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THE FORMATION AND DEVELOPMENT OF THE UNITED AUSTRALIA PARTY, 1929-37

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DECLARATION

This thesis is my original work.

C.J. Lloyd

July 1984
PREFATORY NOTES AND ACKNOWLEDGEMENTS

Any study of the United Australia Party is inhibited by the disappearance of the bulk of the party's records. According to Phillip Hart, the author of a political biography of J.A. Lyons, the federal records of the UAP were destroyed in 1944-45 when the Liberal Party of Australia was formed. Peter Aimer, who wrote an extensive study of the organisation of the Victorian Branch of the Liberal Party, found that virtually all official records of the National Party and the UAP for Victoria had been destroyed. Only South Australia has preserved the state records of the Liberal Federation and the Liberal and Country League which span the UAP period. Some fragments of the NSW records of the UAP have survived with the records of the NSW Branch of the Liberal Party of Australia. Records for Tasmania, Queensland and West Australia seem to have vanished.

The picture is much the same for other organisations related to the history of the UAP. There are no records for the two principal sponsor organisations, the National Union and the Consultative Council. The papers for the All for Australia League of NSW have vanished, although a few remnants of the Victorian League have survived. The sole exception is the excellent collection of the Citizens' League of South Australia and its principal organiser, E.D.A. Bagot, held by the Australian National Library. There is useful documentation of the principal women's organisations, the Australian Women's National League and Queensland Women's Electoral League, as well as some holdings of peripheral organisations such as the Dominion Leagues of West Australia and Tasmania and the New Guard of New South Wales.

With such huge gaps in records of political parties and related organisations, an attempt has been made in compiling this thesis to locate personal papers, pamphlets, party newspapers and other holdings in the major Australian repositories. This has been a costly exercise, facilitated by the co-operation of the Political Science Department of the Research School of Social Sciences at the Australian National University. I thank Professor Don Aitkin, Drs Harry Rigby, Colin Hughes, Don Rawson, and Mrs Kath Bourke for their generous support and assistance in making this possible.

Undoubtedly, several items have been missed in this process of fossicking, but I am reasonably confident that major sources relating to the UAP between 1931 and 1944 have been consulted. This thesis was originally conceived to cover the whole of the
party's history, a conception which proved grossly over-ambitious, and the greater part of the material collected has not been used. The story of the UAP does not fall easily into two halves, and I hope a further study will be possible to give the picture some symmetry. The present thesis conveys only inklings of the dramatic disintegration of the UAP in the years between 1937 and 1944.

Four points of style should be explained. An attempt has been made to achieve consistency by referring throughout to the predecessor of the UAP as the National Party and its adherents as Nationalists. Where possible, state branches of the party have been so described, e.g. the NSW Branch of the National Party. This usage is intended to avoid the confusing proliferation of designations of the autonomous state parties. The title of the federal organisation, the Australian National Federation, has been avoided as far as possible. The second point refers to the All for Australia League which is usually abbreviated as AFA. In the perhaps pedantic belief that this usage is meaningless without some indication that it refers to a league, the accurate but clumsy formulation AFA[L] has been used where possible. The generic term "Liberal Parties" has been used to describe the four principal non-Labor parties in the history of Australian political parties since 1909. Finally, to avoid dilemmas about whether or not a principal figure was knighted or made a dame at the time in question, all titles and honours have been avoided as far as possible.

In conclusion, I thank my supervisor, Dr Colin Hughes, for his patient assistance and advice, and Ms Norma Chin for her delicate rendering of a difficult text.
Four closely-linked political parties have dominated the history of federal non-Labor politics in Australia: the Liberal Party (1909-17); the National Party (1917-31); the United Australia Party (1931-44); and the Liberal Party (1944 to date). The theme of this thesis is the transformation of the National Party into the United Australia Party in the early years of the Great Depression, and the subsequent development of the UAP until the end of 1937. These were generally years of achievement for the UAP; after 1937 it disintegrated with increasing rapidity both at federal and state levels. The essential aim of the thesis is to explain where a major political party came from, why it emerged in the form that it did, and how it functioned in the years of its achievement. It is also intended to indicate the flaws in the party structure which produced its decline and ultimate disappearance. The main focus is federal politics, although the organisation of the crucial state branches of the UAP is described in some detail, and there is some account of state politics. A subsidiary theme is political leadership, particularly the role of the Federal UAP Leader, Joseph Aloysius Lyons.

The thesis begins with a brief account of the main political events of the 1920s and of the structure of the National Party, the principal progenitor of the UAP. The following chapters take up three themes: the gradual disintegration of the Scullin Labor Government and its internal conflicts over economic policy; the revival of the National Party after severe electoral defeat in 1929; and the emergence of a transitory but powerful Citizens' Movement espousing opposition to party politics and an adherence to imperialist sentiment and orthodox economics. These three themes are brought together in the early months of 1931 with the defection of Lyons from the ALP and his subsequent emergence over nine months as leader of a new political party and Prime Minister of Australia. The processes by which a number of disparate elements are welded into a new party based on the enduring core element of the National party are traced at some length. The evolution of the party structure is described until the end of 1937 when the process culminates with the formation of a UAP branch in Queensland. After a brief account of the UAP's relationship with the other major non-Labor party, the Country Party, during these years, the structure and effectiveness of the three principal components of the UAP are examined: the Federal Parliamentary Party, the NSW Branch of the UAP, and the party's Victorian Branch. There is a brief conclusion.
# ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AFA[L]</td>
<td>All for Australia League</td>
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<tr>
<td>ALP</td>
<td>Australian Labor Party</td>
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<td>ANF</td>
<td>Australian National Federation</td>
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<td>ANL</td>
<td>Australian National Library</td>
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<td>ANR</td>
<td>Australian National Review</td>
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<td>ANU</td>
<td>Australian National University</td>
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<tr>
<td>APP</td>
<td>Australian People's Party</td>
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<tr>
<td>AWNL</td>
<td>Australian Women's National League (Victoria and Tasmania)</td>
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<tr>
<td>CL</td>
<td>Citizens' League (South Australia)</td>
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<tr>
<td>CPD</td>
<td>Commonwealth Parliamentary Debates</td>
</tr>
<tr>
<td>CPN</td>
<td>Country and Progressive National Party (Queensland)</td>
</tr>
<tr>
<td>DL</td>
<td>Dominion League (West Australia and Tasmania)</td>
</tr>
<tr>
<td>LatL</td>
<td>Latrobe Library, Melbourne</td>
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<tr>
<td>LCL</td>
<td>Liberal and Country League (South Australia)</td>
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<td>ML</td>
<td>Mitchell Library</td>
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<tr>
<td>MS</td>
<td>Manuscripts</td>
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<td>NA</td>
<td>National Association</td>
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<tr>
<td>PAC</td>
<td>Producers' Advisory Council</td>
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<td>QWEL</td>
<td>Queensland Women's Electoral League</td>
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<tr>
<td>SAA</td>
<td>South Australian Archives</td>
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<td>SDL</td>
<td>Sane Democracy League (New South Wales)</td>
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<td>SMH</td>
<td>Sydney Morning Herald</td>
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<td>UAM</td>
<td>United Australia Movement</td>
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<td>UAO</td>
<td>United Australia Organisation</td>
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<td>United Australia Party</td>
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<td>United Country Movement</td>
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<td>UCP</td>
<td>United Country Party</td>
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CHAPTER 1
INTRODUCTION

Four closely linked political parties have dominated the history of parliamentary conservatism in Australian federal politics: the Liberal Party (1909-17); the National Party (1917-31); the United Australia Party (1931-44); and the Liberal Party (1944 to date). Variations in the name of the principal non-Labor party have reflected changes in composition and organisation due to historic and economic forces such as war and depression. Some of these changes have been substantial, but an enduring core element has been transmitted from party to party in a cycle aptly summarised by Lonie as "from Liberal to Liberal."\(^1\)

Loveday noted that Australian federal politics was party politics from the beginning, and did not pass through a non-party phase.\(^2\) Australia's first integrated non-Labor party was the Liberal Party, formed in 1909 by the fusing of two looser party groupings which had contended on whether Australia should be free trade or protectionist. Once this question was resolved, these smaller parties coalesced into the Liberal Party, which governed Australia for two brief periods between 1909 and 1917. In February 1917, the Liberal Party merged with the National Labor Party which broke away from the ALP in November 1916 and under William Morris (Billy) Hughes briefly formed a government in its own right. The product of the merger was the National Party, dedicated to the overriding principle of fighting World War I to a successful conclusion.

The ascendancy of Hughes as National Party leader and Prime Minister lasted until February 1923, when Stanley Melbourne Bruce displaced him as Prime Minister. Once the war ended, there was a diminution in the popularity of Hughes' brand of strident national leadership, and a revival of traditional elements which had been suppressed by the dominance of Hughes and his supporters from the ALP. Hughes' problems were compounded by the emergence of a viable Country Party which, under

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Earle Page, opposed his Prime Ministership. Bruce supplanted Hughes as Prime Minister and in coalition with the Country Party formed the Federal Government of Australia until October 1929, when the Bruce-Page Government was defeated after a parliamentary crisis precipitated by Hughes and a small group of supporters. One consequence was that Hughes formed the Australian Party as a "centre party" alternative to the existing parties. More significantly, the defeat of the Bruce-Page Government brought to federal government the ALP under James Scullin with a commanding majority in the House of Representatives but heavily outnumbered in the Senate by the combined National and Country parties. 3

With the full onset of the Great Depression, the Labor Government gradually disintegrated, and by the early months of 1931, it had resolved into three identifiable factions: a small group led by Joseph Aloysius (Joe) Lyons and James Fenton wedded to the canons of strict financial orthodoxy; a group of similar size led by John A. (Jack) Beasley which espoused radical solutions to economic problems; and the broad mass of the Parliamentary Party, led by Prime Minister Scullin and his Deputy and Treasurer, Edward Theodore, whose financial policy veered desperately from palliative to panacea. The Scullin Government was eventually forced to accept a package of economic measures impeccably orthodox in design, but the adoption of the so-called Premiers Plan was too late to prevent the defection of Lyons and five others from the ALP. With four supporters, Lyons in April-May 1931 negotiated with the National Party the structure of a new parliamentary grouping designed to bring together all of the political elements opposed to Labor. It emerged as the principal non-Labor Party in the Federal Parliament, and Lyons supplanted the Nationalist Leader, John Greig Latham, as leader of the UAP. 4

This re-arrangement of parliamentary forces was accompanied by a remarkable outpouring of national and imperial sentiment in the Australian community, exemplified by the creation of citizen's groups in each state. These groups sought to revive the sense of unity and purpose which, in retrospect at least, World War I had aroused in the Australian community. The citizens' groups were strongly imbued with British patriotic fervour, and their financial credo was passionate support of orthodox monetary policy, "sound finance" as it was invariably called. "Sound finance" meant the meticulous

3. For accounts of the Bruce-Page Government, see L.F. Fitzhardinge, The Little Digger 1914-1952 (Sydney, 1979), Sir Earle Page, Truant Surgeon (Sydney, 1963), and Robert Murray, The Twenties (Melbourne, 1974).

observance of financial obligation, usually interpreted as prompt repayment of British loans which had underwritten the development programs sponsored by federal and state governments during the 1920s. The flirtation of the ALP Caucus with postponement of loan repayments in the final weeks of 1930, coupled with its advocacy of inflationary policies, had been a major cause of the emergence of a citizens' movement. Above all, the citizens' groups and proponents of sound finance mobilised to meet the challenge presented by the NSW Government of John Thomas (Jack) Lang, a firm advocate of deferring loan repayments, increasing government spending and economic intervention. Opposition to Lang was the spark which ignited the Citizens' Movement at much the same time as there was a realignment of forces in the Federal Parliament. Inevitably, the Citizens' Movement supported the new parliamentary party pledged to orthodox finance and the preservation of patriotic and imperial values.

In a strictly technical sense, the formation of the UAP was due to the convergence of the four political streams which have been identified above. The first was the existence of a relatively stable National Party, which at the end of 1929 still governed four of the Australian states and constituted an effective opposition in the Federal Parliament despite diminished numbers. This was complemented by Hughes' failure to build a viable alternative and his early disillusionment with the Scullin Government, bringing a gradual drift of the elements of his Australian Party back to the Nationalists. The third factor was the disenchantment of Lyons and a few other members of the Federal Labor Caucus with the policies of the Scullin Government. Finally, there was the rapid development of a vast Citizens' Movement, committed to sound finance, antipathetic to party political machines, deeply suspicious of the Scullin Government, and irrevocably opposed to Lang and financial experiment. The growth of well-organised citizens' groups threatened the long-established supremacy of the Nationalist political machines which operated at the state-branch level.

Each of these factors was influential in the creation of "United Australia", first as a movement, and then as a political party which gave organisation and policy substance to the aspirations of that amorphous movement. By adjustment, accommodation, and tactical dexterity the Nationalist element secured the survival of virtually all of its traditional philosophy, policy, structure, and personnel. As a notable bonus, it secured in Lyons a political leader with an electoral popularity unrivalled in the national politics of Australia.

In seven years of national government, the UAP brought administrative stability to two crucial periods of Australian political history: the later phases of the Great Depression and subsequent limited economic recovery, and the preparation of Australia for war. With a parliamentary majority swollen by a great victory over the ALP in
December 1931, the UAP governed for three years without Country Party participation. The Country Party continued the broad support which it had given to the UAP in opposition during 1931, and when Lyons was returned at the general election of 1934 with a reduced majority, he brought in the Country Party under Page to form a coalition government which lasted until Lyons’ death in April 1939. Under Robert Gordon Menzies, the UAP governed in its own right until October 1940, when the coalition was restored with the Country Party led by Arthur Fadden. Menzies resigned in August 1941, and Fadden briefly led a Country Party-UAP coalition government which was defeated in the Parliament in October 1941. Fadden became leader of the Opposition, with the UAP led by the aged and ineffectual Hughes. After the UAP was weakened further by the ALP’s victory in the federal elections of 1943, Menzies was restored to the leadership and set about re-building his party which was in the process of rapid disintegration at the federal level and in several of the state branches. Menzies’ efforts culminated in the formation of the Liberal Party in the latter months of 1944, thus ending the 13-year history of the UAP.

Such in outline was the history of Australia’s principal non-Labor Party from its foundation in 1909 to the eve of its most successful manifestation as the contemporary Liberal Party of Australia. This thesis is devoted to a small part of a 35-year cycle, the rise of the UAP from the defeat of the Bruce-Page Government in October 1929 until the end of 1937 when the party reached a peak of influence and political success.

From the National Party, the UAP inherited a federal structure which, in theory at least, superimposed a national co-ordinating mechanism on state branches which were organised on the conventional lines of a mass political party. The pattern varied from state to state, but all shared a basic structure of party branches organised into broader groupings according to regional or federal and state electoral boundaries, with a co-ordinating framework of an executive and committees, and a state convention or council as the supreme comptroller and policy-making body. These fundamental ingredients were accompanied by a range of auxiliary organisations. One of the achievements of the UAP was to make more rigid the far from supple model that it had inherited from the National Party. This complex pattern was simplified to a degree in the middle years of the UAP’s existence as some bodies faded away or were absorbed into other elements of the party structure.

The process of organisational change and development is one of the principal themes of this thesis. It tries to describe the evolution and functioning of a great...
political party from its foundation to the peak of its achievement. Another principal theme is political leadership. In the period under study the Federal UAP was led by Lyons, and accordingly much of the analysis is directed to his leadership. The stability of the UAP, first as a single party government and then in coalition with the Country Party, owed much to Lyons, who was also the principal figure in the federal co-ordination of the sprawling party apparatus. Inevitably, Lyons emerges as the principal political figure in this thesis, although attention is also given to the leadership qualities of Latham who stood aside for Lyons, and Menzies and Hughes who were to succeed him as federal UAP leaders. More briefly, the thesis considers the leadership of the principal state leaders, Bertram Stevens, Stanley Argyle and Thomas Bavin. The qualities and contributions of a range of other important members of the political parties, the party machines and citizens' groups are touched on, including Archdale Parkhill, Charles Hawker, Henry Gullett, Thomas White, Earle Page, Thomas Paterson, Charles Hardy, Alexander Gibson, Ernest Turnbull, Sydney Snow, Edward Bagot, William Queale and Archibald Grenfell Price.

Public policy is not a principal theme, although it is impossible to describe the development of the UAP without some reference to policy. Lyons was elected Prime Minister of Australia on the basis of a vast expression of populist and patriotic sentiment, without having to produce much in the way of policy. Lacking a foundation of publicly-endorsed policy, the Federal UAP Government was essentially an administrative one, although it would be a mistake to assume that it implemented no new policy. Lyons largely inherited his economic policies from Scullin, but he was interested in national development and social policy and made some vain attempts to initiate change. The UAP had some involvement in policy changes at the state level, particularly in New South Wales where Stevens showed a disposition to innovate, particularly in financial policy.

The overall approach of this thesis has been influenced by McKenzie's *British Political Parties*. It seeks to mingle political chronicle, description of political organisation, and analysis of political leadership in a comprehensive account of a major political party. The sprawling and amorphous structure of the UAP, encompassing as it did a federal parliamentary party and six divergent state branches, does not lend itself to a rigorous analysis based on party theory. Although much of value for the study of the UAP can be gained from the conventional theorists, the present state of party theory is adequate mainly for the analysis of party systems. It offers little assistance for the analysis of a single party within that system, particularly a political organisation like

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the UAP. This theoretical gap may be filled one day by the second volume of Sartori's *Political Parties*, which is to be devoted to party types, organisation and functions (covering much of the ground of this thesis). In the meantime, the political party remains a subject in search of a general theory.

This thesis begins with a brief account of the political and economic context of the 1920s, in particular the forces in the National and Labor parties which contributed to the formation of the UAP. The principal features of the Nationalist organisation are described, and Lyons' rise to national significance is considered. The following chapters provide a narrative of the emergence of the UAP, taking as a rather arbitrary starting point October 1930, when the first citizens' groups appeared, Lang was elected Premier of New South Wales, and deep divisions emerged in the Scullin Government. This chronicle concludes with the formation in 1937 of the Queensland Branch of the UAP, completing the process of party development. A brief examination follows of the relationship of the UAP with the Country Party during this period. The final sections of the thesis examine at some length the three principal arms of the UAP: the Federal Parliamentary Party, the NSW Branch and the Victorian Branch. There is a brief conclusion.

The story of the UAP is important as a pivotal sequence in the history of non-Labor parties in Australia's national politics. Its development is essential to any understanding of what happened to Australia in a difficult epoch whose subtleties often elude the political historian. This account tries to piece together the story of the formation and development of a party, and to redress past neglect of the UAP in Australian political literature.

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CHAPTER 2
NATIONALIST AUSTRALIA

The history of the UAP is indecipherable without some analysis of the political forces which emerged in the 15 years preceding its formation. The account which follows is not intended as an extended political narrative of the Hughes-Bruce-Page era which encompassed the latter years of World War I, the immediate post-war years, and the development decade of the 1920s. Rather, it is designed to single out trends and developments which impinged directly on the formation and development of the UAP. In this process, the main focus is the National Party, the principal progenitor of the UAP, but other political elements are considered, particularly the ALP and the nascent Citizens' Movement. It is intended here to introduce several of the important figures who played an influential role in the development of the UAP. Finally, the chapter looks briefly at the principal organisational features of the National Party with the aim of providing a comparative basis for the description of the UAP organisation which is given in Chapters 10, 11 and 12.

The complex system of organisational alliances which constituted the National Party began to emerge throughout Australia in late 1916 and continued through 1917. The process was dictated partly by a widespread desire to create a party dedicated to winning the war and fulfilling patriotic aspirations, and partly by idiosyncratic features of the individual state parties. The most important defection from the ALP following the defeat of the first conscription referendum was that of the Prime Minister, Hughes, and 24 of his supporters from the Federal ALP Caucus. This parliamentary group governed briefly as a National Labor Government under Hughes (November 14, 1916, to February 17, 1917) before merging with the Federal Parliamentary Liberal Party to form a Nationalist Government with Hughes as Prime Minister. The Cabinet of 11 contained six former Liberal members, and five former National Labor members. At the State level, Australia's first Nationalist Government was formed in New South Wales on November 15, 1916, under the former ALP Premier, William Holman.1

The Federal National Party won the elections of May 1917, but a second referendum on conscription was defeated in December 1917. Hughes fulfilled a pledge he had made to resign, but in the absence of any recommendation as to a successor, he was reinstated by the Governor General, Ronald Munro Ferguson (Lord Novar). The National Party won the general election of December 1919, but increasingly Hughes was harassed by the emergence of an influential Country Party and by increasing disaffection within his parliamentary party and extra-parliamentary organisation. At the general election of December 1922, the National Party was forced into a minority position by the Country Party and independents, including Latham who had campaigned strongly against Hughes. Although most of the Federal Parliamentary National Party still supported Hughes, he was unable to negotiate a workable agreement with the Country Party, and in February 1923 he resigned his leadership. He was succeeded by Bruce who established a coalition government with the Country Party whose leader, Page, became Deputy Prime Minister.²

The Bruce-Page coalition governed Australia for the remainder of the 1920s, increasing its majority in November 1925 but losing ground sharply in November 1928. In these circumstances, it was vulnerable to a combination of a re-invigorated ALP Opposition and disaffected elements within its own ranks. Pressure on the Government culminated in its defeat on September 10, 1929, after a tumultuous sequence of political events hinging on its industrial policy. The revolt against government policy was spearheaded by Hughes. The ALP under Scullin won the subsequent election and formed a government on October 22, 1929. Bruce, who lost his seat, was succeeded by Latham as National Party leader. Latham inherited a party which was greatly reduced in numbers. Although a close parliamentary relationship was maintained with the Country Party under Page, the two parties did not function as a coalition in Opposition.³

This outline sets out the principal events which influenced the development of the National Party at the federal level from its foundation early in 1917 until it went into opposition in late 1929. Significant events in the political history of the state branches of the party are set out in the subsequent account of party organisation. It is intended now to summarise some of the factors which influenced the fate of the party and paved the way for its revival under the umbrella of the United Australia Movement.

