalists, because he shared their opinions; and in a recent essay on Menzies' post-1949 career, J.D.B. Miller remarks that Menzies reduced issues to simple oppositions between good and bad because that was how he thought voters wanted to see public questions, and also how he himself saw them. As Judith Brett remarks of the elaborate efforts made by Liberal leaders in the 1990s to gauge values and devise symbols, Menzies had no need for market research to understand and appeal to middle class beliefs, for these were his own and he understood them intuitively.

There is other evidence of non-Labor sincerity and insincerity to consider, and again it leads to different conclusions. On the one hand, the views expressed privately by Hughes and Bruce during the Chanak crisis of 192Z matched the independent-nationalist arguments they condemned Labor politicians for making. Nonetheless, in the interwar years Empire-minded politicians like

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12. Ibid., p. 16; McKnight, *Australian Spies*, p. 87.
Bruce and Hughes were genuinely disturbed by the Empire's centrifugal 'drift'. Similarly, Bruce's industrial law-and-order politics was motivated by electoral opportunism, and a determination to safeguard economic development, and social cohesion. This combination of exaggeration and literal belief in the danger of disloyalty was also present in the Cold War years, when the political advantages for non-Labor of highlighting Communism were obvious, but there was also evidence, in the domestic influence of the Comunist Party, and the influence of the USSR in Europe and South East Asia, to impress non-Labor politicians with the dangers of Communist opinion in Australia.

In the forty years from 1914, stresses generated by war, industrial conflict, and the challenge of Communism created a mood of alarm conducive to the effectiveness of an alarmist politics reliant on a rhetoric of stark choices between anarchy and order. War and its apprehension encouraged a politics of extreme measures against those citizens whose actions or words seemed to weaken the cause of, or for that matter merely question, orthodox patriotism. A comment made by one member of Lloyd George's Liberal Party in 1916, "'war seems to arouse so many bad passions that Liberalism cannot live in its atmosphere'" seems apposite of Australian politics in the decades shaped by the experience, and memory of mass international violence. In the Great War, non-Labor people were afraid for the survival of the Empire and intensely hostile to any dissent from the loyalist understanding of national duty. The idea of

16. Moore, op. cit., p. 54; Murray, op. cit., p. 29; Gollan, op. cit., p. 130; Bolton, op. cit., p. 154; Brett, Forgotten People, p. 82.
honourable service was highly valued as a consolation for the suffering brought by the war, and non-Labor politics expressed anger at criticism of the justice of the aims and prosecution of Britain and Australia's war. In the 1920s, the organised working class expressed its frustration at the stagnation of living standards. The Nationalist government, increasingly irritated as the decade went on by the persistence of industrial conflict, identified strikes as the reason why the great prosperity made possible by Australia's natural resources was slow in arriving. Radical responses to the economic crisis of the early 1930s made non-Labor people fear that the discipline of contractual obligations would be breached. Faced with challenges to the legitimacy of sound finance discipline, non-Labor waged an emotive campaign against dissent from economic orthodoxy. The growth of Australian Communism in the 1940s, and the power of Soviet and Chinese Communism in the 1950s greatly intensified traditional fears about espionage and radical influence in trade unions.

Perhaps the power of threat and loyalty politics to motivate non-Labor voters and party workers has also been aided by uncertainty about the shape of the socialist future, for socialism has always been more of an expectation than a plan. Socialist ambitions to radically reform or replace capitalism and lack of definition about the alternative has made the idea of socialism an attractive philosophical objective for projects as distinct as Fabianism and Stalinism. But this vagueness has also enabled anti-socialists to present socialism as a threat to a variety of practices, agricultural land ownership, savings bank accounts,

home ownership, choice of employment, marriage, which offered physical benefits, and psychological benefits through the expression of individuality.

These are some of the circumstances which made threat and loyalty politics credible to non-Labor minds, although at the same time there is no reason to doubt that threat and loyalty politics was contrived for effect. The efficacy of this vote-winning politics is impossible to determine precisely. I have approached the question here in terms of the highlighting of issues in election campaigns. My assumption has been that the secrecy of the ballot makes it impossible to ascertain precisely whether parties won elections because of the issues they raised in the preceding campaigns. But the records of non-Labor's private considerations leave no doubt that its politicians believed that threat and loyalty politics were effective.

Non-Labor politicians had, like proponents of any creed, to devise arguments calculated to motivate supporters. Some non-Labor people have seen the non-Labor constituency as particularly difficult to arouse. Eggleston argued that non-Labor's supporters were relatively diffuse. Labor's most reliable supporters, the urban working classes, worked and lived together in factories and inner-city neighbourhoods, and this concentration of experience produced a common outlook, in that working class people believed that they belonged to a distinct group and required a distinct party to represent their interests. In contrast, Eggleston contended, non-Labor's core supporters were more heterogeneous in situation and therefore in outlook. Consequently, non-Labor
political identity was 'residual', defined negatively as believing oneself to be unlike Labor-voting people. Although Judith Brett does not refer to Eggleston's argument that non-Labor was disadvantaged by its 'residual' constituency, her interpretation of the power of Menzies' political language is that Menzies solved the problem of diffusion by calling on those who identified as middle class to recognise themselves as the members of a singular, ideal home.