The first factor of consequence was the stormy political career of Hughes.⁴ Once

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⁴ Fitzhardinge, op. cit., pp.431-36.
the war and the Versailles Peace Conference were over, National Party unrest over Hughes' leadership grew for two reasons. The first was dissatisfaction with his political style. In just about every respect, Hughes lacked the gravitas which the non-Labor parties associated with leadership. Incidents such as Hughes' doffing his coat to give a spirited demonstration of the blacksmith's art during an official visit to Tasmania were seen as incompatible with the dignity of a Nationalist Prime Minister. His often arrogant and dictatorial qualities were evinced most notably in his premature announcement of negotiations with the British Government, leading to the resignation of the Deputy Prime Minister, William Watt.⁵

Another factor which eroded Hughes' support was the rekindling of conservative values and practices which had been suppressed by the need to win the war. Hughes' strong espousal of public ownership, his creation of a national shipping line, and his attempts to use public funds to initiate other ventures were seen as inconsistent with the free enterprise ethic. If Hughes offended conservative elements of the National Party with his contempt for conventional tenets of prime-ministerial behaviour, he upset the "liberals" with his dedication to state enterprise. Such a survival of ALP attitudes was compounded by Hughes' continued advocacy of Commonwealth Arbitration and his sympathies with trade unions. In an organisational sense, the revival of the "liberal" spirit led to the creation of "liberal" political movements. Of these, the most important was the Liberal Union of Victoria, which stood a number of candidates at the 1922 elections, successfully electing Latham to the Federal Parliament.⁶

Latham, then in his early 40s, was a successful barrister who had worked with Naval Intelligence during the war and had observed Hughes at close quarters at the Versailles Peace Conference, which he attended as a member of the Australian delegation. At the conference, Latham was disenchanted by Hughes' policy attitudes and his often crude politicking. This spurred him to contest the federal seat of Kooyong at the 1922 elections, and his entry to the Parliament was an ingredient in the machinations which forced Hughes' resignation as Prime Minister. Latham was a dedicated rationalist, but his political and social attitudes were strongly conservative. He was a passionate British patriot and imperialist, strongly influenced by legalism, particularly the sacrosanctity of common law principles of contract. An austere and commanding figure, Latham's public persona was somewhat distant and sombre. He could be terse and dismissive in official communication, but these qualities concealed a personal warmth and social skills which won him a large circle of intimates. Although

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⁵. Ibid., pp.447-51. For Hughes as a blacksmith, see Argus editorial, February 11, 1922.
elected as a Liberal Union candidate, Latham made his peace with the Nationalists after the relegation of Hughes. He was appointed Attorney General in 1925 and Minister for Industry in 1928, a combination of ministerial functions which made him a decisive figure in the industrial conflicts which led to the ultimate demise of the Bruce-Page Government. Latham was elected leader of the attenuated Nationalist Opposition in October 1929.  

The departure of Hughes from the prime ministership in February 1923 brought an embittered and potentially divisive figure to the back bench of the National Party. Hughes bided his time, but by 1925 he had embarked on a course which was designed to create a new party from disaffected elements of the Bruce-Page coalition. His principal confidant in this project was James Hume Cook, a former Nationalist federal parliamentarian and the first secretary of the National Party's Victorian Branch. Hume Cook had become disenchanted with the National Party because of what he saw as the increasing dominance of the party's financial backers over its organisational machine. These tensions led to Hume Cook's resignation as Secretary of the National Party of Victoria. Like Hughes, Hume Cook was a supporter of high levels of protection of industry and this was another source of their political affinity.

During 1925, Hughes wrote regularly to Hume Cook, setting out his dissatisfaction with the Bruce-Page Government. Hughes was not disposed to temper his criticism of the Government in Parliament, despite attempts by Bruce to ease the tense relationship. After one direct approach from Bruce for support in June 1925, Hughes claimed to have responded in this way:

The Nationalists who are in the Parliament were elected to follow me. It was my policy which they supported at the [1922] elections. Yet you lead. If you cannot steer the ship out of the difficult position up which she has blown, why should I who have been deposed, act as pilot?

Hughes was especially irritated by the Government's reversal of policies with which he had been closely associated, particularly the sale of the Commonwealth shipping line. He was also alienated by an increasingly severe and legalistic approach by the Government to industrial policy. If Hughes was truculent and troublesome, Bruce was inclined to be tactless in his attempts at conciliating him:

7. Based on material in Sir John Latham Papers (ANL, MS 1009), particularly series 10, 50 and 51. A brief account of Latham's political career is given in Z. Cowen, Sir John Latham and Other Papers (Brisbane, 1965). For a biography of Latham, see the entry by Stuart Macintyre in ADB, Vol. 10 (forthcoming).
Members of the party and many outside are greatly disturbed at the attitude you have taken up. They even go so far as to say that you are disgruntled and annoyed because you are not in my place.\textsuperscript{11}

According to Hughes, Bruce also threatened him with loss of endorsement, a threat which Hughes said would "not deter him in the slightest".\textsuperscript{12} One of Hughes' closest political associates, Senator Walter Massy Greene, pointed out the lack of wisdom of Bruce's attitude in a post-mortem after the 1929 election defeat:

I know of course that many regard "Billy" [Hughes] as a spent force. I have never shared this view as you know, and over and over again in some instances only known to Bruce and one or two others I tried to rope him in. I felt that the policy of cold shouldering him and slapping him in the face was bound sooner or later to bring a bitter aftermath.\textsuperscript{13}

Hughes' designs for a new party were suppressed after Bruce's triumph at the 1925 elections. He believed that six months previously Bruce had been a beaten man, but with electoral success his following had become so numerous as to be a source of danger (presumably to Hughes), although Hughes felt that sources of disaffection remained within the Government parties:

... [there are] certain men like Stewart, Foster, Mackay, Gellibrand and myself, who are no longer afraid of putting Labor into power. There are also others, notably the West Australians who are a positive source of annoyance to Bruce, ... Of course all is fair at present, but you [Hume Cook] and I know how sudden storms arise.\textsuperscript{14}

Hughes' opportunity did not come until "sudden storms" burst upon the Government in 1929. Following substantial reduction of Nationalist parliamentary numbers at the 1928 elections, Hughes sensed that the climate was becoming more favourable to him. He wrote to a defeated colleague, R.W. Rodgers:

I have quite made up my mind that this combination [National and Country Parties] must go if Nationalism is to be saved. ... For the greater part of the last Parliament I had other fish to fry, but now I am quite free, and given decent health I will make our friends Janus [presumably Bruce] and Co. sit up.\textsuperscript{15}

Industrial policy had been a major irritant to the Bruce-Page Government throughout its term of office. There had been a sequence of significant industrial disputes involving the maritime industries, timber workers, and coal miners. Bruce sought additional Commonwealth powers by referendum in 1926, but his proposal was

\textsuperscript{11.} Hume Cook Papers, op. cit., Bruce to Hughes, July 9, 1925.
\textsuperscript{12.} Ibid.
\textsuperscript{13.} Perkins Papers (ANL MS 936). Walter Massy Greene to Perkins, October 22, 1929. Perkins was whip to the Federal Parliamentary National Party.
\textsuperscript{14.} Hume Cook Papers, op. cit., Hughes to Hume Cook, February 5, 1929.
\textsuperscript{15.} Hughes to R.W. Rodgers, letter published in SMH, 13 September 1929. The letter is partly reproduced in Fitzhardinge, op. cit., p.570.
rejected decisively by the electorate. The Government had seemed to act in a partisan fashion when it dropped legal action against the Hunter Valley coal baron, John Brown, for locking out his employees, while at the same time pursuing coercive policies against the trade unions. Impatient with the unions and industrial unrest, Bruce decided in mid-1929 to act:

The financial position is becoming more and more serious, and arbitration is becoming a farce ... the time has arrived when a very frank statement should be made as to Australia’s present economic position and definite action should be taken with regard to the duplication in industrial matters. We have decided to take certain action which is certainly drastic and will probably cause a big disturbance politically.

During 1929, Hughes repeatedly voted against the Government, causing it severe embarrassment and even threatening its existence. His most consistent supporters were two Country Party independents, Percy Stewart, who was a close personal friend, and W.J. McWilliams (the foundation leader of the Federal Country Party), and E.A. Mann, a West Australian Nationalist backbencher who was a low protectionist opposed to Government tariff policy, and a stickler for observance of the party platform. During the supply debate in March 1929, Hughes trenchantly criticised the Government for its failures in migration, land settlement, tariff reform and industrial peace:

Instead of that prosperity which we were assured would inevitably flow from stable government, we have a brooding sense of unrest, a lack of confidence and a feeling that there is something even worse than we have experienced not far from us. That is their record and it is unsatisfactory to every section of this House.

Hughes was identified in the press as the leader of a group of three. There were suggestions that he would resign and seek re-election as an independent, but the Nationalist leadership was reluctant to force the issue. Finally in August, after Hughes and Mann had broken a pairing arrangement and voted against the Government, the party whips formally advised them that they were no longer regarded as supporters of the National Party, and would no longer receive invitations to party meetings. Thereafter, Hughes and Mann functioned as independent members of parliament.

A day later, Bruce introduced the drastic industrial legislation which he had foreshadowed. Failing to persuade the Premiers to legislate for the transfer of their industrial powers to the Commonwealth, Bruce proposed the repeal of the Commonwealth Arbitration Act and the withdrawal of the Commonwealth from all

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18. CPD, Vol. 120, March 20, 1929, p.1308.
industrial regulation save in the maritime industries. The four independents in the House of Representatives - Hughes, Mann, Stewart and McWilliams - opposed the bill, and were joined by two backbench Nationalists, George Maxwell, who held a conscientious objection to the bill, and Walter Marks, who was aggrieved by a government proposal for a tax on the film industry. With the abstention of the Speaker, Littleton Groom, ostensibly on the grounds of strict compliance with House of Commons precedent, the Government was defeated and forced to an election which it lost. Hughes, who was returned as an independent, formed a new party, the Australian Party, in association with Hume Cook, Maxwell, Marks and Senator Walter Duncan. 20

The long-sustained political duel between Bruce and Hughes and its dramatic resolution had important political consequences. Bruce lost his seat in 1929, and although he returned to federal politics after the 1931 elections, he was never again the commanding figure who had controlled the coalition's destiny through the 1920s. This left Latham at the head of a seriously-weakened National Party, his reputation damaged by close involvement in the disastrous industrial policy. Latham had less popular appeal than Bruce, who was respected and had been electorally successful despite his aloof demeanour and patrician mannerisms. The climax of the rivalry between Bruce and Page put Hughes at the head of a new political movement whose prospects appeared ominous to the Nationalists in the wake of defeat. The 1920s closed on a bitter note for the Nationalists. 21

Apart from Hughes and the collapse of the Bruce-Page Government, a number of other factors were important in the shaping of "United Australia". The most important was pointed to obliquely by Hughes in his reference to "a brooding sense of unrest" and his feeling that "there is something even worse than we have experienced not far from us" (see p.18). This was the onset of the Great Depression. Calculating just when it began has attracted considerable historiographical analysis. In conventional terms, the Great Depression is usually taken as commencing with the collapse of the New York stock market in October 1929. Such an international milestone has its uses, but Australia felt the initial effects of severe economic recession earlier, particularly in the smaller and less diversified rural economies of Tasmania, West Australia and South Australia. According to Leslie Melville, then a young and comparatively inexperienced economist:

We had the beginning of our depression, of course, in South Australia about

21. Perkins Papers, op. cit., Massy Greene to Perkins, Latham was more hopeful; see his letter to Perkins, November 26, 1929.
1927, I suppose; things began to go wrong and I was brought in to advise on those sorts of matters at that time.\textsuperscript{22}

The encroaching depression was also felt in Tasmania long before the Wall Street collapse, and rising unemployment and economic stagnation were factors in the defeat of the Lyons ALP Government in June 1928. (This was the first of a sequence of Australian governments to be turned out because of the Depression.) That Bruce was conscious of deepening economic malaise is shown by his references in the passage cited above to a financial position which was "becoming more and more serious." In retrospect, Bruce acknowledged that he had been aware of the impending economic tempest:

Australia, in the latter part of 1928, was in financial and economic difficulties. In addition to these, however, I was convinced that these difficulties were equally prevalent in the great industrial and commercial countries of the world and that a very serious financial and economic crisis on an almost unprecedented scale was looming. In this, for once, I seem to have been right. To face it, I was clear that drastic action was required to put our own house in order, which would involve an over-all reduction in expenditure in every aspect of our national life .... I didn't deliberately commit political suicide to avoid being in power during the Depression, but I was not prepared to sit there unless I was able to do what I thought was necessary to try to save Australia from what was coming to her.\textsuperscript{23}

The assurance by Bruce that he would have retrenched once the industrial question had been resolved must be taken on trust. What is apparent is the degree of laxity shown by the Bruce-Page Government in oversighting the nation's finances, particularly the overseas borrowing programs, during the 1920s. Admittedly, the Federal Government lacked power until the successful incorporation into the Constitution of Section 105A and the conclusion of the Financial Agreement with the states in 1928. This gave the Commonwealth greater control over state and municipal borrowing programs through the institution of the Loan Council. The so-called "development" decade of the 1920s exacted a heavy toll from the servicing of the overseas loan raisings (principally from London) which were required for the provision of urban infrastructure and the opening up of new areas for settlement by the states. The Bruce-Page Government had compounded the problem by a vigorous promotion of development and migration, and by resorting to considerable loan raisings for its own purposes. The Financial Agreement came too late to curb overseas debt servicings, and

\textsuperscript{22} L.G. Melville, interview with Alan Hodgart, ANL Tape, TRC 182, Transcript, p.15.

\textsuperscript{23} Cecil Edwards, Bruce of Melbourne (London, 1965), pp.166-67. A fuller version of Bruce's comments is contained in transcripts of conversations between Bruce and Edwards in Cecil Edwards' Papers (ANL MS 4637). This file contains a jumble of typed extracts from taped interviews between Bruce and Edwards, and from correspondence between them. It has not been possible to cite them precisely.
by the time it began to operate there were clear signs that national income was falling. Debt servicing problems were an important factor in the political conflict which produced the UAP (see Chapter 3).

In terms of contemporary standards of national politics, the Bruce-Page Government was vigorous and innovative. It was a government which placed a reliance on investigation through the work of inquiries and commissions; indeed, the unremitting didacticism of the Bruce-Page Government may have been one of the sources of popular disenchantment with it. Part of the Government's policy thrust came from Page, a country medico with an ingenious but often erratic cast of mind:

He [Page] used to come down from his office to mine practically every morning. He had new brainwaves every day. They were nearly always half-baked. He was bursting with energy, he was full of ideas, and to most of them you had to say: 'My Dear Page, for God's sake go away and have your head read.' But if you had the patience to listen to Page, he'd come up with a helluva good idea now and then.  

Bruce, despite his indifference to many of Page's ideas, was not lacking in a creative approach to government. He had secured his reputation in the Parliament by his membership of "Economy Corner", a grouping which resisted what was seen as Hughes' expansionism. As Prime Minister, Bruce presided over a notable expansion of the public sector, establishing new agencies such as the Development and Migration Commission and re-organising and extending the Institute of Science and Research, which had been established by Hughes. Bruce guided the Commonwealth machinery into new areas of policy and administration, most notably the financing of roads programs. He was not unresponsive to social welfare, supporting Page's sponsorship of Australia's first national housing program, albeit of a tentative and restricted kind, and ordering an inquiry into national superannuation. Bruce was hampered by nagging unemployment, never less than 6 per cent through the 1920s, and, despite his earlier advocacy of economy, by charges of increasing extravagance. Some of the major projects initiated by his government proved impractical, most notably the so-called "34 million pound scheme" for imperial migration, which dumped many British migrants on marginal land in West Australia and Victoria. The tariff was a constant source of tension throughout the period, with the Country Party pushing for reduction in the levels of protection established by the 'Greene' tariff of the early 1920s, and strong elements of the National Party favouring the even higher levels proposed by the ALP.  

Bruce described the coalition with the Country Party as a "more or less happy

24. Ibid., p.82.
25. The "Greene" tariff was named after Massy Greene, the Minister for Customs who introduced it.
Other sections of his party were increasingly uncertain about the value and effectiveness of the coalition arrangement. During a supply debate, a Nationalist backbencher, Henry Gullett, criticised Page as "the most tragic Treasurer Australia has ever had". Gullett, a former journalist and war historian, said that he supported Bruce as National Party leader, but not Page. Bruce rebuked him, but the tag of "tragic Treasurer" stuck to Page throughout his political career. There were other sources of tension within the coalition, particularly with Latham who had been close to Page and the Country Party early in his career but had gradually moved away. The resentment of Nationalist members was focussed on Page whose high-pitched nervous giggle could be heard as either engaging or sinister, depending on the ear of the beholder.

The Nationalists also felt that the Country Party was over-represented in the Cabinet, particularly during the Bruce-Page Government’s first term of office from 1923 to 1925, when five of the 11 ministers were from the Country Party. In subsequent ministries, this was cut back to three, but the Country Party maintained a disproportionate influence through Page’s grasp of the Treasury, and the allocation to Country Party ministers of key portfolios such as Works and Railways, and Markets and Migration. There was criticism of the Country Party influence on government policy, which was seen as oriented toward the rural sector to the detriment of urban and industrial Australia. This anti-Country Party sentiment did not build up sufficiently to threaten the coalition, but it did engender a chill between the parties which created problems when they returned to opposition in October 1929.

The Bruce-Page Government did not lack positive qualities. Bruce was in many ways an effective Prime Minister, concealing a vigorous intellect beneath a phlegmatic temperament and languid disposition. Despite an aura of aloofness, Bruce was courteous, accessible and impeccably correct in the formal conduct of his duties. Lacking political experience (he had been in parliament for little more than a year when he was made Treasurer, and only three years when he became Prime Minister), Bruce was not always judicious in his handling of the party and his conduct of policy, making fatal errors of judgement about Hughes and industrial policy in particular. His efforts to reduce the costs of production and to improve Australia’s trade balance were ultimately unavailing, and with a high level of unemployment and the accumulation of overseas debt, the Bruce-Page Government left the Australian economy vulnerable to the Great Depression. Still a young man politically when he relinquished the Prime Ministership, Bruce’s public career continued for another 20 years, but he was never given a second chance to lead his country.

The structure of the National Party during this period is summarised below, but it is appropriate to say something here about the influence of machine politics on political activity during the 1920s. The political professionalism of the political parties grew steadily in the immediate post-war years, particularly in Sydney and Melbourne. The political machines which developed were associated more commonly with the ALP, and in particular the trade-union-dominated machines of Sydney and Melbourne. The embodiment of machine politics in the National Party was Archdale Parkhill, the Secretary of the National Party in New South Wales, Secretary of the Consultative Council (the fund-raising or sponsor body of the NSW National Party) and Secretary of the party’s federal body, the Australian National Federation (ANF). As a young man, Parkhill had been recruited in 1904 as an organiser for the Liberal Reform Party of NSW by the Premier, Joseph Carruthers. Over 20 years he built up the organisation of the NSW party into a formidable political instrument, securing for himself a considerable reputation as the director of successful election campaigns. This reputation was enhanced in the 1920s by Parkhill’s skilful exploitation of new resources such as improved road transport, the development of radio broadcasting and cinema, and greater sophistication in press advertising. Parkhill had been a leading figure in the adroit use of “Socialist scare” propaganda by the Nationalists, most notably in the highly successful federal campaign of 1925. A short and sturdy man, well developed musculously from boxing and fencing, Parkhill embodied many of the characteristics of the conventional Tory, the ”Old Nat” in ALP parlance. He was pompous in some of his mannerisms and favoured pince nez and spats in his attire. Despite these affectations, Parkhill was not a stuffy figure, but a vigorous and pugnacious political fighter whose affability and competence were respected by his opponents. Elected to Parliament in 1928, Parkhill was an effective and combative parliamentarian, likened by one press report to a tintack suddenly discovered: ”He is not unexpected - he makes the victim ridiculous and he hurts.”28 A political enemy, Percy Spender, who defeated Parkhill at the 1937 federal election extolled his administrative talents:

He was reputed, not without cause, to be an outstanding political organiser. It was generally recognised that he more than anyone else, had built up the [Nationalist] party organisation.29

Parkhill’s development of political professionalism in the National Party machine had its drawbacks as the party machines became increasingly unpopular. Antipathy to party machines and machine politics had two consequences which were important for the emergence of the UAP. It stimulated the development of political reform organisations

28. This paragraph is based on biographical notes and unsourced press profiles in Archdale Parkhill’s Papers (ANL, MS 4742).
29. Percy Spender, Politics and a Man (Sydney, 1972).
such as the Constitutional Association and the Sane Democracy League (SDL), and it produced a favourable climate for the establishment of citizens' organisations, ostensibly on a non-party basis. The Who's for Australia League, formed in Sydney in 1930, was one such anti-party movement.30

There were other movements which espoused a populist approach to achieving essentially political objectives outside the conventional political framework. In West Australia, there was a Secession League which after several years of fitful activity went into recess in 1927 in the face of lack of interest. "Secessionism" re-emerged in 1930 with the creation of the much more successful Dominion League of West Australia. There were feeble stirrings of secessionist sentiment in South Australia and Tasmania. In New South Wales, there was an active New State movement whose principal focus was the north, with a strong regional identity in the New England and North Coast districts. The New State movement was linked to the Country Party, and the producers' organisations which formed the basis of the Country Party in New South Wales.31

Other non-party movements were stimulated by the climate of industrial unrest which pervaded the period. The Argonauts Civil and Political Club, formed in West Australia in 1925, was devised to counter what one of its founders described as a "disturbing element" dedicated to fomentation of political and industrial strife in Australia.32 In practice, the Argonauts were relatively innocuous, devoting their activities primarily to anti-Socialist propaganda among younger people. Of greater significance was the Essential Services Maritime Volunteers, formed to protect voluntary labour on the Port Adelaide wharves during the 1928 maritime strike. At a celebration dinner after the strike ended one of its leaders, L.V. Pellew, spoke of the need for its members to continue their activities so as to see "in what field of service they could be of


32. Harold Boas Papers, manuscript notes, Battye Library, Perth, MS 948A.
help." Elements of this organisation were influential in the later establishment of the Citizens League of South Australia, the first of the citizens' groups to be linked directly with the UAP. The non-party organisations and the citizens' groups were relatively weak in Australia during the Nationalist years, but provided the basis for the Citizens' Movement which swept the nation in the early 1930s and was important in the creation of the UAP.

The ALP had mixed fortunes during the 1920s. Weakened by the defection of Hughes and his considerable body of supporters in 1916, the party restored its electoral fortunes only gradually. Its leaders, Frank Tudor and Matthew Charlton, were estimable figures in the traditional mould of the Labor Movement, but lacked popular appeal. Although the party retained its overall level of national support in the 1925 elections, it sustained a heavy setback with the loss of several seats. It recovered gradually after 1925, and more popular and effective leadership emerged under Scullin and Edward Theodore. The ALP gained good ground at the 1928 elections, establishing the basis for a sustained assault on the Nationalists throughout 1929, greatly aided by the tactical skills and vindictiveness of Hughes and his rebel group. Presented with an election in highly propitious circumstances, with a government defeated in the Parliament and discredited in the electorate, the ALP won a tremendous victory, reducing the National Party to a rump of 18 members.

Two other ALP leaders who were crucial to the fortunes of the UAP rose to national prominence in the 1920s. Lyons, who was premier of Tasmania from October 1923 to June 1928, came from a humble rural background in the north-west of the state. He managed to train as a school teacher, and later undertook some elementary law studies, so obtaining a relatively better education than most ALP parliamentarians of his generation. He joined the ALP after observing inequalities and injustices on the rural estates of northern and central Tasmania. Lyons became a prominent member of the ALP, and was a leader of the anti-conscription movement in Tasmania. Regarded as a firebrand in his younger years, Lyons' political ardour cooled after he entered the State Parliament and held three portfolios, including the Treasury, in the Earle government (April 1914 to April 1916). Elected leader of the State Parliamentary ALP in 1922, Lyons became Premier when the National Government of Walter Lee was defeated on

the floor of Parliament in October 1923.  

Lyons quickly dispelled any notion that his government would be a radical one, moving adroitly to get a hostile press on side and encouraging a consensus approach to major policy issues. The main thrust of his premiership was administrative, with a particular emphasis on reforming the State's financial structure and negotiating a satisfactory framework for financial assistance from the Commonwealth Government. Lyons' success as a consensus leader was so pronounced that he stated publicly his admiration of the Opposition leader, John McPhee, whom he saw as a political friend rather than an opponent. This experience ingrained in Lyons a firm belief in consensual politics which survived even the rude shocks of the 1928 elections when the National Party reverted to hard party politics, blaming the Lyons' government for rising unemployment and economic deterioration. When McPhee won the election, Lyons considered a transfer to federal politics, encouraged by Tasmania's most influential newspaper the *Hobart Mercury*, which promised to support him for the Senate. On the basis of his good relationships with the Bruce-Page Government, Lyons sought a post as an arbitration Commissioner or industrial officer, negotiating through an old ALP colleague, Senator James Odgen, who had defected to the Nationalists and in 1928 was a junior member of the Bruce-Page Government. It is not known what happened to this nibble by Lyons, but it does show that he did not consider himself *persona non grata* with the Federal Nationalist Government because of his ALP affiliations. Lyons stood for the Federal Parliament in 1929, and won the seat of Wilmot. Because of his high standing in the ALP, he was appointed immediately by Scullin to the senior Cabinet post of Postmaster General.

Lyons exemplified in many ways a tendency that was quite pronounced among ALP Federal Parliamentarians from the smaller states. A number of them tended to be conservative, with a deep suspicion of the more radical politics associated with the Sydney and Melbourne trades halls. Some were closer in political attitudes to the Nationalists than to the more radical elements of their own party. In Lyons, this tendency was accentuated by two aspects of his experience as Tasmanian Premier: a belief in orthodox finance, imbued by his experience in reconstructing the state finances and his dealings with the Federal Government; and a firm faith in consensual politics

37. *Ogden Papers* (Tasmanian State Archives), Lyons to Ogden, June 14, 1928.
with a marked distaste for party divisiveness, particularly in circumstances of economic or other emergency. Lyons had shown in Tasmania that he was a politician of considerable popular appeal. He had an attractive and intelligent wife who was an accomplished political performer in her own right, and as a former premier with the electoral asset of a large and still growing family, Lyons' possessed valuable attributes for national leadership.

Lang, the son of a Sydney watchmaker, flourished as an estate agent and auctioneer after some early hardships. He became prominent in ALP branch activity in Sydney's western suburbs, and was elected to the State Parliament in 1913, serving as ALP Caucus secretary from 1916 to 1920, and State Treasurer from 1920 to 1922. He was elected party leader in June 1923, and from June 1925 to October 1927 presided as Premier over a turbulent ALP government. His term was marked by political turmoil and internal strife, but Lang also put the party seal on some creditable social reforms - workers' compensation, widows' pensions, child endowment. Lang was much the most forceful and thrusting of the ALP politicians of the latter half of the 1920s. His imposing presence, intelligence and ruthlessness made him a formidable party politician. To many, Lang embodied all of the evils of machine politics, rather ironically as he was as much engaged in fighting the party machine as in working with it. Others saw Lang as corrupt because of alleged associations with liquor and gambling interests: "Lang back - Tin Hare Shares Rise" was a favourite cry of the Nationalists. Lang with his truculence, charisma and marked tinge of demagoguery was a constant threat to the NSW National Party and its leader, Thomas Bavin, a scholarly barrister whose effectiveness was often impaired by ill-health. The threat of Lang and the ineffectuality of Bavin as Nationalist Premier and Opposition Leader were to play their part in the emergence of the UAP.38

To return briefly to the Federal Parliamentary Labor Party, its composition and character were sufficiently broad to accommodate a range of heterogeneous elements. At one end of the spectrum was the South Australian ex-clergyman, Joel Moses Gabb, who was fiercely independent, essentially an agrarian populist rather than a dedicated ALP man.39 At the other was the small group of radicals associated with the Sydney Trades Hall and led by Jack Beasley. In between, a diversity of individualist attitudes was accommodated within a general conformity to the ALP platform and principles. The heterogeneity of the Federal Caucus was reflected in a wide variety of attitudes to

financial policy, ranging from strict orthodoxy through moderate reformism based on mildly inflationary policies to a radical transformation of the currency. Lyons and other like-minded members from the smaller states favoured orthodox policies and rejected the expansionary nostrums associated with financial reformers such as G.E. Yates and H.P. Lazzarini, and the more moderate reformism of Theodore, whose milder expansionary policies were supported by Hughes. While most ALP members were inclined to moderation, and their political and economic concepts were largely in accord with those of Scullin, there were divisive tendencies in the large Caucus produced by the 1929 electoral victory.

In summary, during the Nationalist era several important trends developed which were to exert a decisive influence on the formation and fortunes of the UAP. The resentment of Hughes simmered through the decade and was finally vented in a notable act of vengeance which exposed the Bruce-Page Government to parliamentary and electoral defeat. The end result was the banishment of a weakened National Party to opposition, and the creation of a new political party under Hughes. In the years immediately before the defeat of the Bruce-Page Government, economic recession had threatened the economies of the smaller states. Through 1929, the outline of a major international depression emerged, and the economic malaise in Australia deepened while the Nationalist Government was preoccupied with industrial policy and did not take corrective action quickly enough. The Australian economy was rendered even more vulnerable by its reliance on commodity exports at a time when world prices were falling sharply. The Government seemed unable to reduce costs of production, and a substantial overseas debt was accumulating.

There was increasing dissatisfaction with party politics, often labelled in derisory terms as "machine politics", and this was partly reflected in the growth of citizens and non-party movements. The unpopularity of the conventional political structure was evidenced as well in increasing support for secessionist sentiments, and for the carving out of new states from the colonial boundaries. Finally, the decline and defeat of the Bruce-Page Government culminated in the election of an ALP government with overwhelming strength in the House of Representatives but greatly outnumbered in the Senate, and with a potential for divisiveness in the composition of its Caucus. All of these themes, important in the emergence of the UAP, are taken up in the next chapter. So far, this account of the National Party has concentrated on the Federal Parliamentary Party. It is intended now to summarise briefly the development of the party at the state level, and then to describe the main features of the party structure and organisation.

40. Denning, Caucus Crisis, op. cit., Chapter 2, "The Men".
In New South Wales and Victoria, extra-parliamentary organisations - the National Association in New South Wales and the National Federation in Victoria - were established in 1917 and continued throughout the decade as the main formal bodies supporting the party. In New South Wales, the National Party secured a reasonable division of government with the ALP, holding office from November 1916 to April 1920, for seven hours on December 20, 1921, from April 1922 to June 1925, and from October 1927 to November 1930 with Bavin as premier. The party was also successful in Victoria, holding office from November 1917 to September 1923, forming a coalition with the Country Party until March 1924, and then governing in its own right until July 1924. The Nationalists were out of office until November 1928, then governed until December 1929, when the ALP was returned.  

In South Australia, a National Party was formed in 1917 of former ALP members who had left over the conscription split. This party co-existed with the Liberal Union, which was formed in 1910, and both parties were members of the ANF which was the federal co-ordinating body. In 1923, the two parties merged as the Liberal Federation. Liberals governed in coalition with Nationalists from July 1917 to April 1920, and then a Liberal ministry held office until April 1924. After three years of ALP rule, the Liberal Federation returned to government in coalition with the Country Party from April 1927 to April 1930, when it was supplanted by an ALP government led by Lionel Hill.  

In Queensland, the picture is rather more complex. A National Political Council was formed in 1916 to accommodate all of the organisations opposed to the ALP and conscription. This body was weakened by withdrawal of some of its elements in the following years. In 1919, the National Political Council joined with one of these breakaway groups, the Australian Democratic Union, to establish a National Democratic Council. In 1923, this body amalgamated with two smaller parties, the National Labor Party and the Northern Country Party, to form the United Party. In early 1925, the majority of the United Party and Country Party state parliamentarians joined to form a new party, the Country and Progressive National Party (CPN Party). An extra-parliamentary organisation with the same name was formed to support them. The various manifestations of "Nationalism" in Queensland were electorally unsuccessful until May 1929, when the CNP Party formed a government with Arthur Moore as Premier.  

In West Australia, the Liberal League which had been established in 1906,

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42. Hughes and Graham, op. cit., pp.204-7; Irving, op. cit., p.56.
continued in existence alongside other organisations deriving from the conscription split: the National Federation and the National Labor Party. Early in 1922, the Liberal League and the National Federation amalgamated to form the National League. Although the National Labor Party continued to exist as a separate entity, it formed a joint council with the National League to fight election campaigns. The position of the parties was rationalised in December 1923, when the National League, the National Labor Party and part of the Country Party merged as the United Party. This was the predominant non-Labor Party through the remainder of the 1920s, and by 1930 had become known as the National Party. There was a sequence of National coalition governments from June 1917 to April 1924, and then the ALP held power until April 1930, when a National Party-Country Party coalition under James Mitchell regained office.44

In Tasmania, the National Federation formed in 1917 was the only extra-parliamentary Nationalist organisation throughout the period. In 1925, it sought to amalgamate with the Country Party as the Town and Country Political Federation of Tasmania, but the organisation collapsed almost immediately. The Liberal Party and then the National Party governed from April 1916 to August 1922, joining with the Country Party in coalition until August 1923. With the defeat of the Lyons Government in June 1928, the National Party took office with McPhee as premier.45

The State Branches of the party were linked as a loose federation, the ANF, which was formed in July-October 1919. This organisation continued through the 1920s, but its activities were sporadic.46 The constitution of the ANF provided for inter-state conferences every three years, with each state entitled to send six delegates. In total, the conference convened on five occasions: twice in the foundation year of 1919, and subsequently in October 1923, October 1926, and April 1931. (The 1931 conference was instrumental in the creation of the UAP - see Chapter 5.) Representatives of all states attended each of the conferences except 1926 when West Australia and Tasmania were not represented, but it was not uncommon for the conference to fall below its peak of 36, and the outer states were often under-represented. Between conferences the constitution provided that the ANF would be run by an executive of three delegates from each state, and this body met irregularly through the 1920s. In June 1922, it met in Adelaide in a bid to sort out the differences between the Liberal Federation and the National Party of

44. Hughes and Graham, op. cit., pp.229-72; Irving, op. cit., p.56.
46. Irving, op. cit., p.227. A copy of the ANF's constitution and platform as adopted at the Second Interstate Conference in Sydney in 1919 is held in the political pamphlets collection of the Oxley Library, Brisbane.
South Australia, which were both members of the ANF. This meeting illustrates some of the problems of running a federal political structure in a context of vast distances between state capitals and transport difficulties. All of the representatives from the outlying states of Queensland, West Australia, and Tasmania were Senators. Victoria, which had the only complete delegation of three members, sent a Senator, the Secretary of the National Union (the branch’s financial sponsor), and a representative of the Australian Women’s National League (AWNL). New South Wales was represented by Parkhill, who was the federal and state secretary, and the secretary of the Consultative Council. At an executive meeting in July 1924 to discuss the electoral pact between Bruce and Page, eight of the 19 delegates were parliamentarians. In a period when parliamentarians had access to train and steamer travel at public expense, it is likely that conference and executive meetings were dominated by them and by representatives of ancillary bodies such as the finance or sponsor bodies and the AWNL which could meet the costs involved. 47

The Constitution of the ANF provided that it consist of “all political organisations in the states that approve of this constitution, accept the platform and agree to support candidates endorsed in the interests of the movement.” 48 There was at least one attempt to disaffiliate, when the 1927 Conference of the United Party of West Australia defeated a resolution to withdraw from the ANF. 49 In November 1930, when the ANF was nearing the end of its life, the Liberal Federation of South Australia decided that its future affiliation was dependent either on revision of the platform, or the granting of permission for each state to draw up its own federal platform. 50 The headquarters of the ANF were established in Sydney, propinquity ensuring the influence of the NSW Branch and its secretary Parkhill. This influence was offset to some extent by the presence of the Federal Parliament in Melbourne until 1927, thus facilitating the relationship of federal parliamentarians with the powerful Nationalist organisations of Victoria. These factors apart, the federal structure of the National Party was a feeble one, with the principal powers to direct election campaigns and to co-ordinate party activities left largely in the hands of Bruce, the federal leader, and Parkhill, the national secretary. Bruce felt keenly the absence of an effective federal machinery, particularly secretariat and publicity functions. 51

This account of the evolution of the various parties shows some of the complexity

47. Ibid., p.227 ff.
48. ANF Constitution, op. cit.
49. Irving, op. cit., p.228.
50. Ibid., pp.228-229.
51. Latham Papers, ANL MS 1009, Series 51, S.M. Bruce to R.G. Casey, May 5, 1932. Casey had proposed the establishment of a federal secretariat for the National Party (see Chapter 10).
of the state branches; it is intended here to indicate only the principal organisational features of a structure which varied from state to state. An important feature of the "Liberal" parties was the early emergence of women's organisations which were closely associated with the party structure. The Women's Reform League of New South Wales had been established in 1902, the Queensland Women's Electoral League (QWEL) in 1903, and the AWNL in 1904. The Women's Reform League of New South Wales (also known as the Women's Liberal League), continued to work in the early years of the Nationalist era, but when the state branch authorised the formation of separate women's branches, its rationale as an autonomous organisation was eroded, and it disbanded in 1923. The QWEL had affiliated with the National Political Council in 1916, but thereafter retained an autonomous existence. Unlike other Nationalist organisations in Queensland, it did not attempt to organise on a regional basis, and its branches were heavily concentrated in and around Brisbane.\(^{52}\)

The strongest and most influential of the women's organisations was the AWNL which, unlike the autonomous organisations of the other states, was given constitutional parity with the National Federation of Victoria, commonly known as the "men's organisation" although it also made provision for women members. The AWNL had an extensive network of branches which it serviced effectively, and its activities extended into the Riverina district of New South Wales. In 1928, its organisers were instrumental in establishing the AWNL on a sound basis in Tasmania where active branches developed in Launceston and Hobart. Smaller women's leagues were associated with the National Parties in West Australia through the 1920s. In New South Wales, where the Women's Reform League was dissolved in 1923, women could join either "mixed" branches or special women's branches.\(^{53}\) In South Australia membership was solely through "mixed" branches.\(^{54}\) The structure was rather cumbersome because even where the autonomous organisations existed women were not precluded from joining the ordinary branches, and constitutional provision was made for the representation of women on central executives and committees. Accordingly, there was a degree of duplication and wastage of woman power.

Women in the National Party were a prime source of support in extra-parliamentary activity such as headquarters administration, servicing branches, and

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52. Irving, op. cit., Chapter 6, pp.236-61. For individual organisations, see the papers of the QWEL (Oxley Library, Brisbane); papers of Mrs Elizabeth Couchman (LatL MS 8713, ANL MS 2752); and Ivy Wedgwood (ANL MS 5159) for the AWNL; and correspondence in the Latham Papers, op. cit., Series 1, 50 and 51 for the Tasmanian AWNL. The AWNL also published a regular journal called The Woman which is in the Latrobe Library, Melbourne.


54. Ibid., p.249.
providing electoral workers. Women candidates for parliamentary office were rare, although not unknown. Mostly, Nationalist women were content to put forward a point of view through the party, and not to enter the parliamentary forum. The relationship between men and women within the party was generally harmonious, although there were complaints, particularly from the QWEL, about lack of recognition and support from the men's organisations. 55 An attempt was made in 1928 to establish a national federation of women's organisations to be known as the Australian Women's National Organisation, but it did not succeed. 56

The branch membership of the Nationalist extra-parliamentary organisations was skewed to the middle-aged and elderly. Attempts were made in some branches, particularly New South Wales, to encourage youth involvement, but mostly the National Party lacked appeal to younger people. In 1929, towards the end of the Nationalist era, a Young Nationalist Organisation (YNO) was formed in Victoria, and in a relatively brief period it built up an influence equivalent to that of the State National Party Branch and the AWNL, its constitutional partners. "Young Nationalist Organisation" was something of a misnomer. Much of its membership was over 30, and some of its members were even more mature. The principal appeal of the YNO was to younger men who had achieved a degree of professional or business success, who were frustrated by the often stodgy organisation and conventions of the National Party, and who were anxious to participate in non-Labor politics and public life. One of the founders of the YNO was Robert Menzies, a young barrister who was elected to the Victorian Legislative Council in 1928. At the time of the formation of the YNO, he was Minister without Portfolio in the Nationalist ministry of William McPherson. 57

The National Party is often seen as having a pervasive Labor influence throughout its existence. Certainly the former ALP members played an important part in Hughes’ initial federal Cabinet, which included five of them in a Cabinet of 11. Holman’s first Nationalist Cabinet in New South Wales contained four of his former ex-Labor supporters in a Cabinet of 12, and there was ex-Labor representation in South Australia and West Australia. The ALP influence soon dwindled. Once Hughes departed, the Cabinet of Bruce-Page contained only one former ALP member through the 1920s, Senator George Pearce, whose political attitudes became increasingly

55. Ibid., p.243 ff.
56. Executive Committee Minutes, July 7, 1928; QWEL Papers, op. cit.
57. The YNO published a journal called the Australian Statesman (Young Nationalist in the earlier issues), which contained considerable material on the activities of the organisation and biographies of its principal figures, including Menzies. See also Frederick Howard, Kent Hughes, a Biography (Melbourne, 1972), p.57 ff. For an account of Menzies' early career, see Cameron Hazlehurst, Menzies Observed (Sydney, 1979), Chapters 1 and 2.
conservative. In 1919, there were 14 former Labor members in the Nationalist contingent in the House of Representatives, but numbers diminished through the 1920s until by 1930 there were none. At the state level, there were no ex-Labor members in the Tasmanian and Queensland lower Houses during the 1920s. In the other states, ex-Labor representation fell steadily through the decade until by 1930 there were none in New South Wales and Victoria, three in West Australia, and one in South Australia. The lingering aura of ALP influence in the National Party was largely due to the continued presence of three exceptional political figures - Hughes, Pearce and Holman. By the late 1920s, the last traces of any significant and enduring ALP influence had been expunged from the party.58

The most controversial feature of the Nationalist organisation was the existence in some states of finance or sponsor committees which were not elected by the representative bodies of the party, but were composed of senior business and professional men. These bodies operated outside the conventional processes of the party, and there were complaints within the party and in the press about the secrecy with which they functioned. In practice, the composition and processes of the finance committees was not wholly secret as their members often participated in other units of the party organisation. From party and press sources, it is possible to put together reasonably comprehensive lists of membership, and to provide some sort of a profile of those who financed the political activities of the National Party. Because the committees were not required to report formally to the party or to disclose their assets or lists of contributors, criticism of their lack of accountability was justified.59

The major financial sponsors were the National Union of Victoria, formed in 1917 and a direct successor of the Liberal Union which had raised funds for the Liberal Party, and the Consultative Council in New South Wales, formed in 1919 and also known in its early years as the National Party Organisation Fund. The National Union was formally represented on the council and executive of the National Party of Victoria. The Consultative Council had no such formal links with the National Party of New South Wales, although the executives of the two bodies maintained close contacts. Successive secretaries of the NSW National Party, Archdale Parkhill and H.W. Horsfield, were also secretaries of the Consultative Council. In Queensland, a National Union was formed in 1917 and existed until the mid-1920s, but little is known of its structure and activities. South Australian Nationalists formed a National Union in 1917, but it was abolished in

58. Irving, op. cit., p.61, table 2, supplemented by Cabinet lists in Hughes and Graham, op. cit. Holman was elected to the Federal Parliament as a UAP member in December 1931.
59. Irving, op. cit., pp.129 ff. assembled valuable lists of sponsor committee membership during the 1920s.
1923. In 1929 a Pro Rata Assessment Scheme was established to finance the party, but this was abolished after the formation of the Emergency Committee in 1931 (see Chapter 5). In West Australia, a National Union existed from 1918 to 1924, but at the instigation of Bruce, it was replaced by a Consultative Council in 1925. An unsuccessful attempt was made in the 1920s to federate the state finance committees.\(^{60}\)

With only meagre details of how they functioned, it is difficult to give any comprehensive account of the finance committees. Other elements of the National Party were critical of the committees, particularly of the National Union, which Hume Cook saw as acquiring such a dominance over the executive of the National Federation as to make its free and efficient working virtually impossible.\(^{61}\) The National Union was held responsible for a sequence of manoeuvres which influenced Hughes to appoint Bruce rather than Massy Greene as Federal Treasurer in 1920. As well as membership of the governing bodies of the National Party of Victoria, the National Union participated in election campaigns through the Victorian National Council which also included the National Party branch, the AWNL and in later years the YNO. The relationship between the Consultative Council and the NSW National Party was less overt; it seems to have been less involved in the day-to-day workings of the party but it was undoubtedly influential in fund raising and electoral planning. Details of funds raised are sparse, but in the first year of operation, the Consultative Council was reported to have raised 70,000 pounds, a very substantial sum and one which is difficult to relate to other information on fund raising in these years.\(^{62}\)

A frequent complaint about the finance committees was that the party leadership by-passed the party's extra-parliamentary organisation and went directly to finance committees for advice. This criticism was put succinctly by W. Plain, a former ALP supporter and President of the Victorian National Party:

> The government never consults the Federation. If it wants information it goes to Willis [Secretary of the National Union] and asks him. No wonder they go wrong. We've got the experience but they don't ask us, they go to the money


\(^{62}\) Irving, op. cit., p.141. The principal figures of the National Union during this period were the Chairman, Robert Knox, and the secretary, Ernest Willis.
The basic principles of organisation were the same from branch to branch, although there were differences in structure and implementation. Each state branch had an annual conference for the mass membership, and a smaller council which met a few times each year. (In South Australia, these functions were merged in a larger council which met more frequently through the year.) Effective administration devolved on executives which were elected by the larger bodies, constituted so as to reflect the range of party membership (men and women, city and country), and to include representation of state and federal parliamentarians. Most branches had a modest committee structure embracing finance, literary, publicity and other organisational functions. In some states, the party activities were closely linked to clubs or club rooms (the National Club in Sydney and the AWNL Clubrooms in Melbourne).