The persuasive power of 'The Forgotten People' 's call to middle class arms was remarked on when it was broadcast in May 1942, and Brett's study has made it one of the best-known set-pieces of non-Labor advocacy. We should remember, however, that in 1942 Menzies was trying to position himself as the politician who could lead non-Labor's recovery from a position where it had lost much of its capacity to mobilise voters. Menzies did not return to power until 1949 and in that seven years non-Labor rhetoric was based, although not exclusively, on alarmist themes. In the 1940s no less than at other times, non-Labor politicians have found their constituency difficult to motivate, and have blamed the middle class's lack of an ideological sense of purpose. Threat and loyalty politics has been used by non-Labor as a means of mobilising these apathetic voters and party members. Non-Labor people considered themselves disadvantaged by Labor's resources of ideological motivation, and emphasised threat and loyalty issues in order to activate their own supporters. Before the introduction of compulsory voting at the 1925 election, non-Labor people tended to assume that there was a natural majority for their party, which would return non-Labor to

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power if only it could be persuaded to go to the polls. Even after voting was made compulsory, non-Labor politicians sometimes complained that their cause was hampered by the apathy and complacency of their potential supporters: that is much of the middle class, and those of the working class who accepted the non-Labor ethos. Here was the promise of alarmist rhetoric: the mobilisation of voters, by direct persuasion and via the greater efforts of party activists. It seems that the argument that the competition for swinging voters has tended to produce a centrist politics requires qualification: the threat and loyalty tradition suggests that this competition to attract the support of non-partisan voters has also motivated the issuing of extremist rhetoric; and extremist rhetoric has, on occasions, helped to establish the conditions for extremist policies.

The interpretation in this thesis of threat and loyalty politics has drawn on a tradition in political studies that emphasises the capacity of parties to use irrational ideas to manipulate the public. Liberals and socialists have tended to believe that the exploitation of irrationality, in the form of unreasonable fears of innovation, has been the basic method of conservative persuasion, and that conservatives have been successful when their prophecy, that irrationality will defeat reform, has through popular persuasion become self-fulfilling. In the United States, most notably, Cold War anti-Communism prompted liberal intellectuals to emphasise the tactical advantages enjoyed by those politicians.

who alleged conspiracies too vast and secret to disprove.\textsuperscript{22} To some extent, historians of Australia's red scares have also ascribed non-Labor power to its facility for ill-defined, irrational denunciation. But while threat and loyalty politics was vague about the definition of disloyalty and threat (and this vagueness was convenient, allowing Labor to be associated with Communism) it was highly specific about the problems attributed to threat and loyalty politics. These were always part of popular experience, or expectations. For example, while the early Commonwealth Liberals could never specify the exact difference between legitimate union demands, and socialist-inspired class warfare, they could specify the damage threatened by the AWU's rural workers' log of claims: the delay of the harvest; the depression of farm property values prior to absorption by the state. During the 1914-18 war, Nationalists spoke often of 'disloyalty'; this was an ill-defined term; but it was associated with opposition to conscription, and blamed for the AIF's lack of reinforcements and the ensuing casualties. At the 1925 election, the Nationalists never defined 'disloyalty'; but predicted that if it prevailed, home-owning, savings account-keeping workers might lose their modest property. The UAP gave Theodore's proto-Keynesian policies the general label of un-British, but predicted the specific consequence of German-style hyperinflation if his policies were implemented. For all the lack of distinction between Labor 'tyranny' and non-Labor 'freedom' in 1943, UAP politicians found particular examples, such as the closure of factories, to illustrate the problem of mob rule under Labor. In 1951,

Menzies condemned the Communist Party as both the enemy of religion, and the cause of low coal production.

These tactics probably made threat and loyalty politics useful, but not always sufficient to win elections. There is some evidence to suggest that threat and loyalty politics could incur disadvantages for non-Labor, in that its divisiveness seemed on occasions such as the 1951 referendum to threaten the very social cohesion which non-Labor politicians were supposed to preserve. Moreover, non-Labor never considered threat and loyalty politics to be sufficient, but had always to remind voters of the benefits under threat. Threat and loyalty politics was recurrent (the final assumption identified by Warhurst) but always in combination with promises of positive solutions, and moderate criticism of Labor error: the style termed 'limited politics' in this thesis. Non-Labor's limited politics, while lacking the extremism which has made threat and loyalty politics the object of scrutiny, deserves to be studied because in its prosaic way it expresses opinions which have always been an important part of non-Labor politics.

Non-Labor has contended that national allegiances should override sectional loyalties, and has insisted that national unity through the avoidance of class-driven political, and industrial conflict was essential for economic development. The benefits of social cohesion and class co-operation have been central to this politics. In 1914, Cook appealed to Australians to reject preference for unionists in government employment and to preserve social harmony by eliminating this
divisive form of discrimination. In 1917, the Nationalists argued that the Government offered national unity. Nationalist literature for the 1929 campaign asked industrial workers to consider the benefits of industrial peace: freedom from entanglement in others' disputes; wages paid without interuption. The United Australia Party, in 1931 and at subsequent elections in the 1930s, called on people, regardless of class, to rally together to protect sound finance and so restore economic confidence. In 1954, the LPA proclaimed its credentials as the party of industrial peace through secret ballots.