In practice, the administration of the party branches was undertaken by relatively small groups in each state. Because of transport difficulties, country delegates often missed meetings. Regional organisation of the party was mostly apathetic, unless an election was imminent. The vast extent of Queensland defied the efforts of successive non-Labor parties to establish an effective regional organisation. There were difficulties in building a coherent branch structure in Tasmania, which broke into loosely co-ordinated north and south divisions. With all of these deficiencies, the party established electoral organisations which varied in quality from state to state but at best were effective and often innovative.

The National Party was founded on what was seen as great principles: national unity, winning the war, imperial loyalty. It brought together the old Liberal Party and a substantial part of the ALP. Although Hughes could not carry the conscription referenda, he convincingly retained the loyalty of the Australian electorate. Once the war passed, the rationale for a "National" Party became clouded and the old tensions between conservative and liberal elements within the party re-emerged. Bruce succeeded in giving a sense of national vision to the party in the first half of the 1920s with his advocacy of development and migration, best expressed in his famous catch-phrase, "Men, money and markets." This vision dissipated amid increasing industrial unrest, evidence of mounting international indebtedness, and the approach of the Great Depression.

Nationalists were fond of envisaging their party as one accessible to all, with no restrictions because of class or sectoral interests. According to Gisborne, the party

64. This paragraph is based on material in issues of the *ANR* for 1929-30.
included "Socialists of a mild type, uncompromising Tories, ardent Imperialists, extreme Protectionists, and a few moderate free traders." Despite its broad national objectives, the party became increasingly urban, and it gradually lost its appeal for the "middle vote" which had ensured its success. This drift back to conservatism was summarised by Massy Greene in a retrospective analysis after the defeat of 1929:

> It is going to take a longish time whatever we do to draw back to the old allegiance tens of thousands who left on the twelfth [of October 1929]. I have never worried my head about the conservative end of our party. They are hopeless as political guides and helpless as a political force unless they are backed by the vote of the decent wage earner. It is from that source that the real vital force of the National Party has come. From my point of view the Nationalists of Bellevue Hill, Potts Point and Toorak don't count. The National Party is not composed of the wealthy grazier and the like. The National Party is the middle vote [author's emphasis] and unless we take steps to reassure them a little the vote is going to find a new political home - they won't stay long with Labor but they won't come back to us if we are going to cling to Bruce's method of bringing about such economic readjustment as circumstances may demand. I never agreed for a moment with what was done and if we are going to win again I am afraid we have got to eat some humble pie and say we were wrong. If we don't then I can see no future for the party except a lingering death and ultimate decomposition.66

"Lingering death and ultimate decomposition" ... Grim words! Massy Greene's gloomy exposition of the folly of pushing the National Party into the conservative camp conveys the desolation which pervaded the National Party after the defeat of the Bruce-Page Government in 1929 and three Nationalist state governments in 1930 (New South Wales, West Australia and South Australia). The party was saved from the dire fate that Massy Greene predicted by the unique combination of circumstances which forms the subject matter of the following chapters.

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CHAPTER 3
THE EMERGENCE OF THE UAP

Introduction

Establishing precisely when an historical movement begins is a matter of some difficulty. In a formal sense, it is easy to list dates at which important announcements were made, or when clearly discernible events occurred. The emergence of the UAP was a process based on intricate and interlocking strands of national activity, and an arbitrary decision is required as to when the story starts. Some of the principal factors were alluded to in the previous chapter: the existence of a rudimentary Citizens’ Movement; a growing disillusionment with party politics, and party machines in particular; the decline of the National Party as a vote winner; the revival of the ALP; the Great Depression. Taking into account all of these factors, the most appropriate starting point for the emergence of the UAP is October 1930. In this month occurred three events of cardinal significance in Australian political history. The first was the re-election of Lang as NSW Premier on a policy popularly equated with the twin evils of repudiation and inflation. In many ways, Lang was a catalyst in the formation of the UAP, and he remained an indispensable target of the UAP’s propaganda until the late 1930s. Even in 1937, the daemonic figure of Lang remained a potent influence on the federal election campaign. It would be untrue to say that there would not have been a UAP without Lang, but his image was a decisive factor in the consolidation of the forces which comprised the new party.

The second important event was the formation early in October of the CL of South Australia, first of the great citizens’ leagues which were to dominate Australian politics in the early months of 1931, and exert a dwindling but still significant influence through the remainder of the year. It was some months before the CL was emulated, but it led directly to the creation of powerful citizens’ movements in New South Wales and Victoria, and to the sprouting of a subsidiary crop of smaller leagues in the other states. This proliferation of citizens’ organisations with a strong anti-party bias was instrumental in the gradual shaping of the UAM and the UAP through 1931 and the early months of 1932.

The third factor which stimulated the emergence of the UAP was the sequence of convulsions over fiscal and monetary policy which shook the ALP Federal Government,
beginning late in October 1930 and continuing through November and December of that year. In the absence of Prime Minister Scullin, and with Treasurer Theodore standing down from Cabinet but still an influential member of the Federal Caucus, Lyons as Acting Treasurer was the central figure in a tumultuous debate within the Government Party over inflation and repudiation. Lyons' resistance to the Caucus majority which favoured credit expansion and some deferment of repayment of debts made him a hero to a nation in which the ethic of financial orthodoxy and the principle of honouring contracts were deeply engrained. Lyons was also at the centre of a triumphal campaign to re-convert a substantial part of Australia's internal debt at lower interest rates. Before taking up the events of October 1931, it is necessary to summarise the development of Hughes' Australian Party, and the political circumstances of government and opposition parties in the preceding months.

The Australian Party

The principal anomaly of the 1929 federal elections was the return of three members of the rebel group which precipitated the election as independent Nationalists - Hughes, Maxwell, and Marks. With Senator Duncan, who had supported them in bringing down the Government and during the election campaign, they were refused access to the National Party room, and took their place in the Parliament as independents. This paved the way for the formation of a new party, based on the Hughes' group and a small existing party, the Australian People's Party (APP) which had contested two Sydney seats in the 1929 elections. With this backing and an intimation of support from the Young Australia Party of Queensland, Hughes held a meeting in his parliamentary room, then announced the formation of the Australian Party.¹

The advent of the new party was welcomed in fulsome terms by the Sydney Sun which remained the party's strongest supporter in its early months:

Tied to no section or machine, and with a platform wide enough to admit all classes in the community, and pledging itself to act and not to talk, the Australian Party was formed at an enthusiastic meeting in Chatswood last night. Behind the movement is the driving force of W.M. Hughes, more astute, keen and pugnacious now than in the storm and stress of the memorable war years. His limitless energy has breathed life into the new party, and his speech last night - logical glittering, aflame with satire and packed with common sense - proved again if proof were needed, that his is the most brilliant brain on the

political stage. Other responses to the arrival of the Australian Party were more sceptical. The Nationalist Premier of New South Wales, Tom Bavin described it as a party called into existence to gratify Hughes' determination to lead something. The Labor Daily saw its chief claim to consideration as the blatant pirating of planks from every other political party in Australia. In orientation, the Australian Party was a rather feeble attempt at a centre party. Hughes stressed that the party would oppose the dominance of any party machine, or of any section or individual within such a machine. While the party opposed the "internationalism" of the ALP, it would support the Scullin Government as long as it promoted the welfare of the people. Unemployment and industrial policy were given a strong emphasis, and Hughes tended to play down the imperialist element, stressing Australia's status as a self-reliant nation within the British Commonwealth. He committed the party to support of greater powers for the Commonwealth, and opposition to states rights. Although opposed to dependence upon vested interests, and pledged to obtaining funds from its supporters, the party's support for high tariffs earned it financial backing from some manufacturing and brewery interests.

The Australian Party was established in Melbourne at a meeting on December 17, 1929, and Hughes and Maxwell (the party's only Melbourne parliamentarian) toured Gippsland forming party branches. Hughes went to Adelaide in early February 1931. According to Westerway, Hughes did not set up an organisation in South Australia, but occasional references in the Adelaide press through 1931 indicate that the party had at least some basic representation in that state. At an early stage, the Australian Party amalgamated with the APP, whose principal planks of abolishing pre-selection, transferring powers to the Federal Parliament, and simplifying the constitution were acceptable to Hughes and his colleagues. In the Federal Parliament, Hughes, Marks and Maxwell mostly voted as a group in support of the government. Maxwell was inclined to vote independently on occasions, once voting with the National and Country Parties against a banking measure which was supported by Hughes and Marks.

The party continued to organise in Sydney and Melbourne through the early

7. Westerway, op. cit., pp.9-10. The press cuttings book of the Citizens' League of South Australia (ANL MS 1178) has occasional references to the Australian Party. These indicate that the party had South Australian representation rather than any machine or branch structure.
months of 1930. Duncan boasted that it had more active members than the Nationalists in the Sydney metropolitan area. By April, the party claimed 75 branches, including several taken over from the APP, with a total membership of 4,000. The first convention of the party was held in Sydney at Easter, with each branch sending two delegates. The structure of the NSW Branch was not dissimilar to the Nationalists with an annual convention, state council and executive, and provision for a speakers' association, women's club and Women's Organising Committee. In Victoria, a headquarters office was established with a small staff, although the *Melbourne Sun* noted at the end of January that Hughes had done most of the Victorian organising. The first Victorian State Convention was held in September, with the party claiming a Victorian membership of more than 3,000, and 62 branches, 46 of them in the metropolitan area. An attempt was made to evolve a national framework through a federal conference which would control and decide all federal matters, but this does not appear to have ever functioned.

Despite assurances by Duncan that the party was on the point of establishing a firm footing in four states, the Australian Party was plagued with personal and organisational problems almost from its inception. The incorporation of the APP did not prove a success, and there was constant criticism from former APP members that the Australian Party represented the re-establishment of a party machine. There was continual dissension in the branches, and a number fragmented. The Sydney barrister, Richard Windeyer, who had given Parkhill a good fight for the Sydney seat of Warringah at the 1929 federal elections as an APP candidate, was particularly critical of the emergence of a new political machine dedicated to the political interests of Hughes. An attempt was made in March 1930 to restore the APP as an independent entity. In the same month, a member of the Australian Party, A.C. Miles, estimated its total membership at around 1,000, and claimed that attempts at country organisation had proved a fiasco. According to Miles, there were only 700 party members in Victoria, most of them personal supporters of Maxwell.

In the Federal Parliament, strains soon emerged among the gifted but egocentric group of Australian Party members. From the beginning, Maxwell had felt that the tone of the party should be conciliatory:

I think the keynote of our activities should be reconciliation with our old colleagues of the National Party. We are not going to enter upon a crusade of recrimination and blame.
Recrimination and blame were very much what Hughes had in mind, and he tailored the policies of the new party to accord with his own preferences. There were constant strains between Maxwell and his colleagues which culminated in Maxwell breaking all ties with the party in June 1931, after disagreeing with Hughes over constitutional amendments and preference to unionists. Maxwell claimed that as he had not received a notice of expulsion from the Nationalists, he regarded himself as still a member of the National Party. He also claimed that he had not resigned from the Australian Party because it did not exist: proposals had been made merely for the formation of a new party. Such an ambiguous approach to the Australian Party is illustrative of the problems faced by Hughes in welding together a new centre party, with a leaning to the ALP.

Hughes' problems were magnified by his own tactical misjudgments. In September, he issued a pamphlet, "Bond or Free", which included a vitriolic attack on Otto Niemeyer, the London banker who visited Australia as head of a British mission inquiring into Australia's financial viability. Marks objected both to the pamphlet and to Hughes' action in publishing it without consultation, which he saw as autocratic in the style of the Bruce-Page Government, so he resigned from the party. "Bond or Free" also cost Hughes the backing of the Sydney Sun, which had supported the party in its columns and supplied it with office space. The paper attacked the pamphlet under the heading, "Party which went over the Gap". In fairness to Hughes, it seems that he was in part the victim of newspaper politics, for the Sun had just acquired the Evening Standard whose politics leaned to the Nationalists. The loss of one of three remaining parliamentarians and the withdrawal of the party's sole press support were crippling blows to Hughes and his party on the eve of the NSW state elections.

The Australian Party had contested a by-election in the Sydney state seat of Lane Cove with a discouraging result, and this was a pointer to its dismal showing in the state elections of October 25, 1930. The party contested 17 seats, only two held by the ALP, and the highest vote it recorded was 16 per cent in Burwood. Its preferences split fairly evenly between ALP and the Nationalists. In an election where there was marked polarisation between ALP and Nationalists, there was no role for a centre party, even one led by Hughes. The crushing defeat effectively marked its demise as a political force, although it retained a vestigial organisation. The party played no role in the negotiations which produced the UAP, Lyons and Latham preferring to deal with its members as individual parliamentarians and not as a party (see Chapter 5).

14. SMH, September 15, 1930; Sydney Sun, September 17, 1930. Westerway, op. cit., p.22. The Gap was a Sydney geographical feature and a favoured suicide spot.
15. Westerway, op. cit., p.22 ff.
A curious feature of the brief history of the Australian Party was the role of Massy Greene, who had been prominent in advising the rebel group which brought down Bruce-Page, although he did not vote against them. Press accounts identified Massy Greene with the Australian Party, and Westerway accepts that he was a full parliamentary member of the party. In fact, Massy Greene, who was then a Nationalist Senator, was ambiguous in his attitude to the party, preserving his personal loyalty to Hughes and giving a degree of encouragement without committing himself irrevocably to it. The only reference to a Massy Greene in the organisation of the party is as a member of the Women’s Organising Committee, and it is reasonable to assume that this was Mrs Massy Greene. (A frequent point of criticism from the party membership was the dominance of the parliamentarians and their wives on the party machinery.) Massy Greene did withdraw from the National Party room for a year, but re-joined without difficulty (see below). His political activities through 1931 indicate that he enjoyed the political goodwill of both Nationalist and Australian Parties without firmly committing himself to either, a notable political achievement.  

In the eyes of the Nationalists and the Country Party, the Australian Party was virtually a parliamentary arm of the ALP. The Deputy Leader of the Federal Parliamentary National Party, Henry Gullett, dismissed it as a part of the ALP, subservient to the Labor whip. Hughes had certainly drawn closer to the ALP in 1929 and the early months of 1930, and he may have been angling for some sort of National Labor Government, as Westerway suggests. In particular, he had established a relationship with the Deputy Prime Minister, Theodore, and the Australian Workers Union. As the year progressed, Hughes became increasingly disenchanted with Scullin and Theodore, particularly over their vacillation on economic policy and their failure to implement the sort of expansionary policies which he favoured. The disillusionment of Hughes and the party’s poor performance at the NSW polls were the major factors in the inaction of the Australian Party after October 1930.

It is too easy to dismiss the Australian Party as an auxiliary of the ALP. Part of its membership saw it as a Nationalist-type organisation which had been formed to ginger up the National Party but retained a basic Nationalist identification. A former official of the party, H. Macourt, described it as wholly a Nationalist-type organisation with its members either ex-Nationalists or political novices:

There were too few people with practical experience, and too many enthusiastic

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16. Fitzhardinge, op. cit., p.591-2; Westerway, op. cit., p.34. When Massy Greene was subsequently knighted, he hyphenated his surname and was known as Sir Walter Massy-Greene.
17. Age, May 14, 1930.
18. Westerway, op. cit., p.3.
The party also tried to accommodate a strong anti-party element which a few months later would have found a home in the citizens' movement. The potential for conflict within the Australian Party was considerable, and it is not surprising that it failed to meet the conflicting expectations of its supporters.

In summary, the Australian Party was an interesting venture at a time when party politics was becoming increasingly disreputable. The party attracted a diversely-talented group of parliamentarians, who proved incapable of working in harmony or creating viable state political machines. The Australian Party remained largely a personal organisation, with its branches clustered in the federal electorates held by Hughes (North Sydney), Marks (Wentworth) and Maxwell (Fawkner), and in the Sydney seats of Martin and Warringah which the APP had contested in 1929. Hughes may have been unlucky in his timing. If he had held off for a year, he might have found an opportunity for a new party in the emergence of Lang, the growth of the Citizens' Movement, and the rapid disenchantment of the electorate with the Scullin Government. In the circumstances of late 1929, and early 1930, a party with some leaning to the ALP and which bore the unmistakeable stamp of Hughes' policies and organisation was not viable.

The Opposition Parties

The severe election defeat of October 1929 left the National and Country Parties with a total of 24 members in the House of Representatives. The defeat of Bruce left Latham as the logical successor with Gullett and Parkhill the only possible rivals. Latham has given a vivid description of his election as leader:

At a naturally rather depressed party meeting, I was elected leader. Massy Greene then spoke. He said that the party had made a grave mistake - I had certain ability but I did not possess the qualities either of a parliamentarian or of the leader of a political party. He dissociated himself from what had been done and asked that he should no longer be sent notice of party meetings. (This was an encouraging start for me.) He ceased to attend party meetings and had nothing to do with the party.

Such a resounding lack of endorsement from a senior party member did not augur well for the Nationalists' prospects under Latham. There was a general agreement that the parliamentary remnant was lacking in talent:

You [Latham] have a weak party behind you, and Labor when in power is

always loud-voiced and tyrannical; further you will have to ginger up some of those on your side who are sluggish and make them do the job.... Charlie Marr had lunch with me at the Savoy one day and lost his seat a month or two later.21

Latham himself had few illusions about the quality of the team behind him:

I actually got my party to stand up behind me to propose a reduction of the salaries of members and public servants. I assure you that this is no small matter, but the circumstances in my opinion most obviously demand it.22

The composition of the National Party in the federal parliament was best described by one of its members, J.G. Bayley, as "a Ragtime Army".23

In these circumstances, an immense amount depended on the personal and parliamentary qualities of Latham. Despite his lack of popular appeal, Latham was an accomplished parliamentary tactician, a lucid and compelling speaker, and a worker of heroic proportions. Combined with the histrionic talents of his principal lieutenants, Gullett and Parkhill, these qualities served to get the demoralised parliamentary Nationals back into some sort of fighting trim. An American scholar, John R. Williams, has described Latham's parliamentary impact in these difficult days of parliamentary reconstruction:

Latham not only delivered the major speeches in the House, but he also wrote many for his followers to deliver. In spite of their small numbers the Opposition was highly effective, although there was a constant problem in finding enough Nationals to speak. When Latham needed time to prepare another onslaught upon the government he would sometimes ask Archdale Parkhill to speak. Like a "bull ant" Parkhill would attack the government, infuriating Labor members, until Latham was ready to take the floor.24

Latham's incisive dissection of government legislation, Parkhill's talents as a vaudevillian and parliamentary improvisor, and Gullett's skills as a debater and publicist helped the Nationals to regroup in difficult circumstances. The defeat also gave the National Party a chance to look at its organisation in the usual fashion of ousted governments. There was general agreement that the party's organisation had grown increasingly debilitated through the onerous but generally successful decade of the 1920s:

The [National Party] Organisation is due for the most searching reform and the work should begin from today. The party wants young life, new organisation

22. Latham to Bruce, n.d., Latham Papers, op. cit., 1009/1/1984. For undated letters in Latham's principal correspondence file, the full series entry is given.
and some semblance of enthusiasm in its electoral branches if it is to elicit its
due confidence from the country as a free and virile organisation. It would not
have suffered from the outrages upon it of Mr Hughes and Mr Marks if it had
not already injured and weakened itself.25

The party appointed a series of organising and political liaison committees in each
state, directed principally to sharpening up the organisation in federal and state
electorates. Comparatively little attention was paid to the philosophy of the party, its
structure, or its policies. It seems to have been implicit that the basic machinery of the
party was not at fault, and there was no reason for overhauling it. Latham showed no
inclination to bring forward the next sitting of the party's Interstate Conference which
had been scheduled for early 1931. While there was some sensitivity about policy issues,
particularly the industrial policy which had proved so disastrous in 1928-29, the
Nationalists did not feel that any writing of new policy or even substantial revision of
the existing platform was necessary. There was an early recognition in the National
Party of the tremendous difficulties facing the Scullin Government, and that its
ministers were not particularly competent or experienced. According to Ogden, the ALP
team was not a strong one, apart from Scullin, Theodore and Lyons. Ogden wondered
where the Labor Government would raise the necessary revenue:

... although they may create a little artificial prosperity ... the financial and
economic position must get worse eventually and the people will turn again to
Nationalism before long .... Lyons is over here [Tasmania] stressing the empty
Treasury, and the task which they have to bring order out of chaos. Nothing
but a succession of good luck will save them from failure.26

With the possible addition of Beasley, Ogden's listing of the strengths of the ALP
Cabinet is accurate enough. While it is a standard ploy of any incoming government to
describe in the dreariest terms the situation which it inherits, Lyons had not over-stated
the plight of the Scullin Government in his visit to Tasmania. In February 1930,
Latham summarised the predicament of the government in these terms:

The government is getting into more and more trouble ... There is a lot of
dissatisfaction, and they are being abused in all states .... There are, as you
[Bruce] know, grave financial difficulties. The existence of the Loan Council is
preventing Theodore from paying 8 per cent for money. Theodore is very much
in the cold at the present time owing to his false [electoral] promises re coal,
etc. .... It is clear that the government is already in difficulties .... Hughes is
going around the country holding meetings in favour of his new Australia
Party, which consists of Maxwell, Duncan and Massy Greene [sic].27

It was hardly necessary for Latham to point out to Bruce that there were financial

25. SMH Editorial, October 14, 1929.
27. Ibid. Latham to Bruce, February 3, 1930.
difficulties, as the former Prime Minister was only too familiar with the legacy he had left to his successor. In London, where Bruce had gone after his electoral defeat, he was in close touch with the British reaction to Australia's problems in servicing a massive accumulation of indebtedness:

There appears to be no doubt that we are going to have a pretty hard time in Australia and it is very hard to see where the requirements of the Commonwealth and states for Loan moneys are going to be met. There are some pessimists here [London] who are even doubting her [Australia's] conversion obligations in the present year. This individual is taking an exaggerated view, but there is no question that the financial difficulties are going to be fairly paralysing.28

Bruce forecast accurately at the start of 1930 the financial paralysis that was to overtake the Scullin Government, and the massive reconversion problem that would bring it to crisis. In the final months of that year, Bruce also foreshadowed the curtailment of new loans for public works and the inevitable diminution of employment from these sources. He recognised the embarrassment to the Scullin Government and, despite his own former involvement, could not resist some jibes at its discomfiture, tempered with a realistic recognition that this could create ultimate problems for a restored Nationalist Government:

It [the financial situation] will, however, knock a few more nails into the coffin of the Government, and must, I think, inevitably lead to such a reaction against them that when an election comes, there will be a tremendous swing in our favour which will probably put us back into office. The position, however, which we would have to face if that came about is going to be about as difficult as any government was ever confronted with.29

Latham was also able to find similar malicious pleasure in the efforts of the Scullin Government to reassure the London financial markets:

The cables about Fenton [Minister for Markets] would be amusing if one did not feel concern about the reputation he must be giving Australia by talking about his socks and by insisting on a British breakfast in France and by blithering about the Universe.30

Apart from the financial problems of Scullin, which were partly due to the policies of his own government, Bruce was able to take satisfaction in the grave discomfiture of Theodore, who stood down as Deputy Prime Minister and Federal Treasurer because of a Queensland Government Royal Commission into his mining and financial activities. Referring to the considerable publicity given to the incident, Bruce suggested that the investigation of Theodore had disclosed facts which had been pretty well known for some years past, but which "none of us were ever very optimistic that we would ever get any

28. Ibid. Bruce to Latham, April 11, 1930.
30. Ibid. Latham to Bruce, February 9, 1930.
sort of official publicity for the facts .... I should imagine that it is almost impossible for the Queensland government to take any criminal proceedings which would land Theodore in the place where he should be. 31

Wherever Bruce felt Theodore should be, the Deputy Prime Minister was not in the ministry, where his considerable talents were essential at a time of increasing policy disarray. The embarrassment of Theodore and the increasing difficulties of the Government in the face of financial catastrophe provided opportunities seldom enjoyed by an opposition party. Even with limited numbers, Latham was able to capitalise on them. Williams describes his parliamentary approach in this way:

While he was profoundly disturbed over economic conditions in Australia, as an able tactician Latham appeared to enjoy these opportunities to ridicule the Laborites. 32

Given such a rich and largely unexpected opportunity, Latham developed qualities of ridicule and invective which had not previously characterised his rather austere public style:

The Labor Party is a series of apparently unending faction fights. It is a process of mutual expulsion. Nearly everybody who is anybody in the Labor movement has been expelled for something. In South Australia they expelled all those who supported the Lang plan, and then they expelled those who opposed it. 33

The Federal Opposition had one other incomparable parliamentary weapon: control of the Senate, where there were only seven Labor Senators in a chamber of 36. With the Government reeling from a sequence of financial blows, the Opposition in the Senate, capably led by Pearce, showed an increasing disposition to reject or impede government legislation, unfettered by any conventional notion of mandate or supremacy of the people’s house. There were even suggestions that the Senate might be prepared to withhold supply and force the government to the polls. 34

By October 1930, the prospects for the Opposition had brightened considerably. The National Party was looking forward to an early return to government, despite some apprehension about Latham’s lack of electoral appeal. The restoration of the Nationalist fortunes was dramatised in the decision of Massy Greene to return to the Party room, an event recorded by Latham:

31. Ibid. Bruce to Latham, July 15, 1930.
32. Williams, op. cit., p.18.
33. SMH, November 17, 1931.
34. These suggestions were referred to in cables from the Melbourne stockbroker and former journalist, Staniforth Ricketson, to the London financier Lord Glendyne. Cables between Ricketson and Glendyne are contained in the Ricketson papers, held by the Melbourne stockbroking firm, J.B. Were. These papers were not available when this thesis was written, but some of them were published in the National Times, May 27, 1978, p.7 ff.
After about a year, I received a letter from him [Massy Greene] in which he said that his misgivings with respect to me had been removed, and even paid me some compliments. He asked me [for him] to be restored as a member of the party and thereafter he took an active part in party affairs .... 35

One disconcerting note in the Opposition's revival was the cooling of relations between the National and Country Parties. The parties co-operated well enough in the Parliament, but there were frictions over the tariff, arbitration and rural policy. Latham, Gullett and Parkhill were much less sympathetic to the Country Party than was Bruce; in the case of Gullett at least, the approach bordered on contempt. It is not easy to discern the reasons for this repugnance. Latham in his early years in the Parliament had been a confidant and adviser to Page, but the close relationship seems to have faded. Gullett had described Page as "The Tragic Treasurer" (cf. page 24), and Parkhill as a former machine official of the NSW National Party had encountered the Country Party in the rougher side of politics, particularly during election campaigns. With the National machine gearing to contest more rural seats in accordance with its post-election re-assessment, there were increasing opportunities for misunderstanding. While the relationship of the parties in Opposition was formally correct, some souring was evident.

Assessing the situation at the end of 1930, Latham was disposed to be realistic, although with a grain of optimism. He acknowledged that the people were very tired of governments generally, both of "us and of them". He felt that a majority of the ALP favoured inflation, and that an election was probable some time in 1931 on the issues of currency and banking, with the ALP Government proposing political control of banking, releases of credit, stabilisation of prices, and maintenance of wage standards, all to be achieved by the printing and issuing of notes. The National Party would oppose these proposals, and it was quite likely that the ALP, by putting the issue as the "banks against the people", would win handsomely. In this event, there would "pretty soon be a large crash and then we will get on sound lines again". Latham foresaw one other alternative:

It is quite possible, however, that the Labor Party will break before this stage is reached, and that without any smash but with a good deal of suffering and distress we will get back on sound lines. 36

Given the doubts and obfuscations of Latham's assessment, his ultimate prediction was perciipient.

35. Latham to Kemp, Kemp Papers, op. cit.
The turbulent course of the Scullin Government through 1930-31 is one of the most chronicled events in Australian political history, and it is not intended to attempt even a summary of it here. This account is concerned with the ALP only insofar as it contributed directly to the formation of the UAP, and accordingly is confined largely to the defection of Lyons and a small group of supporters from the ALP in February/March 1931. In explaining how this happened, it is necessary to describe the conflicts between Lyons and the ALP Ministry and Caucus in the latter months of 1930 and the early months of 1931. The principal aspects of the Government’s record which impinge on this narrative were indicated in the previous section: the indecisiveness and increasing paralysis of government in the face of a gathering financial storm, and the political embarrassment of Theodore, which had led directly to Lyons’ appointment as Federal Treasurer.37

An account of Lyons’ actions in the crucial period from October 1930 to January 1931 is comprehensible only if some reference is made to two other developments affecting the Scullin Government. With the collapse of Australia’s credit the Scullin Government, as part of its effort to mobilise the nation’s financial resources, had approached the British government for a deferment of Australian war debt repayments. The response of the British government has been summarised by the Australian historian Peter Love:

Lacking satisfactory information on the Australian economy, the English authorities by a circumspect process, finally persuaded the Commonwealth Government to invite a mission from the Bank of England to assess the situation and advise it on appropriate action to restore its credit in London. On 14 July the four member mission arrived at Fremantle.38

This mission was led by Niemeyer, reputedly the Bank of England’s foremost authority on international monetary difficulties. After an investigation of the Australian economy, Niemeyer diagnosed that the Australian standard of living was beyond the capacity of the economy to pay. As an antidote, he recommended a deflationary program to reduce domestic costs, increase productivity, and make stringent retrenchments in government finance. A meeting of senior Commonwealth ministers (including Lyons) and state premiers had accepted the Niemeyer recommendations which were embodied in a program known as the Melbourne Plan. The retrenchment and deflationary policies initiated by the Melbourne Plan led eventually to the

fragmentation of the State ALP Governments of South Australia and Victoria, and assisted the disintegration of the Scullin Government in late 1930 and early 1931. As Federal Treasurer, it fell to Lyons to implement the federal aspects of the Melbourne Plan. 39

The second development was the decision of Scullin, in the face of considerable opposition, to leave for an Imperial Conference in London once the Premiers' Conference which sponsored the Melbourne Plan was over. Scullin, who attended the Premiers Conference only for a few minutes because of illness, justified his decision by the need to improve Australia's standing in the London money market and dispel any doubts about Australia's determination to restore its finances by orthodox and honourable courses. Bruce predicted that the period of Scullin's absence would be a period of comparative political calm, but it proved a tragic mistake for his government. 40 Scullin may have been influenced by poor health, and a desire to escape from overwhelming political problems. On his arrival in London, he radiated an infectious enthusiasm for the British countryside and a disinclination to discuss what was happening in Australia. His absence thrust to the forefront of government economic policy James Fenton, who became Acting Prime Minister, and Lyons, who had become Treasurer when Theodore stood down. Fenton was a man described by one biographer as "stolid, an undistinguished if talkative debater, hard-working but of limited talent ... he was thrown into a national prominence his abilities did not warrant because of a series of unfortunate accidents which plagued the ALP, and because of its shortage of parliamentary talent." 41 Bruce's assessment of Fenton was cruel, but not inaccurate:

... Now that Theodore is out of the picture, who is going to be acting [Prime] Minister? I saw a suggestion in one of the English papers that it would be Fenton, but I cannot believe that Australia, even with all her crimes, has done anything to justify such a tragedy being forced upon her. 42

Niemeyer, who did not criticise Scullin in his Australian diary entries, was almost contemptuous in his remarks about Fenton and Lyons:

Fenton and Lyons were entirely at sea, and like a couple of rabbits popping their heads occasionally out of the hole. 43

43. "Niemeyer's Australian Diary", op. cit., p.297. Niemeyer's statement sits uneasily with Ogden's judgement that Lyons was one of the stronger members of the cabinet. Certainly, Lyons' performance at this time showed little of the fibre that he had shown as Tasmanian Premier and was to display again in subsequent months.
Niemeyer also noted an unwillingness on Lyons' part to do anything that might harm his standing in the Caucus:

Lyons, in a typical aside, asked me if I would mind not going to the meeting the next day because he was afraid of criticism from his own people that he was acting under dictation. 44

In summary, a series of developments within the Scullin Government, combined with a looming economic crisis, brought Fenton and Lyons to the forefront of government at a crucial time. For a period of almost six months in the absence of their Prime Minister, and with their Deputy Prime Minister displaced and under a cloud, they had to contend with a Ministry and Caucus increasingly discontented with orthodox deflationary policy. It is now appropriate to take up the three themes of October 1930 which were stated at the beginning of this chapter.

The Election of Lang

Lang's reputation as the incarnation of the daemonic spirit in Australian politics had long preceded his election as NSW Premier for a second time (see Chapter 2). His term as opposition leader from 1927 to 1930 had been less turbulent than his days in government, but he had been tarred with the radical brush of the Sydney Trades Hall, and its alleged associations with Communism and Bolshevism. In the lead-up to the October election, Lang had made much propagandist play of Niemeyer's mission, depicting the banker as the creature of British bondholders intent on protecting their investment. Niemeyer relates how he almost met Lang a week before the elections at a residence near Glen Innes where Niemeyer was a guest:

It subsequently turned out that for whatever reason he was too tired to do so [make the visit]. So this dramatic rencontre did not take place. 45

Lang's links with radical finance derived partly from his rejection of the deflationary measures of the Melbourne Plan. Undoubtedly Lang's rejection of the Melbourne Plan, his public castigation of Niemeyer, and his advocacy of expansionary measures contained an element of electoral expediency, but they were not inconsistent with the concern for social welfare and economic development which he had shown as Premier of New South Wales. Many of Lang's strongest critics who alleged he was a Communist or Bolshevist, or both, acknowledged his political substance:

Sovietism and revolution have found their instrument in Lang ... Lang is, in his way, a big man. He is a personal force. He has great physical courage and much boldness. He is ruthless. He is a fighter and never allows himself to be

44. Ibid., p.302.
45. Ibid., p.304.
forced on the defensive, and always anticipates attack by attacking.\textsuperscript{46}

Opposing this formidable figure on the hustings was Bavin who had endured a wretched term as Premier, plagued by ill-health and a deteriorating economy. Party post-mortems agreed that Bavin campaigned well, but the overall campaign was too negative and offered no effective counter to Lang's effusively optimistic presentation. Even Latham praised Lang's campaign, while pointing to the predicament in which the new Premier would shortly find himself:

Lang had a great win in NSW. He had some very good propaganda on the lines. 'Brightness with Lang', 'gloom with Bavin'. If what Stevens and the bankers have told me is true it will not be possible for him to carry on for long. The banks are up to the extreme possible limit in overdrafts, and I do not think that they can carry on the Government much longer unless expenditure is reduced.\textsuperscript{47}

The Scullin Government response to Lang's victory was subdued. Fenton, the Acting Prime Minister, described it as a wonderful win, and Lyons noted rather tersely that New South Wales had given its verdict in no uncertain manner. The \textit{Argus} editorial attributed Lang's victory to his correct assessment of community attitudes:

The one satisfactory feature of the polling on Saturday is that it has emphasised the contempt in which Mr Hughes' so-called Australian Party is held.\textsuperscript{48}

Lang's victory brought to Australian politics the whiff of repudiation and inflation. The Scullin Government to that point had been resolutely orthodox in its efforts to restore the national finances. Lang was known to have a small but influential group of supporters within the Federal ALP Caucus led by Beasley, one of the Government's more capable ministers. Lang's triumph put the onus squarely on Lyons to protect orthodox finance and prevent repudiation and inflation in the face of inevitable confrontation with Lang elements within the ALP supporting more expansionary policies.

\textbf{Lyons and the Financial Crisis}

When Lyons joined the Scullin Ministry in 1929, he received a letter of congratulations from the economist, Douglas Copland, with whom he had worked when he was Premier of Tasmania. Copland said that the ALP had a great opportunity, although the circumstances were difficult. The election had given it much fresh federal

\textsuperscript{46} Hugh Adam, \textit{Melbourne Herald}, May 2, 1931.
\textsuperscript{48} \textit{Argus}, October 27, 1930.
talent which was badly needed if it were to flourish as a government. Copland compared
Lyons' role in the Government with his Tasmanian experience:

You will find the situation not unlike that you had to deal with when you took
office in Tasmania and you will therefore find ample scope for your
administrative powers.49

Implicit in Copland's letter was the notion that Lyons would take a leading part in
the rehabilitation of Commonwealth finances and the reform of its fiscal and monetary
system, undertakings which he had successfully directed in Tasmania, albeit on a much
smaller scale.

Ranked fifth in the Ministry, Lyons was given the portfolio of Postmaster General,
an important administrative portfolio and a major source of Commonwealth
employment. By his own account Lyons was content to immerse himself in the
day-to-day administration of his portfolio, not asserting himself in Cabinet or seeking
any major role in economic policy which Theodore dominated. There is no suggestion
that Lyons disliked or distrusted Theodore, with whom he had worked as a fellow state
Premier and in the Labor Movement. Lyons' wife Enid, who exerted a considerable
influence on him, in later years professed distrust for Theodore on the grounds that he
had once expressed to her his support for gerrymandering the electoral system.50

In his early months as Treasurer, Lyons was the tentative and cautious figure
observed by Niemeyer at the 1930 Premiers Conference. He brought to the task a solid
grounding in public finance based on his experience as Tasmanian Premier and
Treasurer, and his participation in Commonwealth state financial arrangements. His
deeply ingrained respect for orthodox principles was reflected in his approach to the
financial crisis as expressed to Jack Price, an ALP parliamentarian from South
Australia. Price had put to Lyons a proposal to use national credits for work creation, a
proposition Lyons described as a 'high sounding phrase'. He continued:

There appears to be no way out of the present position except that of balancing
budgets whether governmental or private, and of making, in so doing, sacrifices
which in more prosperous times would perhaps be considered as impractical ...
in times of depression we find it necessary to curtail or perhaps even to jettison
in order to save the ship. Such is our present position and the seriousness of it
must be recognised by all.51

A confidential memorandum prepared by the Treasury, attached to a copy of Lyons' 
letter, concluded that the issue of a huge sum in new notes at the present time would

49. Copland to Lyons, October 24, 1929, Lyons Papers (ANL MS 4851).
50. Andrew Clark, unpublished manuscript based on a taped interview with Enid Lyons, copy
held by the author. On Lyons' approach to his role as a minister, see his parliamentary speech
after his withdrawal from the ALP, CPD, Vol. 128, March 12, 1931, p.229 ff.
51. Ibid. Lyons to Price, September 27, 1930.
destroy "all our endeavours to restore confidence and possibly bring about collapse". Unemployment would then multiply.\textsuperscript{52}

At the end of October, after the election of Lang and the commencement of the crucial Caucus debate on fiscal and monetary policy, a Treasury officer, Harry Sheehan, provided Lyons with a depressing summary of Australia’s economic condition. The impact of the depression had reduced Australia’s national income directly by 70 million pounds in loss of export markets and cessation of borrowing, and indirectly by a further 70 million pounds through a dwindling home market. This loss had been inequitably spread, with the main burden borne by primary producers, the unemployed, and business incomes. No portion of the loss had been taken up by sheltered or fixed incomes. The remedy lay in restoring confidence, using the community’s hidden reserves, distributing the loss more equitably, staunching the indirect loss by rehabilitating the home market, and reducing unemployment. This could best be done by the policy of deflation then operating, with additional reduction in wages and costs, and heavy taxation on sheltered and fixed incomes. If an immediate and satisfactory reduction in wages and prices could be achieved, confidence would be restored and substantial credits would be available from overseas for temporary assistance pending complete readjustment. Large inflation, whether by notes or credits, and advertised beforehand without any corresponding increase in productivity, would have a number of undesirable effects, including increased prices, destruction of savings, destruction of public confidence both in Australia and overseas, and ultimate disaster to the workers.\textsuperscript{53}

To this point, the memorandum was a conventional statement of the deflationary policy which had been applied in the preceding ten months, but it concluded with a suggested plan for stabilisation based on mildly inflationary principles. This stabilisation plan comprised four elements: an increase in exchange rates to give immediate benefits to the primary producers, stabilisation of internal prices by a system of monetary control, co-operation with trading banks and state savings banks to reduce interest rates, and an arrangement with the banks so that credits could be made available for industry.\textsuperscript{54}

It is easy enough to paint Lyons as an economic primitive and in several respects the accusation is just. According to his wife, he was aware of the Keynesian principles which were slowly emerging in these years, but he saw them as inappropriate to Australian circumstances:

\textsuperscript{52} Ibid.
\textsuperscript{53} Some notes on the financial problem and suggestions, October 30, 1931. Memorandum by H. Sheehan, Lyons Papers (ANL), op. cit., Box 1, Folder 2.
\textsuperscript{54} Ibid.
Even if they're right, how can we lead the world?\textsuperscript{55}

Lyons did receive alternative advice on economic policy and there is some sign in its preservation among his personal papers that he at least read and considered it. An example is an analysis by the economist, Edward Dyason, which expressed very strong condemnation of the repudiation espoused in Sydney, but disagreed almost as strongly with the official monetary policy then pursued and the implications of Niemeyer's report:

I believe that the present policy is inimical to the national interest and dangerous to the social fabric.\textsuperscript{56}

Lyons also retained a paper written for Fenton by the Commonwealth Statistician, G.H. Wickens, suggesting financial stabilisation based on a system of currency manipulation which was rather more adventurous than orthodox finance could stomach.\textsuperscript{57}

In such a context of conflicting advice, and with his basic principles firmly adhering to orthodoxy, Lyons entered the contentious Caucus session on economic policy, which began on October 27 and continued over the next fortnight. On October 28, three long-term financial proposals were put to the caucus. The first from Lazzarini and Dr William Maloney pressed the Government to direct the Commonwealth Bank to underwrite either by credit expansion or note issue the 38 million pound conversion loan falling due in mid-December. According to the Caucus minutes, this motion was withdrawn, and Lyons moved an amendment which was in effect the four-point stabilisation program outlined above.\textsuperscript{58} Some commentators, such as Cook, have expressed surprise that Lyons should have put to the Caucus a proposal that was mildly deflationary.\textsuperscript{59} Certainly, it casts doubt on the notion that Lyons was an inflexible proponent of rigid financial orthodoxy. The proposal Lyons put to the Caucus was based on the suggestions made by the Treasury, and may have also been approved by an economic sub-committee of Cabinet.\textsuperscript{60}

Lyons' efforts to accommodate the general feeling of Caucus that there should be some modification of stringent deflationary policy were futile. His proposal was rejected, and the Caucus approved an amendment which was not dissimilar in basic principles, but was more detailed and comprehensive. In particular, it firmly committed the

\textsuperscript{55} Clark, op. cit.
\textsuperscript{56} E.C. Dyason to Lyons, n.d. (probably early 1931), Lyons Papers (ANL) op. cit., Box 1, Folder 2.
\textsuperscript{57} Memorandum by Wickens, n.d., Lyons Papers (ANL) op. cit., Box 1, Folder 2.
\textsuperscript{59} Cook, The Scullin Government, 1929-31 op. cit., p.27 ff.
Commonwealth Bank to provide 20 million pounds for financing public works, and to meet the requirements of the Commonwealth Government for all services covered by parliamentary appropriations. This proposal was moved by George Gibbons and seconded by Theodore, who was largely responsible for it.61

There is no evidence in the minutes that Lyons disputed the Caucus decision or that he disapproved of it, although it clearly was a "large inflation" in terms of his advice from the Treasury. The Caucus minutes show that he put the rest of Cabinet’s financial proposals to the meeting. That Fenton and Lyons did not accept the rebuff equably emerged when the Caucus met again a week later on November 6 when Fenton read a cable which he had received from Scullin on the decision. Scullin supported the minority vote against the Gibbons-Theodore plan and opposed further expansion of credit and any attempt to coerce the banks.62 Caucus did not debate or express any attitude on the cable from Scullin, but Lyons’ increasing estrangement from it emerged very clearly when he proposed that the Loan Council should convert the loan falling due in December. He also suggested that the Gibbons-Theodore plan should be submitted to the Commonwealth Bank Board by the whole Cabinet, an indication of his reluctance to put a proposal repugnant to the bank on his own authority.