Non-Labor has insisted that Australians would benefit from modelling domestic politics on the example of Britain. Cook offered a Whig justification of his proposal to abolish union preference, explaining that this advanced a British history of incremental reform of privilege. During the Great War, the Nationalists promised to keep Australia true to the British tradition of martial valour. Bruce's Nationalists insisted in 1925 that British practices were the source of law and order and constitutional government. Lyons proclaimed the the British pedigree of sound finance. Menzies, in Opposition to the Chifley government, implored voters to reject socialist regimentation and preserve British individualism.

Non Labor has also insisted that it has been Australia's self-interest and duty to maintain allegiances with Britain and, from approximately 1942, the United States. During the Great War, Nationalists argued that national unity within the Empire was necessary to ensure British protection of its distant dominion.
during and after the war; and to protect Australian women from being raped by German soldiers. Responding to the pacifist mood of the interwar years Bruce pointed, during the 1928 election, to Australia's duty to follow Britain, the main supporter of disarmament and the League of Nations. At the 1934 poll, Lyons claimed that in order to retain the protection of Empire membership, Australia must pay its British debts, and promote Empire trade. After 1945, non-Labor insisted that self-interest and duty alike made Australia's allegiance with the western alliance a more compelling commitment than United Nations internationalism.

The non-Labor case has depended not only on the dangers of socialism, but on the benefits of capitalism. In 1914, Cook spoke of the opportunities Australia's expanses of land offered to the dilligent man. At the 1925 poll, Nationalists reminded respectable workers of the benefits - savings accounts, homes entirely or partly owned - they already enjoyed. The UAP's campaign against inflation and repudiation was accompanied by an argument, sometimes implicit, that with sound public policy the natural resilience of business would restore employment. In government after the war, Menzies' Liberal Party claimed that abundant consumer goods were the fruits of its free enterprise policies.

Non-Labor has contended throughout 1914-54 that small property owners were protected by the preservation of the property system, even though large owners had the greatest stake in the system's preservation. This theme has antecedents in British political thought. According to a recent study of the extreme right in
Australian politics, 'Burkean conservatism' has been one of the main influences on non-Labor. (Only two effects of this influence are asserted: mistrust of human rationality, and dislike of change.) This is not the place to canvass Australian non-Labor's Burkean antecedents, but one passage from *Reflections on the Revolution in France* may be quoted to illustrate the general idea underlying non-Labor's contention that all property-owning citizens, and not merely the rich, should favour the preservation of capitalism. Property, Burke wrote,

...must be represented [too] in great masses of accumulation, or it is not rightly protected. The characteristic essence of property, formed out of the combined principles of its acquisition and conservation, is to be unequal. The great masses therefore, which excite envy, and tempt rapacity, must be put out of the possibility of danger. They then form a natural rampart about the the lesser properties in all their gradations.

That Australians should preserve these ramparts has been a common line in non-Labor electioneering, and in reviewing its history we should consider the celebration of capitalism as well as the denigration of Communism. This could be done by looking again at non-Labor's use of stereotypes. Interpretations of threat and loyalty politics have drawn from the sociology of deviance the ideas of manufactured 'folk devils' and 'moral panics'; but demonology relies on belief in the existence of good, and accounts of fearful stereotypes need to be supplemented by studies incorporating political debates on the opposite of the

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23. Moore, *op. cit.*, pp. 4-5, 10-11, 12, 22, 25, 42, 82, 128.
folk devil, the ideal person. For much of the time, non-Labor's 'folk devils' have been Communist trade unionists. The mobilisation of the law-abiding public against the rebellious 'men' has always been an important element in non-Labor politics, but in addition to the negative stereotype of the anti-social, disruptive unionist, non-Labor politicians have evoked positive stereotypes: the sensible, self-reliant working man; and the pragmatic housewife struggling to maintain her household despite the disruption of industrial action.

The argument of this thesis has been that non-Labor federal electioneering has relied on a variety of rhetorical tactics, some fearful, and some hopeful. Similarly, Brett contends that Menzies' homely politics congratulated middle class people for their contribution to society and warned that their creativity and independence was threatened by the 1940s politics of state regulation. In other words, Brett's account, despite its interesting but unconvincing speculations on the psychological origins of Menzies' political attitudes, offers a nuanced interpretation of non-Labor which recognises its combination of limited, and threat and loyalty politics. Brett recognises that positive and negative non-Labor politics have always been combined. By the same token, one expert on clashes between radicals and the state has argued recently that the focus of conflict studies should be expanded from instances of conflict, to the coexistence of conflict and accord. This has been the method of this thesis,


which has described non-Labor's combinations of discontent and satisfaction, opposition and proposal. Non-Labor federal electioneering included both threat and loyalty, and limited elements and as such spoke to a society which in a time of unprecedented violence, and material progress, hoped for improvement but feared change.
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