When the meeting was resumed that evening, an amendment was moved by John Curtin and Frank Anstey that the directors of the bank be required to meet the December loan. In the event of the directors failing to do so, a bill should be prepared and presented to Parliament renewing the loan for 12 months. The amendment was carried by 22 votes to 16, with Fenton pointing out that 13 members of the party were absent. Fenton and Lyons said that in view of the vote they would reconsider their position, an implied threat of resignation. Lyons announced amid uproar that he would not accept such a proposal. He cabled Scullin to say that he would not carry out the decision; if Scullin agreed with Gibbons-Theodore plan, he would have to get another Treasurer to give effect to it.63

Lyons subscribed strongly to the widely-held belief that repudiation, whether of a public or a personal debt, was totally abhorrent. It was an attitude that derived in part from the legal notion of sanctity of contract, and in part from basic morality which equated personal pride with national honour. The attitudes of Fenton, Lyons and a number of their colleagues have been described by Cook:

The Anstey-Curtin resolution could be construed as 'repudiation' and this was unthinkable to those who equated national with personal honour and held both

61. Ibid.
62. Ibid., p.396, fn 78.
63. Ibid., p.397, fn 79.
above considerations of Party or class. Fenton and Lyons were among these.64

Lyons defied the Caucus and went ahead with arrangements for the loan conversion, which was approved by the Loan Council on November 11. A special meeting of the Caucus called to consider Lyons' action passed a resolution strongly deprecating any suggestion of repudiation or unwillingness to meet lawful financial commitments. Fenton told the meeting that the Loan Council had unanimously decided on a loan of 28 million pounds on the terms which Caucus had rejected when put to it by Lyons. Cabinet would meet the Commonwealth Bank Board to discuss the party's financial proposals, Scullin would be back in Australia on January 14, 1931, and Cabinet felt unanimously that the party should not precipitate a crisis in his absence. It transpired during the meeting that Scullin had sent cables endorsing Lyons' recommendations for conversion in the usual manner, intimating that the resolution approved by Caucus had included repudiation, which he strongly opposed. The matter was adjourned until Scullin's return.65

In terms of his relationship with the ALP, Lyons' victory was somewhat pyrrhic. He had been saved from Caucus humiliation largely by Scullin's cables of support and the skilful tactical use made of them by Fenton as Caucus Chairman. Over a period of a fortnight, Lyons had shown a degree of flexibility on economic reflation, and considerable courage when his principles were affronted by a proposal which he deemed repudiatory. Although he could not have found the Gibbons-Theodore Plan a palatable one, there is no evidence that he demurred either in Caucus or publicly, preferring to join with Fenton in seeking the support of Scullin. Tampering with the loan conversion, even in a manner which was not drastic, was another matter.

Whatever the reaction of the ALP, his successful resistance over the loan conversion made Lyons an heroic figure virtually overnight. He was flooded with adulatory mail. A distinguished founding father of the Australian Commonwealth, Josiah Symon, congratulated him on his honest, statesmanlike and patriotic attitude in a national crisis.66 The editor of Who's Who in Australia assured him that his action would be enshrined in his next edition, "which shall certainly not be desecrated by my including the names of the repudiationists and political wreckers".67 Other messages of congratulation equated repudiation with Bolshevism. Persistent themes in this stream of tributes were the safeguarding of the national honour, ("You held the honour of

66. Telegram, Symon to Lyons, November 7, 1930, Lyons Papers (ANL), op. cit., Box 1, Folder 2.
67. Ibid. Fred Johns to Lyons, November 10, 1930.
Australia in the palm of your hand and did the right thing"), the urgent need for a national government and the dropping of all party considerations, the interlinking of imperial and national patriotism ("... we are likely to be helped in the old country if only we help ourselves"), and the depiction of those who opposed Lyons as "wreckers" and "Communists". There were also signals from the Citizens’ Movement in congratulations from the South Australian CL (see below) and the Brisbane "Vigilants" which announced an intention to call a public meeting in support of "national non-party government".68

A sober and generally realistic assessment of the decision to go ahead with the loan was given by one correspondent:

The success of the loan will be a personal tribute to yourself, as the ALP here [NSW] are not giving the slightest assistance, in fact are waging a campaign of vilification against you. Besides being a personal tribute to yourself the success of the loan will show that the great bulk of the people of Australia stand for sanity as opposed to insanity in finance .... If on Mr Scullin’s return he gives a firm and vigorous lead the country will rally behind him.69

Lyons himself took considerable satisfaction in the success of the loan:

Every true Australian will, I feel sure, be proud of the success of the recent loan, not only because of the immediate good effects throughout the Commonwealth itself, but also because of the enhancement of Australia’s credit in other parts of the world.70

The loan established a solid reputation for Lyons in England, where the London agents of an Australian broker reported a striking last-minute response to the Australian conversion:

... everybody here is full of admiration for Mr Lyons to whose personal energy and great patriotism the final success of the loan must be ascribed.71

The weeks from the end of October, when Lyons’ confrontation with the Caucus began, to the successful fulfilment of the conversion loan in mid-December was the most decisive period of Lyons’ political career, lifting him from plodding obscurity to a national prominence which eclipsed Scullin. By a strange quirk of circumstance, it thrust him into the role of an anti-government and anti-party spokesman, even though he was a senior member of the ALP Government and a life-long adherent of the Labor movement. It stamped him with the seals of national honour, anti-repudiation, anti-Lang, sane finance, and imperial patriotism.

In a tactical sense, the loan conversion campaign provided Lyons with a striking

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68. Ibid. Based on telegrams November 7-12, 1930.
69. Ibid. F.E. McElhone to Lyons, December 15, 1931.
70. Ibid. Lyons to McElhone, December 12, 1931.
71. Ibid. Phillip Pring and Co. to Lyons, January 21, 1931.
opportunity. At a time when the economy was at the bottom of the trough, and the circumstances of many Australians were wretched, it provided a rare outlet for the expression of national patriotism and an amount of ballyhoo. The campaign was attended with all of the propaganda panoply of the period, culminating in an "All for Australia" day on December 12. Lyons became the focus of the propaganda, attending public meetings, delivering radio messages, and giving press interviews. Inevitably, the co-ordination of such a great national effort to fill the loan drew attention to the possible use of such machinery for other purposes. Lyons was the obvious spearhead.

Lyons’ closest associations during the conversion campaign were with the members of the Melbourne organising committee. The formation of this committee had been suggested by the Chairman of the Commonwealth Bank Board, Robert Gibson, to a Melbourne architect, Kingsley Henderson, who was his close friend. The committee brought Henderson into regular contact with Lyons, and he quickly became an intimate, exerting much influence on the embattled politician. Lyons’ private secretary, Martin Threlfall, later described the relationship:

Mr Kingsley Henderson is a close personal friend of the Prime Minister’s [Lyons], and indeed was his guide, philosopher and friend during the troublous period after his break with the ALP.

At this time, Lyons also resumed contact with an old Tasmanian friend, Thomas Nettlefold, who, as Lord Mayor of Melbourne, took a prominent public part in the conversion campaign. Nettlefold was one of the founders and was then president of the YNO of Victoria. Through Nettlefold and the YNO, Lyons became closely involved with Menzies. Although the process of involvement (or entrapment) is far from clear, Lyons mixed regularly with influential Melbourne Nationalists. These political contacts were supplemented by involvement in business circles through the loan conversion organising committee. A small and tightly organised group of close supporters coalesced around Lyons, by then the nation’s most valuable political asset.

The members of this political coterie referred to themselves simply as the "Group". Its organising nub was the Melbourne broking house of J.B. Were, one of whose members, Staniforth Ricketson, was a former Tasmanian journalist and friend of Lyons. Ricketson and Menzies formed the core of the "Group". Other members were Ambrose Pratt, a journalist, investor and psychologist; John Higgins, a prominent Melbourne businessman and former Chairman of the British and Australian Wool Realisation Association; and Charles Norris, General Manager of the Mutual Life

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72. Kingsley Henderson to George Pearce, October 24, 1931, Pearce Papers (ANL MS 213).
73. Letter of introduction by Martyn Threlfall for Kingsley Henderson, April 22, 1931. Lyons correspondence, AA CP 30/2.
Association. According to Ricketson, the original 'Group' consisted of these five, with Henderson a subsequent addition.  

In terms of access to power and influence, the composition of the 'Group' could not have been surpassed. Menzies was a rising politician, a Nationalist State parliamentarian and official of the YNO, connected to the National Union and attuned to national legal networks. Through the house of J.B. Were, Ricketson had access to national financial markets and to British investors. Pratt was a former employee of the Melbourne Herald and retained links with its proprietor, Keith Murdoch, who was an enthusiastic supporter of Lyons. Henderson was an intimate of Gibson who, as Chairman of the Commonwealth Bank Board, had consistently defied the Scullin Government's attempts to adopt more flexible financial and economic policies. Norris and Higgins were prominent members of the commercial and industrial community of Melbourne, then the financial and business capital of Australia. The surreptitious activities of the 'Group' counter-pointed the swirl of public events which was to take Lyons out of the ALP to the leadership of the UAP. The "Group's" ethos is best conveyed in a letter of congratulation which Pratt sent to Lyons after the latter became leader of the UAP:

I am sending you this message for the group of 5 who like to think of themselves as your special bodyguard. We want you to know that we are constantly prepared to do anything and everything that lies within our power to help and serve you.

Despite the clandestine nature of the "Group", Lyons' involvement with the Melbourne Nationalists during November and December 1930 did not escape the notice of the ALP, or the press:

Those behind the scenes felt the approach of a major sensation, and late in 1930 there were forecasts that Mr Lyons was about to enter into a coalition with the conservative opposition. He strongly denied it in the House, and his denial was accepted, although ultimate events followed the broad lines set out. His denial was a testimony to the indecision in which the whole situation was enveloped.

Lyons succeeded in defying Caucus and carrying through the loan conversion against its will by bluff and bravado, underpinned by Scullin's cabled support. In the circumstances, he was dependent on Scullin's continued backing, and he and Fenton pinned their hopes for a resolution of the financial imbroglio within the Caucus on Scullin's prestige and leadership. An uneasy truce persisted in the Government and the

75. A. Pratt to Lyons, May 18, 1931, Lyons Papers (ANL), op. cit., Box 1, Folder 2.
76. Denning, Caucus Crisis, op. cit., p.48.
Caucus through December and the first half of January in the expectation of Scullin's return. Lyons had failed to carry the Caucus on economic and financial policy, and his position within that body was precarious. His personal support was meagre, confined mainly to fellow Tasmanians and a few of the more conservative members such as Fenton and Price. Lyons' lack of a party base had been partly offset by the powerful personal machine which the "Group" had built around him, and he had become the most popular politician in Australia. Before considering further the political events which brought Lyons to the UAP leadership, it is necessary to take up the development of the Citizens' Movement which was integral to that process.
CHAPTER 4
THE RISE OF THE CITIZENS’ MOVEMENT

Introduction

The existence of citizens’ groups, some with a political connotation, was noted in Chapter 2. Even the largest of these groups, such as the West Australian Argonauts and the Who’s for Australia League in New South Wales, could not be described as mass movements. Mostly, they were small groups of enthusiasts engaged in activities which were partly social and educational but with a commitment to political and welfare issues. An example was the Women’s Non-Party Association of South Australia which was formed in 1909, developed active senior and junior branches, and was involved in assisting Aborigines and juvenile delinquents.¹

Other groups were more political, such as the Constitutional Associations of the various states. These gave discreet support to the National Parties through the preparation and distribution of propaganda, and some direct assistance in marginal electorates. In New South Wales, the electoral activities of the Constitutional Association were covertly funded by the Graziers’ Association which was the principal financial supporter of the Country Party.² The Constitutional Associations of New South Wales and South Australia were involved in the formation of major citizens’ movements in those states (see below). Another smaller group which was influential in the NSW citizens’ movement was the Sane Democracy League, which was formed in the early 1920s "to expose the plottings of the Communists and to issue warnings against the danger of allowing the agents of [the] Russian Third International to penetrate the Labor movement and lay the foundations of a revolutionary situation."³ On the basis of "Anti-Bolshevism, the SDL organised lectures, printed pamphlets, and enlisted the support of several leading Sydney businessmen. Other groups emerged in response to specific political and industrial circumstances, for example the Essential Services Maritime Volunteers of South Australia. This body had links with the formation of the

¹. Advertiser, March 16, 1931.
². See the papers of the Graziers’ Association of NSW, Archives of Business and Labour, ANU, Canberra, particularly the E256 series for 1929-33. The papers and minutes of the Constitutional Association of NSW in the Fisher Library, Sydney University indicate the range of its electoral and political activities.
³. Advertiser, November 28, 1930.
Political Reform League, the CL of South Australia, and, ultimately, the Emergency Committee (cf. Chapter 2, p.28).

With the economic deterioration evident through 1931 and the growth of political turbulence in the latter half of the year, the pace of citizens' activity began to quicken. One manifestation was a revival of support for secession from the Commonwealth, and the creation of new states. In 1930 the secessionist spirit was revived in Western Australia with the formation of the Dominion League of West Australia, the most successful and enduring of the citizens' groups of the 1930s.

The raison d'être of the Dominion League was the freeing of West Australia from what one of its founders called the "intolerable control of the Commonwealth". The League professed and actually practised a rigorous alienation from party politics. It was particularly successful in resisting National Party dominance and exploitation. On one occasion, it antagonised the Nationalists by supporting an ALP candidate for the Legislative Council against a sitting Nationalist member because the ALP man supported secession. The League was an extremely successful publicist, organising motorcades and processions, designing its own flag (a Union Jack with a black swan in a gold circle at the centre), and spawning some truly dreadful patriotic poetry:

Rise Westralia!
Grand of Old, be Grander Yet ...  
From the Leeuwin to the line --
this bit of the world belongs to us!
Westralia! Westralia! Wave o'er Australia free.

Despite its fatuous side, the Dominion League had to be taken seriously. It was a constant irritant to the Nationalist Premier, Mitchell, accusing him of backing away from secession despite his repeated protestations of support. A referendum held in conjunction with the state elections in April 1933 endorsed secession by a majority of almost two to one. The electorate returned an ALP Government, and the new Premier, Phillip Collier, also had to pay respectful attention to the demands of the Dominion League. The secession movement did not peak and start to wane until after the Parliament at Westminster in July 1935 declined to receive a petition from the West Australian Parliament demanding secession from the Commonwealth and the creation of

5. Dominion League of West Australia Papers, 431 A, Battye Library, Perth.
6. West Australian, April 30, 1932. The incident resulted in the withdrawal of several DL members from the National Party Council. According to H.K. Watson, who was President of the Dominion League and Vice President of the Nationalist State Branch: "We shall never depart from the principle that if the interests of the state conflict with the interests of the party, then the interests of the state must prevail."
7. DL of West Australia Papers, op. cit.
an independent dominion.  

The Dominion League was not directly involved in the formation of the UAP, although secession was a problem for the Lyons Government and Nationalists in West Australia tried to counter it by creating a Federal League.  

It was significant because it dominated populist sentiment in West Australia, channelling it into resentment against the Commonwealth, and away from the anti-party and sane finance preoccupations of the eastern states. Despite persistent problems with the Dominion League, the National Party in West Australia was not challenged by a powerful citizens' organisation with political aspirations, as happened in New South Wales, South Australia and, to a lesser degree, Victoria. Attempts to create a Citizens' League and a branch of the AFA[L] were made in West Australia, but neither was successful. A number of minor movements and parties sprang up, such as the Groper Non-Party Movement, the Australian Unity League, and the Australian Liberal League, but these lacked vitality and influence. The West Australian National Party survived the upheavals of 1930-31 with its basic structure intact and without having to accommodate any other organisation under the umbrella of the UAM or UAP.

A secessionist movement was active in Tasmania in the early months of 1931, establishing a Dominion League which published a journal, The Dominion. In opposition to the "All for Australia" catch-cry, the Dominion League of Tasmania took as its slogan "All for Tasmania". It put forward a number of proposals: Tasmanian control of customs and excise revenue, free or preferential trade, control of "war and other functions", freedom of interstate intercourse. (Control of "war" was later modified to co-operation with the Commonwealth and Imperial Governments on defence.) If the Commonwealth failed to cede these functions, then the Dominion League would seek a referendum to establish a self-governing dominion within the British Commonwealth. The movement quickly petered out without having any significant impact on either the National Party or other citizens' movements in Tasmania.

Of greater significance were the country movements, which reflected the intertwining of two strands: an established but moribund New States Movement, and an agrarian movement influenced directly by declining rural incomes and other problems caused by the Depression. The New States Movement was largely concentrated in

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8. Ibid.
9. Boas Papers, Battye Library, op. cit. Other Nationalists were members of the Dominion League, including the Premier, James Mitchell.
10. Based on issues of The Dominion, held in the Crowther Room, Tasmanian State Library. There were other occasional expressions of secessionist sentiment in South Australia, Queensland, and strangely enough, from the Sydney Trades Hall, but this did not materialise in organised movements.
Northern New South Wales, although there were elements in the NSW Riverina and North and Central Queensland. Agitation for new states was an important theme in New South Wales during the 1920s. In 1925, a Royal Commission had rejected proposals for new states in the New England, Riverina and Monaro districts, and the movement had languished. In Northern New South Wales, it was closely identified with the Federal Parliamentary Country Party leader, Earle Page, whose secretary, Ulrich Ellis, was its principal propagandist. The Depression and the return of Lang as Premier in October 1930 had re-invigorated the movement and revived the demand for carving up New South Wales.11

The New State Movement overlapped with the Country Movement, particularly in the north of the state, but its emphases were rather different. The creation of new states was not a principal objective of the Country Movement, which favoured the development of strong provincial government. Both movements were fundamentally regional in their attitudes, and they were able to co-operate and ultimately to merge. There were indications of organising activity in country districts as early as January 1930, but this was largely a reflection of the widespread anti-party feeling which had emerged throughout Australia in the late 1920s.12 Later in 1930, a Producers Advisory Council (PAC) was formed after a meeting in Sydney of producing, manufacturing and trading interests had protested against high taxes, high costs and high government expenditure. The PAC was strongly influenced by rural interests (it was also referred to as the Primary Producers Advisory Committee), and its formation was welcomed by the rural press:

The voice of the farmers must be made to echo through the land - not the reedy tenor of mendicants but the aggressive basses of men determined to hold their birthright of the soil against all comers - strong, insistent and compelling.13

In November-December 1930 and January 1931, the PAC organised meetings throughout New South Wales at which similar protests and demands were expressed. Lists of rural grievances were drawn up: rural awards, high costs and tariffs, debt burdens, special assistance for primary producers. Further meetings were organised. In November 1930, a Young Patriots Association was formed at Lockhart in the NSW Riverina. According to the SMH, the meeting was attended by young people from New South Wales and Victoria who were "imbued with the idea that this was the time when the youth of Australia should take a hand in finding men and women who were prepared

11. For the NSW movements, particularly the Northern NSW or New England movement, see Don Aitkin, The Colonel (Canberra, 1969); Aitkin, UCP thesis, op. cit.; Page, op. cit.; Ellis, op. cit.; and the Graziers' Association Papers, op. cit.
13. The Land, December 12, 1930.
to put their country before their party ...”. 14 Other branches of this organisation were formed and in December its name was changed to the United Australia Association. 15 In November, an organisation known as the United Australia Movement was formed in Sydney "to remove the evils caused by machine control of the political, economic and social life of the community". 16 In January 1931, the United Australia Association was absorbed into the Riverina Movement. These two "United Australia" organisations do not seem to have been connected, and probably they were spontaneous responses to the economic crisis and the re-election of Lang. Such use of "United Australia" is the first recorded, but undoubtedly the label caught the common sentiments of the time. In January 1931, the initial steps were taken in the formation of the AFA[L] (see below) and in February 1931, a Soldiers and Citizens’ Party was formed in Sydney, with the objective of preserving the ideals of the Australian Imperial Forces, supporting "King and Country, honesty of purpose, and sane business-like and economic legislation". 17 With the CL of South Australia flourishing (see below), the first steps taken to form a similar movement in Victoria, and smaller groups appearing in the other states, the citizens’ movement had established itself as a national phenomenon by the end of February 1931.

The leader of the Riverina Movement was a Wagga timber merchant, Charles Hardy, described by Ellis as a "man of crusading zeal, a magnetic platform personality, and an orator of force and brilliance". 18 Hardy developed the Riverina Movement through the early months of 1931, culminating in a huge meeting at Wagga, attended by more than 10,000. An excellent organiser and publicist, Hardy was dubbed the "Hampden of the Riverina" by the press. 19 The Riverina Movement in its early days was strongly anti-party and anti-politician, rejecting an active political role and declining to have politicians on its platforms. Hardy proposed the creation of provincial councils with three principal functions: control of the labour force, control of rural development, and control of marketing. His ideas on how a system of provincial government might be established and administered were vague but they were closer to unification than to federalism. 20

14. SMH, November 17, 1930.
15. SMH, December 5, 1930, and December 23, 1930.
16. SMH, November 21, 1930.
17. SMH, February 26, 1931.
19. Ibid.
20. For a brief biography of Hardy, see Andrew Moore, ADB, Vol. 9, pp.195-96. His letters to R.H. Hankinson, an associate in the Riverina Movement, indicate that Hardy was prepared to use force should the situation warrant but it is not known whether he actually organised any paramilitary group; see Hardy Letters (ANL MS 3775).
The Country Movement which derived directly from the agitation of the PAC achieved its greater strength in the Riverina, but there were subsidiary movements in the Monaro and South Coast, and in the West of New South Wales. The emergence of the Country Movement coincided with the revival of the New States Movement under Page who used it to assail Lang. In Page's political rhetoric, the New States Movement was linked with opposition to repudiation and inflation. Appropriately for a doctor of medicine his speeches were studded with surgical allusions:

This political disease is like appendicitis. You don't argue, you operate at once. Amputation is the only way to save clean and wholesome tissue from the gangrene of extravagance, communism and repudiation that is eating into the metropolis. 21

The tremendous enthusiasm produced by the Country Movement and the revived New States Movement in the early months of 1931 was in many ways a rural equivalent of the rapid growth of citizens' movements in Sydney, Melbourne and Adelaide. As with the urban movements, this initial bout of enthusiasm and organising began to wane after April 1931. The intrinsic problem which bedevilled the citizens' movements also hindered the country movements: what was the membership to do once it had joined and been organised, bought its badges, and presented its petitions? The obvious answer was continuing political activity, but the new movements were founded on little more than populist dissatisfaction with governments and parties:

The Riverina Movement is the public expression of a deep-seated dissatisfaction with the system of Government in Australia, more particularly as that system affects the relations between the Commonwealth and the states .... The party machines in Australia appear to have harvested nothing for many years but weeds .... All those to whom Australia stands first can support the [Riverina] movement. 22

In particular, the rise of the Riverina Movement, with its articulate and ambitious leader, caused considerable anxiety to the NSW branch of the Country Party. Hardy moved quickly to capitalise on his popularity and publicity, assisting in the organisation of other country movements and establishing himself at the head of a loose confederation which represented much of the state. The PAC largely withdrew from the rural protest movement after its initial organising activity, leaving the field to Hardy and Page: one committed to a non-political movement; the other an accomplished political practitioner. By April 1931, a substantial rural citizens' movement existed in New South Wales, largely outside the bounds of conventional political control and manipulation. The New State Movement remained liable to political suasion.

21. The Land, February 27, 1931.
In Victoria, a similar protest movement, the Kyabram Movement, was prominent in the early months of 1931, and was invited to some of the unity conferences which culminated in the formation of the UAP. (The Kyabram Movement was a revival of an agrarian reform movement of the same name which had been active at the turn of the century.) In South Australia, a citizens' rural organisation with several branches was formed in the latter months of 1930, but was quickly absorbed into the CL of South Australia.

Other parties were formed during these months, most of a transitory nature, reflecting anti-party sentiment and one or two other specific issues. Of peripheral importance were the para-military organisations such as the Old Guard and the New Guard in New South Wales, and the short-lived Khaki Legion in West Australia. The New Guard achieved a certain mystique, and its leader, Eric Campbell, claimed early links with Lyons and the AFA[L] in Sydney. There is no evidence of any direct connection between the New Guard and either the AFA[L] or the UAP, other than Campbell's contentions. There may have been a degree of common membership between the Old Guard, the New Guard, the AFA[L] and the National Party in New South Wales, but this was not a major factor. Elements in the Citizens' Movement supported the organisation of para-military units to cope with any civil disturbances, but these pressures were not significant.

The Citizens' Movements

(1) Citizens' League (CL) of South Australia

Lyons always attributed the origins of the Citizens' Movements to the CL of South Australia. In formal terms, the national movement began with a meeting at Balfours' Cafe, King William Street, Adelaide, on October 3, 1930. More than 30 members and friends of the Constitutional Club of South Australia attended the meeting, with its president, L.V. Pellew in the chair. Opening the meeting, Pellew said it was sponsored by the Constitutional Club but not subservient to it. The meeting, called in response to the "criminal procrastination of the Federal Government", was "non-political in its views, but capable of taking a definite stand". The initial objectives were to organise a meeting of protest in the Town Hall, to elect a committee to organise it, and to form a

permanent body of citizens to follow up. 25

The minutes of the meeting then record that Captain E.D.A. Bagot made an impassioned speech to the meeting:

He [Bagot] then described the twofold nature - political and financial - of the present Australian crisis. Both parties were to blame for these parties were the product of a treacherous electoral system which put incompetent men into Parliament. The drift had been allowed to go on for too long and must be stopped. There never was a time in the political history of the country so fraught with immediate danger as the present, nor when so many people were crying out for a strong leader who would "cleave through party politics" and establish law and order in our social system .... 26

In a press statement released after the meeting Bagot explained that new leaders and not new parties were wanted. He called for a rationalisation of politics, arguing that if industry and commerce could be rationalised, why not politics? (He neglected to explain where and how industry and commerce had been rationalised in Australia.) Bagot looked to simultaneous co-ordination of similar-minded bodies throughout the Commonwealth, so as to strengthen the movement into one of national importance. 27

Bagot was known as "alphabetical Bagot" to the many who disliked him. A World War I army officer who had found it difficult to readjust to civilian life, he had operated an unsuccessful transport enterprise across Iraq. Returning to Adelaide, he ran several enterprises without success, and, through the Constitutional Club, he became involved with businessmen such as Pellew and William Queale, who were to join him in the League. Despite his business failures, Bagot was a capable organiser, an accomplished writer (in later life, he wrote an excellent biography of the Australian actor, George Coppin), and a vigorous public speaker. A man of domineering personality, some saw Bagot as having Fascist tendencies. He professed admiration for Mussolini, and distributed copies of his books, including one to the ALP Premier of South Australia, Lionel Hill. Bagot was committed to national unity on non-party lines, and was one of the few leaders prepared to negotiate with the Labor Movement and give it representation in any plan for national unity. 28

The CL, which emerged from the meeting at Balfours' Cafe, had a remarkable

26. Ibid.
27. Ibid.
growth. By the end of its first month of existence, it claimed a membership of 2,357. In January 1931 the membership exceeded 11,300, and by mid-year, it was just over 20,000. The League reached a peak early in 1932, and then declined until it was dissolved in 1934. This disclosed the potential of citizens' movements to achieve astounding growth in only a few weeks of organisation. More than any other "non-party" organisation of these years, the CL showed some ability to hold its members. It succeeded in absorbing smaller organisations such as the Empire Loyalty League and the Farmers' Production Association. Bagot directed an innovative recruiting campaign which swelled the membership.29

As the sword and buckler of the CL, Bagot often lacked subtlety. One of his scrawled speech notes contained just four heads: God, King, Country, Communism. In the eyes of many observers, he was the only substantial figure in the CL, an assessment that ignored the cooler and more cerebral qualities which Queale brought to it:

At the Citizens' League meeting in the Adelaide Town Hall on the 11th inst, the only speaker to suggest anything of a concrete and constructive nature, viz, the suspension of Parliament and the appointment of Sir John Monash controller or dictator, was Mr Bagot.30

To be fair to Bagot, his constructive thoughts were often phrased in more democratic terms, although not without ambivalence:

Mr E.D.A. Bagot stated that ladies would be welcomed as members ... [the] League was to be entirely non-partisan. Statements had been made that it was a Fascist organisation but that is not correct as it is basically non-Fascist.31

Despite the highly conservative politics of Bagot and a number of the founders of the CL, from its inception the League tolerated, and to a degree encouraged, the expression of moderate Labor opinion. Other citizens' organisations gave lip-service to this principle, but either disregarded it in practice or worked to exclude Labor representation. The League's attitude was partly expedient: it was felt that the ALP would split and provide an influx of recruits into the League. It was also a reflection of the unpopular notion that national unity included even the ALP. The CL was sympathetic to the Hill ALP Government of South Australia, admittedly a conservative administration by the standards of Lang, and one which ultimately broke from the Labor Movement. The CL sought to include moderate Labor representation on the Emergency Committee (see Chapter 6). It showed a measure of practical concern for the unemployed, a quality largely absent from the other non-party organisations. Bagot was once put in the awkward position of rationalising the lack of ALP representation on the

29. Based on material in CL Papers, op. cit., Series 1, minutes, October 1930 to July 1934.
30. Press cutting in CL Papers, annotated as from The Advertiser, February 14, 1931.
31. CL Minutes, op. cit., October 21, 1930.
CL executive as because the league was non-party, and so was not controlled by prominent men from any existing party.\textsuperscript{32}

The CL was not a strong contributor to policy formulation, a weakness it shared with other citizens bodies. A meeting of its Executive Committee in February 1931 was set aside for policy deliberation. It decided that no specific platform would be adopted but five sub-committees were to be established, each to report on how one of the five principles of the League might be implemented. These principles were:

1. Cultivation of a national sentiment.

2. Equality of sacrifice and services as a civic duty.

3. Legislation for the nation and not for the party only.

4. Encouragement of primary production.

5. Rigid economy in public undertakings.\textsuperscript{33}

In practice, the policy framework of the League developed little beyond this rudimentary statement.

Unconstrained by platform, the League's activities were eclectic, depending largely on Bagot's erratic energies and responses to particular issues. In one circular to the membership, Bagot sought an expression of opinion from each branch on "should South Australia Secede?" so that a "real reflection of public opinion on this most important issue can be secured."\textsuperscript{34} There is no other reference in the CL records to secession which was not a burning issue in South Australia at this time. The League kept a careful eye on the activities of the Scullin Government, particularly its appointments. It sought a legal opinion on whether the appointment of Isaac Isaacs as Governor General could be challenged on legal grounds ("cutting the painter with the old country").\textsuperscript{35} When Scullin passed through Adelaide on his return from the Imperial Conference early in January 1931 CL representatives met him at the railway station and presented him with an assessment of current politics. The monitoring of federal government absorbed much attention on the League's part:

The executive is watching the political situation very closely. Amongst other matters the appointment of Sir Isaac Isaacs as Governor General and the elevation of Messrs Evatt and McTiernan to the High Court, the re-appointment of Mr Theodore as Treasurer of the Commonwealth, and [the]
inability of the Federal Government to control the affairs of the country have received special attention. Its communications with the membership were often at a more mundane level:

Care ... should be taken in the matter of badges to prevent them falling into the hands of industrial persons.

Bagot sought to broaden the League's range of activities in an effort to retain the interest and participation of the membership. He was partly successful, although the range of activities in which the League involved itself inclined to the motley. It participated in youth employment programs, the Empire Trade Movement, the cheaper sugar campaign and, briefly, in an anti-war movement sponsored by the Trades Hall. These supplemented routine branch and educational functions, and reflected some ingenuity in shifting the movement away from the fundamentalism of patriotic and anti-party feeling.

The League's first contacts with Lyons came during the conversion loan campaign which it enthusiastically supported, organising a public rally at which a telegram from Lyons was read. Thereafter, Bagot corresponded regularly with Lyons and the relationship was close through 1931. A public meeting sponsored by the League on February 11, 1931, passed a resolution calling on Lyons to form a new government with the support of the Federal Opposition. This allowed it to claim with some justice that it was the first body to call publicly for Lyons to become national leader. Given its commitment to non-party politics, the League showed an excellent nose for political opportunity. Bagot's talents as an organiser were displayed in the organisation of Lyons' visit to South Australia in April 1931 (see Chapter 5). Its success and the evidence of Lyons' close association with the League demonstrated the tremendous potential of a national Citizens' Movement. It also established Bagot as a formidable opponent in the eyes of the South Australian Liberal Federation (the State branch of the National Party), and this was an important factor in the creation of the Emergency Committee a few weeks later (see Chapter 5).

There was no doubt of Bagot's ambition. Shortly after the inauguration of the CL in mid-October 1930, he was talking enthusiastically of a Citizens' Movement throughout Australia:

If the funds are forthcoming, and it is necessary for expansion of the movement, I would be prepared to go over to the other states and get the movement going there.

36. Ibid.
37. Ibid. Circular to CL Branches, n.d.
38. Ibid. CL Minutes, December 3, 1930.
39. Ibid., October 15, 1930.
According to Bagot, such a movement could attract 250,000 members in Victoria, 300,000 in New South Wales, 50,000 in Queensland, 30,000 in Tasmania. With a target of 50,000 in South Australia, he envisaged a huge national non-party movement with a total membership of more than 700,000. Bagot's initial proposal was based on the foundation of the Constitutional Clubs and Associations in each state. The CL had begun in this way, and there was a rudimentary framework for a national organisation in other existing bodies: the Vigilance Committee (also referred to as the Vigilants Committee) in Queensland, the Citizens' Federation in Perth, and the Who's for Australia League in Sydney. The alternative was a new structure unconstrained by any existing framework. In Bagot's view, such a movement "would cleave a way right through party politics and thereby bring about the reforms which we all desire."40 Although Bagot participated in the formation of the Australian Citizens' League (subsequently the Victorian branch of the AFA\[L\]) his vision of a great national movement under non-party leadership was to remain an illusion.

In terms of South Australian objectives, the League fell short of its target of 50,000, but its achievement was substantial. With a membership exceeding 20,000, and 93 metropolitan and 60 country branches, the League had emerged as an extremely effective instrument by April 1931. Its funds were limited, as was its access to the influential Adelaide Advertiser, which supported the Liberal Federation. It had a good relationship with another Adelaide daily, the Register, whose proprietors, "in the national interest", supplied it with office space.41

Bagot captured the spirit of the new movement, although his expression was often turgid:

We have waited for months for our national leaders to sound the tocsin, but no call has been made to reach the heart of the nation, either from the Government or the Opposition .... We are not a political party and have no desire to become one, but we are a conscience, a sentiment, a force, the force of public opinion, public sentiment, public conscience, which awakened at last by the crisis that confronts us, attempts to make itself both heard and felt.42

(2) The Victorian All for Australia League

The Victorian Branch of the AFA\[L\] was formed initially as the Australia Citizens' League, changing its name to the AFA\[L\] after a merger with the NSW AFA\[L\]. The NSW and Victorian bodies acted as independent branches of the one body,

40. Ibid. Bagot seems to have been fond of "cleaving through party politics", cf. p.99.
41. Ibid.
42. Ibid. Minutes of the inaugural meeting of the CL, October 3, 1930.
and the links between them were perfunctory. According to CL records, Bagot was authorised to carry out organising work in Melbourne which aimed at establishing a Victorian Citizens' League similar to the South Australian body. Bagot consulted members of the Melbourne Constitutional Club and they agreed to start a Citizens' Movement. According to Bagot, he contacted members of the Citizens' Committee which had directed the loan conversion campaign in December 1930, and found it on the point of winding up. Bagot addressed its members and urged them to form a Citizens' League:

Whereas the Constitutional Club was prepared to accept the League as it stood, the Citizens' Committee wanted to start off with a new one and therefore we have to try and reconcile all parties.43 Whatever the influence of Bagot and the CL on the creation of the Victorian body, it developed on markedly different lines from the South Australian League. From inception, it was closely linked to the Victorian Branch of the National Party. The President of the Victorian AFA[L], Ernest Turnbull, spoke of its origins thus:

In view of the fact that the Citizens' Committee from which our organisation sprang was so largely responsible for the success of last year's loan conversion, we feel that our organisation [the Victorian AFA[L]] is particularly fitted to undertake this work [a further conversion campaign].44 The provisional manifesto of the Victorian AFA[L] affirmed that the League derived directly from the Citizens' Committee:

Having completed their work in connection with the loan they set out to explore the possibility of forming a league to deal with vital public questions affecting Australia's solvency and progress through the troubles that confront her ... it was persistently suggested that the Citizens' Committee should remain in being and launch a national undertaking of vastly greater scope, making it an objective to weld into one great league multitudes of earnest, right thinking and loyal men and women who are to be found in their thousands in every rank of life throughout the Commonwealth.45

The objective of the "one great league" was shared by the South Australian body, and it is not clear why the Victorian League moved away and linked up with the NSW AFA[L].

The Victorian League was officially established as the Australian Citizens' League at a meeting in the Melbourne Town Hall on February 19, 1931, which elected a small executive committee. The League's President, Ernest Turnbull, was the managing director of British Dominion Films and had no public links with the National Party.

43. Ibid. CL Executive Committee Meeting, January 21, 1931.
44. Ernest Turnbull to Lyons, June 25, 1931, Lyons correspondence, AA CP 30/2.
45. Provisional Committee Manifesto, Australian Citizens' League, Ernest Turnbull Papers (ANL MS 1942).
Lyons and his wife had attended a gala premiere of "Canaries Sometimes Sing" as the guests of Turnbull, but there is no suggestion that the links between the two men had been close. The Vice Presidents were two Melbourne retailers, E. Lee Neil of the Myer Emporium, author of a pamphlet and several articles about why Australia needed a "National Citizens' Organisation", and G.J. Coles. Kingsley Henderson was the honorary secretary, and Staniforth Ricketson its honorary treasurer, thus linking the League closely with the "Group". The Australian Citizens' League merged with the NSW AFA[L] early in February 1931, and the Victorian body was subsequently called the All for Australia League. The League's first convention in May endorsed a provisional council and approved a constitution which provided for a permanent state council and an extended branch structure.

The growth of the Victorian AFA[L] in its first few months was as astounding as that of the CL in South Australia. According to regular accountings supplied to the press, the membership was 24,000 by the end of March, with 120 branches; by 24 April it was 60,000 members and 211 branches; 79,000 members and 251 branches by early May, and 80,000 members and 320 branches at the end of May when the League's first convention was held.

There were a number of curious features about the operation of the Victorian League. Although ostensibly merged with New South Wales, it functioned largely as an autonomous body. In terms of policy, its contribution was negligible, although later in 1931 it did adopt the detailed policy framework of the NSW Branch as a basis for policy discussion. The branch structure of the League was concentrated in the country, which seems remarkable in view of its links with the Nationalists and metropolitan interests. According to League computations, less than 10 per cent of its branches were in the metropolitan area, unlike New South Wales where the bulk of the branches were in Sydney and Newcastle, or South Australia where branches were spread more evenly through the state, but metropolitan branches predominated. It is possible that the AFA[L] fulfilled for country Victorians an outlet for protest similar to the country movements in New South Wales, but more likely the disclosed branch structure was inflated. League lists include reference to branches at Archie's Creek, Jung Jung, Ballmatum East, Launching Place, Tallgaroopha, Yarck and Yatbo North, all beyond the mainstream of provincial Victoria. It is probable that the League's branch structure,

46. Invitation in Lyons Papers, n.d., but grouped with correspondence in the first half of 1931, AA CP 30/2.
48. SMH, March 20, 1931; April 24, 1931; Age, May 6, 1931; Argus, May 24, 1931.
at least in non-metropolitan Melbourne, was largely on paper. The organisation and most of the branch activity of the League were concentrated in Melbourne.⁴⁹

The rhetoric of the Victorian AFA[L] was singularly vague and orotund, even by the standards of its counterparts in the other states. With any sort of policy role played down, its public pronouncements and publications were largely vehicles for its principal spokesmen, Turnbull, Lee Neill and Henderson. Although it subscribed to the anti-party and non-partisan rhetoric of the broader Citizens' Movement, this was usually couched in a way which specifically excluded any involvement of the ALP:

We are irrevocably opposed to the politics propounded by certain political sections, not because of the political colour of the sections that propound them but because they are fundamentally dishonest.⁵⁰

With such an approach to non-partisanship, the public statements of the Victorian AFA[L] reflected a strong National Party line. There was little attempt to gloss over virulent anti-Labor attitudes by invoking national unity:

The costs of Parliament and the costs of Canberra added together would make a fair hole in our national debt ... and our treasurer cannot write his name to a good check - he can to a fiduciary one, of course - for 5 million pounds.⁵¹

Unlike the South Australian body, which sought to work with the unemployed and give them a forum through its public meetings, the Victorian AFA[L] reflected the patronising laissez faire attitudes of the National Party:

The unemployed man, too, generally speaking, has carried on gamely and uncomplainingly and has shown to many better placed people an example of distinguished conduct in this time of bitter sacrifice. In their [sic] name, particularly, the AFA[L] demands the return of a Government that will do something more than talk to restore prosperity to this land.⁵²

The motif of the Victorian AFA[L], "National Integrity, Security and Sacrifice", epitomised the attitudes to national economic and social policy of the National Party. In the circumstances, the propaganda and educative activities of the Victorian AFA[L] concentrated on introducing the Victorian electorate to the evils of Lang:

You who are Victorians hardly know the full force of the disaster which has befallen NSW under the dictatorship of Mr Lang.⁵³

Could a spontaneous Citizens' Movement have emerged in Victoria without falling into the hands of National Party manipulators? In the absence of competent and

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⁴⁹ Branch names selected from League publications in the Turnbull Papers, op. cit.
⁵⁰ Ibid. Pamphlet, AFA League Shows the Way to Prosperity, 1931, p.23, Turnbull Papers, op. cit.
⁵¹ Ernest Turnbull to a meeting in the Melbourne Town Hall, December 2, 1931. Copy in Turnbull Papers. The reference was to Theodore's proposal for a fiduciary note issue which was rejected by the Federal Parliament.
⁵² Ibid.
⁵³ Ibid.
independent leaders such as Bagot and Queale, the Constitutional Club could not have met the need. The Nationalists were fortunate that the Citizens’ Loan Organising Committee provided a framework with close links to the Nationalist machinery, and to the National Union in particular. The energies and aspirations of the Citizens’ Movement were diverted with relative ease to National Party ends. Compared with the South Australian and NSW Leagues, the Victorian League was perfunctory, almost anaemic. In South Australia, the Liberal Federation had to resort to subtlety and subterfuge to subvert the CL. In New South Wales, the AFA[L] fought staunchly and bitterly for several months to assert its independence from the Nationalists (see Chapter 8). This spirit of contention was absent in Victoria, where the National Party had nothing to fear from the Citizens’ Movement.

3) NSW and the AFA[L]

The origins of the AFA[L] in New South Wales are rather more complex. As noted earlier, an organisation called the Who’s for Australia League had operated for almost two years, advocating a new party based on "those who put Australia First".54 The principles of national unity and "Australia First" were carried over into the AFA[L], but not the doctrine of Theosophy supported by the WFAL and its general secretary, A.E. Bennett. According to the WFAL’s journal, its members wanted vigorous co-operation in industry between employers and employed. They despised "politicians who serve party or class or seat before Australia ... who make Australia a stepping stone to personal prestige and power."55 The WFAL was linked to the Chamber of Manufactures in Sydney through Bennett, whose older brother, General H. Gordon Bennett, was a senior member of that Chamber. The Constitutional Association was among the first to support the AFA[L], but was not instrumental in the League’s foundation, as was the Constitutional Club in South Australia with the CL.56

The main instigators of the AFA[L] in New South Wales were businessmen, all Rotarians, who held a series of informal meetings through January 1931. The main figure in this process was Norman Keysor, who organised one of the initial meetings at his home. Some original members dropped out, but others brought along interested acquaintances and the movement gradually built up. On January 28 the president of the Chamber of Commerce, R.J. Hawkes, convened a meeting of 'citizens' organisations. It

55. SMH, February 13, 1931.
56. The minutes of the Constitutional Association contain references to co-operation with the AFA[L], but do not disclose any role in the inauguration of the League. See minutes of meetings for February 9, 1931, and May 4, 1931. Constitutional Association of NSW Papers, op. cit.
resolved that an organisation be established "to create a unity of purpose among the citizens and organisations to meet the present economic and social crisis", and formed a committee to achieve this objective. This committee organised the League's successful first meeting at Killara in Sydney's North Shore on February 12, and subsequently became its first executive.\(^{57}\)

The principal figures on this executive were Alexander Gibson (a Sydney consulting engineer and a former Professor of Engineering), H. Gordon Bennett, Sydney Snow (a Sydney retailer), Henry Braddon (a Nationalist politician) and three businessmen, F.J. Walker, R.A. Malloch and A.E. Heath. Gibson, who was chairman for the first meeting, became the League's most influential spokesman. At the Killara meeting, he described its objectives in a series of vague principles: to create unity of purpose; put constitutional pressure on governments to restore credit, balance budgets, and reduce government administration and spending; to set aside conflicting sectional interests; to conjoin the interests of city and country; to bring about whole-hearted co-operation of employer and employee.\(^{58}\) The League was not preoccupied with policy at this stage, although it later developed some policy drafts. According to Snow, Australia was "on fire with repudiation" and only when those flames had been quenched would it "be time to get busy on policy".\(^{59}\) The League's principal historian, Trevor Matthews, says it was envisaged as a moral pressure group:

> It would be a body of informed and sane public opinion which politicians could not disregard; the League would support those public men who, "irrespective of creed or party were directing their efforts to making the nation capable of meeting its obligations, and rebuilding its prosperity."\(^{60}\)

The League organised intensively in Sydney and in country districts from mid-February to mid-April. Again, the growth of membership was spectacular. Three weeks after the inaugural meeting, the League claimed 30,000 members; a week later, the tally was 40,000 and a special enrolment drive late in March recruited an additional 25,000. When the first convention was held at the end of March, the League claimed a membership exceeding 100,000. Although the rate of increase fell away after the convention, total numbers still grew, with a peak of 130,000 suggested by the end of May.\(^{61}\) In August, Gibson claimed a combined membership of 200,000 for the AFA[L] and the Riverina Movement, a figure that is almost certainly over-stated. There is no

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57. Matthews thesis, op. cit., p.5. This section on the AFA[L] is drawn largely from this source.
58. SMH, February 13, 1931.
59. SMH, February 26, 1931.
61. Figures quoted from Matthews, pp.10-11. See also Daily Telegraph, March 7, 1931; SMH, March 14, 1931; SMH, March 21, 1931; Daily Telegraph, March 25, 1931; SMH, May 21, 1931; SMH, June 26, 1931.
reason to disbelieve the figure of 130,000 as the League's peak membership, but the rapid falling away of membership after the League's second convention in August was probably just as dramatic. If the League kept tallies of its membership after August, they were not made available to the press.

The League's recruitment and growth was helped by a favourable press, unlike Melbourne where the Argus supported it, but the Age was hostile because it suspected that the League was manipulated by the conservative wing of the National Party. In Sydney, the AFA[L] was particularly close to the Daily Telegraph which for the first two months of the League's existence published a daily feature called "The Crusaders", describing the branch activities of the League and charting its rapid growth. The structure of the NSW League was dominated by metropolitan branches; there were few country branches apart from Newcastle and the Hunter Valley region. At the end of March, Gibson said that 84 branches had been formed in the metropolitan area and only 15 in the country.

Even more than the other leagues, the AFA[L] in New South Wales attached a considerable mystique to the wearing of badges, which created an aura of kinship and a sense of having done one's bit to meet the crisis. League members could feel a glow when they met other badge holders in the street. The widespread wearing of badges led the Labor press to dub the AFA[L] the "two bob Army". As an outlet for populist frustration, the League was an outstanding success in its first heady weeks. By the middle of March, the Daily Telegraph was extolling its progress:

Probably no public movement in the history of Australia has spread with such rapidity as the All for Australia League which has now reached such numerical strength as to tax the organising ability of the stalwarts behind it.

The provisional executive which guided the growth of the League was not replaced until May, when a state council of 48 members was chosen. This cumbersome body comprised 14 chairmen each from the country and city divisions, and 20 members elected by the branches (10 from the country and 10 from the city). With the bulk of the membership in the city, the equal representation of country and city (24 from each) was grossly disproportionate. This Council elected an executive of 25, again split as equitably as possible between city and country (13 city, 12 country). The main figures of the League in these early months were Gibson, the two metropolitan Vice Presidents, A.E. Bennett and Snow, and the committeemen, H. Gordon Bennett, Keysor, and

63. Ibid.
64. Ibid., p.10.
65. Daily Telegraph, March 17, 1931.
Horace Whiddon. The political experience of the leadership was meagre, although one executive member, Thomas Mutch, had been an ALP Cabinet minister in the first Lang administration. Eric Harrison, a salaried manager, was an executive member who subsequently became a senior parliamentarian and Federal Cabinet Minister.66

The second state convention of the League in August, attended by more than 1100 delegates, adopted a new constitution providing for a state council, half of its members to be elected by divisional councils, and half by sub-divisional councils. The grassroots structure of the League is far from clear, although in the metropolitan area there was some attempt to correlate divisions with federal electoral boundaries, and sub-divisions with state boundaries. This council elected a smaller executive of 12 members which included Gibson, Snow, A.E. Bennett, Harrison and Keysor, and a solitary woman member, Mrs M. Muscio. The principle of equal representation for city and country had been scrapped by this time, although two of the four Vice Presidents were country representatives.67

The League's main difference from the National Party was its firm opposition to political parties. According to the draft policy, the party system had defeated the full and proper function of Parliament by a rigid allegiance to party machines which were dominated by juntas:

By the caucus machine control, a minority in Parliament can impose its will on a Parliamentary Party, and, because Parliamentary solidarity demands that members shall place their party before conscience or their country, such a minority can dominate Parliament and the country ... (and) by party pre-selection methods, the freedom of franchise of the people with its "one man, one vote" is defeated.68

In place of the "Party Parliament", the League advocated a return to a "Deliberative Parliament", also called a "Deliberative Council of state". This would comprise "responsible representatives of the people" who would pass legislation expressive of the popular will, with a ministerial Cabinet executing the wishes of Parliament.69 Acknowledging that the League's proposal effectively wrote off at least a hundred years of constitutional history, its exposition was relatively sophisticated. Matthews detects some similarity to Edmund Burke's notion of virtual representation

67. Ibid., p.12.
and the proper function of Parliament.\textsuperscript{70} Members would debate and vote according to conscience, without interference from the party machines. Accordingly, parliamentary representatives would have to be "intelligent and educated men with ability and breadth of vision".\textsuperscript{71}

The League also advocated a form of provincial government for local affairs. This principle owed much to the policy of the Riverina Movement, whose support was cultivated by the League. According to Matthews, the August Convention of the NSW AFA[L] amended the draft policy to incorporate provincial government in response to a suggestion made by Hardy to Gibson.\textsuperscript{72} Whatever Hardy's influence, League spokesmen had consistently urged the creation of provincial councils to handle local matters, and the Victorian AFA[L] had proposed such a system.\textsuperscript{73}

The League’s approach to economic policy was every bit as fundamental as that of the National Party, sharing its rhetoric of national honour, sanctity of contract, honest finance, no repudiation, and the "good old British practice of paying our way". Its attitudes to the Great Depression were just as hard-line:

The depression was thought of as being the result mainly of the effects of dishonest and dangerous economic policies of the Lang and Scullin Governments on the nation's "credit", both at home and overseas. Restore "confidence" and all would be well ... The AFA[L] simply repeated that conditions would improve once men of integrity returned to office.\textsuperscript{74}

The business ethic permeated both the policy of the League and its public statements. Its president, Gibson, borrowed from Macaulay: government could best serve the nation by letting capital find its most lucrative course, commodities their fair price, industry and intelligence their natural reward, idleness and folly their natural punishment. The state should merely keep the peace, defend property, diminish the price of law, and keep government spending down.\textsuperscript{75} Eric Harrison, put it more crudely: there had been too much government in business; now, there should be more businessmen in government.\textsuperscript{76} The League advocated a high tariff policy, federal control of industrial policy, an Economic Advisory Council (a somewhat radical proposal in

\textsuperscript{70} Matthews thesis, op. cit., p.27. He quotes Burke as follows:

... parliament is a deliberative assembly of one nation with one interest, that of whole; where not local purposes, not local prejudices, ought to guide, but the general good, resulting from the general reason of the whole.

\textsuperscript{71} Ibid., p.27.

\textsuperscript{72} Ibid., pp.56-57.

\textsuperscript{73} Argus, July 10, 1931.

\textsuperscript{74} Matthews, op. cit., pp.30-31.

\textsuperscript{75} Article by Gibson in SMH, May 20, 1931.

\textsuperscript{76} Daily Telegraph, letter by Harrison, July 21, 1931. See also Matthews, op. cit., p.31.
1931) and government intervention to make productive use of idle private sector resources.\(^77\) There were some signs that the League was groping towards more sophisticated formulations of economic policy in its later policy discussions, but in the months of its greatest success, it differed little from the National Party.

Like the CL of South Australia, the AFA[L] lacked access to regular funds, although it was well funded in the early weeks of its life. (Finance does not seem to have been a problem with the Victorian League, which probably had early access to the National Union funds.) Apart from the sale of badges, it had no regular source of income, and given the costs of production and distribution, badge sales would not have sustained it. The League was dependent on the services of volunteers, particularly Gibson, Keysor and Harrison. It paid an organising secretary, Harold Warby (later the Assistant Secretary of the NSW UAP and first state Secretary of the state branch of the Liberal Party), and its administrative expenses were substantial. Various suggestions were put forward to fund the League by regular contributions, but these were not implemented. Snow provided the League with office space and other logistical assistance. The sources of the funds which kept the League going for a year remain a mystery, although it is probable that its expenses were under-written by business houses. It has been suggested that Snow was a principal benefactor of the League, but his relationship with it is not unambiguous. Snow had not previously been associated directly with the National Party, but in the 1920s he had been regarded as sufficiently sympathetic for Parkhill to approach him as a possible sponsor for the Nationalist Club. Once the AFA[L] was merged into the National Party, Snow became a senior officer and ultimately President of the UAP. This influential role may not have been solely due to Snow's services after the winding up of the AFA[L].\(^78\)

In Victoria, the Nationalists had little difficulty in dominating the AFA[L] from its early days. There were expectations that the Nationalists would be able to secure the NSW League in the same way. This approach was described succinctly by Braddon, a foundation member of the League's executive:

> My idea was to range the AFA[L] presently in support of the Nationalists, and to the extent that the latter organisation might be deemed to need improvement, to help to improve it.\(^79\)

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\(^{77}\) *Draft Policy*, op. cit., p.2. The high-tariff policy reflected the influence of NSW manufacturers whose protectionist policies differed sharply from manufacturers in other states, particularly South Australia. Federal control of industrial policy was a contentious issue because of the defeat of the Bruce-Page Government on this question in 1929.

\(^{78}\) On the funding and administration of the League, see Matthews thesis, op. cit., pp.13 ff. The approach to Snow by Parkhill is referred to in National Club File, NSW Liberal Party Papers, (ML, Sydney).

\(^{79}\) *SMH*, May 26, 1931. Letter from Henry Braddon.
This complacency was reflected in the tolerant approach the Nationalists adopted to the AFA[L] in the early weeks of its existence. The leadership cadre which controlled the AFA[L] resembled the oligarchy which ran the National Party. Bavin and Parkhill, in particular, were irked by the AFA[L] rhetoric which linked Bligh Street (the Sydney headquarters of the Nationalists) with the Trades Hall as the principal sources of Australia's problems, but this sort of baiting was by no means intolerable. The Nationalists felt that if an early election were held, the AFA[L] would have to support the Nationalists. Both spoke the same language on the economy and public policy; both reviled Lang and Theodore in the same virulent phrases. Accordingly, the Nationalists believed that the NSW League could be reined-in when necessary. Unlike South Australia, the NSW League did not rush to appropriate Lyons who told Bagot in mid-March that he was depressed at his failure to make any impact on it. It seemed that the NSW Nationalists had little to fear from the AFA[L].

The complacency of the Nationalists was rudely shattered in the final week of March when the League adopted overtly political objectives. H. Gordon Bennett gave a signal when he told a League meeting that it might have to pursue independent representation in Parliament. Gibson suggested that an organisation aiming at constitutional change (presumably in the direction of a deliberative parliament), could not avoid parliamentary representation. When the AFA[L]'s first convention met on March 28-29, its delegates voted by the overwhelming majority of 598 to 40 to make it an active political body. The decision was greeted with tremendous acclaim by the membership.

The Nationalists were outraged by this decision, but there was little they could do beyond pointing out the League's inconsistencies, and making jibes about machine politics. The National Party had been manoeuvred into an invidious predicament:

The convention decision threw a completely different light on the AFA[L]. From now on, instead of being an irritating critic, it was now a threat to the existence of the National Party - or, at least, so it appeared to the National Party - which had to see if it could eliminate this threat by trying to arrange an amalgamation with the AFA[L]. These unsuccessful attempts were made with monotonous regularity throughout the rest of the year.

Lacking the League's records, firm reasons for its about-face are hard to find. Undoubtedly, structural factors were an important influence. The League's basic organisation of branches grouped into sub-divisions and divisions, with a higher tier of divisional councils, and at the apex the co-ordinating machinery of Executive, State

80. Daily Telegraph, March 17, 1931.
82. Ibid., p.35.
Council and Convention followed conventional models of political party organisation. In particular, it resembled the structure of the NSW National Party, on which it was certainly based. If such an elaborate structure were not used for political purposes, then what other purpose could it serve? Political logic dictated that a body organised on political lines would ultimately engage in politics. A related factor was the need to keep a large membership occupied. If political activity was ruled out, the alternatives were to let the League wind down, as happened in Victoria, or to embark on miscellaneous public activities, as was done in South Australia. Another factor was the presence in the League of a significant body of former ALP supporters, who were not prepared to tolerate the Nationalists, a traditional enemy. It had to act positively to show that it was not merely a facade for the Nationalists if it wanted to keep its moderate ALP supporters. The League overcame an initial indifference to Lyons, who made a successful appearance at its March convention, and this opened the way for a movement led by Lyons, espousing non-party principles but organised on political lines. Finally, there were personal overtones which it is hard to explain, but seem to have been focussed mainly on Bavin, the State Parliamentary Leader, and on Parkhill, the former state Secretary. Both men were highly unpopular with the AFA[L].

Conclusion

By early April 1931, the Citizens' Movement was strong enough to provide a potent threat to the traditional parties. Apart from the already powerful leagues in South Australia, New South Wales and Victoria, similar organisations appeared to be forming in other states. Before continuing with the evolution of the citizens' movements, it is necessary to outline federal political events from the conversion loan campaign of December 1930 to the formation of an independent Lyons group in the Federal Parliament in March 1931.
CHAPTER 5
LYONS AND THE ALP

Once the loan conversion campaign proved to be a popular success, Lyons' opponents in the ALP were not able to challenge him directly for abandoning the official policy of the party. On December 9, 1930 Latham, speaking during the adjournment debate, had put to the Parliament a proposal for a national council comprising representatives from the Commonwealth and State Governments, the Federal Opposition and the banks with the aim of devising a three-to-five-year plan. This led to rumours of a coalition or a national government. On the following day, the Caucus discussed the Latham proposal, but the minutes of the meeting record only a passing reference to it in a broad motion about a Prime Ministerial statement on the economy. The January 1931 issue of the ANR, the journal of the NSW Branch of the National Party, quoted the Labor Daily as reporting that the Caucus had shouted Lyons down when he expressed support for Latham's proposal. The Caucus minutes record that Lyons declined to serve on a committee to draft the Prime Ministerial statement because of the pending loan. If the report was an accurate one, it shows that Lyons had not been forgiven for successfully resisting the Caucus majority on the loan conversion. If he had supported Latham's proposal as suggested, then he may have already moved closer to the Nationalists, showing a willingness to tackle the financial emergency on national rather than party lines.

The future of Lyons and Fenton, his chief supporter in the Caucus, depended very much on the return of Scullin from London. Scullin had given Lyons and Fenton firm support on the loan conversion issue. He had appointed Fenton as Acting Prime Minister and Lyons as Acting Treasurer in his absence, and both were firm supporters, sharing his fundamental Labor principles and distaste for radicalism. When he returned to Australia in mid-January 1931, Scullin faced a series of intractable political and economic problems, as he acknowledged tersely in response to a welcome-home message from his principal adversary, Latham:

2. ANR, January 1931.
I am glad to be back although things are difficult. In press interviews given while he made his way across Australia by train from Fremantle, Scullin indicated that he was prepared to stand down as Prime Minister, or even to leave Parliament altogether should the Labor Party wish it:

He had never been filled with an overwhelming personal ambition. He would make way at any time for a better man. Overjoyed at the prospect of relief from the Acting Prime Ministership, Fenton expressed this reaction to the press:

Thank God, Scullin has come back.

His gratitude was quickly overtaken by events. Lyons resigned as Acting Treasurer and requested Scullin to take up the post, but Scullin declined, saying that it would be too onerous for him to combine such a strenuous portfolio with the Prime Ministership.

Lyons put great faith in Scullin's return, and he expressed confidence in the ability of the Prime Minister to act resolutely. As Treasurer, he felt that he had done exactly as Scullin would have done if he had been in Australia. With Scullin declining to take the Treasury, he might have expected that the Prime Minister would confirm him as Treasurer. It is also likely that Lyons had hopes of convincing Scullin that a more united approach to national problems should be taken. On the eve of Scullin's return to Canberra, the Launceston Examiner reported that Lyons was understood to be "in favour of a large conference of all parties in a genuine non-party endeavour to grapple with the problems that beset us." On January 15, Sullin opened the ALP campaign in a federal by-election for the Sydney seat of Parkes, caused by the resignation of Edward McTiernan who had been appointed to the High Court in Scullin's absence. On the following day (January 16) he instructed the Secretary of the Caucus, Jack Price, to call the Caucus together on Friday, January 27. Scullin was in an invidious position, described thus by Cook:

Scullin now had to align himself with either Lyons and Fenton and the policies of the Melbourne Agreement, or Theodore and a policy of credit expansion; in 1930, he had supported Lyons and Fenton, but it was doubtful that he could continue to do so.

Cook considers it probable that Scullin made the crucial decision to reinstate Theodore

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5. *Age*, January 14, 1931.
as Treasurer while he was in Sydney; there he would have been influenced by the NSW branch of the ALP, which supported expansionary economic policies. The branch had decreed that the Parkes by-election would be fought on Theodore's policy, a challenge taken up enthusiastically by the Nationalist candidate, Charles Marr and his supporters:

We'll give solid indication
that we're right against inflation,
by voting number one for Charlie Marr!10

Lang, who shrewdly kept out of the by-election fight, was critical of the decision to risk a federal by-election by appointing a Labor man to the High Court:

Was it worth the risk of losing Parkes and thus creating a losing psychology inside the Federal Labor Party? The year of opposition had done a lot of good to the Nationalists. They had their feet closer to the ground than the Government. They could attack. They had nothing to defend. It did not take them long to realise the crucial importance of Parkes. They poured money into the fight. They appointed key organisers. They brought speakers in from every state of the Commonwealth. Parkes was to be the national cockpit in which the future of the country was to be decided.11

It could also be argued that the contest in Parkes was just as much a test of Lang's standing as that of the Federal Government.

When the Caucus met on January 27, Lyons moved that all Cabinet positions be declared vacant, and that the party should elect a new ministry. Although agreeing on more expansionary policies, there were marked differences of emphasis and degree between Theodore and his supporters and the Beasley-led Caucus group which backed Lang and radical financial policies. Lyons' motion was extensively debated:

With the Parkes by-election only a few days away the Party could not afford a full-scale display of its divisions. Eventually Lyons was granted permission to withdraw the motion.12

Lyons' opposition to Theodore's reinstatement was based largely on ethical grounds: the former Treasurer should not be restored to high office until he had been completely exonerated from allegations of corruption.13 Undoubtedly, Lyons was aggrieved by Scullin's decision neither to take the Treasury himself nor to give him the post.

Scullin's own explanation of his actions in Caucus was given at some length in an interview with the Age:

He did not go into the party room to judge which side the big battalions were on, nor did he put his ear to the ground to listen to the rumblings among the party. He went into the party room and declared which side he was on, and

10. Parkes by-election material in Marr Papers (ANL MS 3874).
13. Clark Tape, op. cit.
left it to the members there to decide .... He told them that he felt Mr Theodore was not getting a fair deal from the National Government of Queensland ... that from the outset he believed that he was not guilty of the charges ... he returned from abroad and said 'this has gone far enough. Let him come back into the Cabinet. Australia needs the best brains that Australia has got.'

On the basis of Scullin’s motion, Theodore was reinstated in Cabinet by the relatively narrow margin of five votes. Theodore made a belated entry to the Parkes by-election, but his performance was listless and did nothing to counter the tide against Labor.

Gabb had threatened to leave the ALP during the Caucus proceedings. Having "slept upon it" he wrote to Scullin on January 28, withdrawing his support from the Government:

May I also state that I have lost faith in your judgment as a leader, and in the possession of gratitude, when I noticed how the advice and appeal of Mr Fenton and Mr Lyons was received by you. In the light of my experience in the Caucus during the dark days of the last few months, I am sure you have chosen wrongly, and a "friend in need is a friend indeed".

Gabb was a curious figure, a former Methodist minister who had conducted a steamboat mission on the Murray River in South Australia. Leaving the cloth, he had worked as a market gardener and greengrocer before winning the difficult seat of Angas for the ALP in 1922. Gabb established himself as a parliamentary irritant by continually calling quorums, and won a national reputation by rejecting a parliamentary pay increase with the slogan, "Gabb didn’t Grab". He supported his call for government economy by stalking the parliamentary corridors switching off lights. Gabb was essentially an agrarian independent whose place within the Labor Movement had many anomalies. His brusque departure signalled to the leadership that it might have problems in retaining the support of its conservative members in the circumstances of Theodore’s reinstatement and the swiftly developing conflict with Lang and his supporters in the Federal Caucus.

Scullin’s problems were compounded when Marr won Parkes for the National Party by an overwhelming majority on a swing of about 14 per cent. The victory was hailed by Nationalist supporters as a victory for honest government and sane finance, a rejection of repudiation and inflation:

There will be no doubt that the Federal Government has lost its mandate to govern, since the Parkes result represents a no-confidence motion as definitely

15. Lang, op. cit.
17. Press profiles in Gabb Papers, op. cit.
as if it had been carried on the floor of the house.\textsuperscript{18}

The death of the ALP member for East Sydney, John West, caused a further by-election in the heart of Labor’s industrial base in Sydney, and this produced the ultimate rupture between the federal bodies and Lang and his supporters. On February 6, a vital Premiers Conference began at which Theodore proposed a three-year program similar in principle to the Gibbons-Theodore Plan which Caucus had previously ratified. On the following day Lang presented his plan whose principal element, the deferral of interest payments to British bondholders, fuelled the national debate on repudiation. The Lang Plan was endorsed by the NSW branch of the ALP, the NSW Cabinet and the NSW Parliamentary Party. In the East Sydney by-election, E.J. (Eddie) Ward the candidate of the NSW machine, campaigned on the Lang Plan, effectively placing himself outside the federal party and dividing Federal Labor from Lang Labor.\textsuperscript{19}

After the reinstatement of Theodore, Lyons withdrew from party activity, spending most of his time with Fenton and one or two other close supporters:

Today [January 28] Mr Lyons went into Queanbeyan and in company with Mr Guy (Bass, Tasmania) and Mr Frost (Franklin, Tasmania) he spent the day driving and walking around the township. Clearly Mr Lyons was desirous of having an opportunity of discussing and reviewing his position with Mr Guy, his most intimate friend and supporter.\textsuperscript{20}

Lyons left for Melbourne that night without making any statement about his plans, but rumours that he intended to resign from the ministry were prevalent. According to one account, Lyons left in circumstances of considerable drama:

It soon transpired that Mr Lyons, forced into a corner at last, and determined to associate himself with the Cabinet no longer, had left Canberra on the night train with the intention of going to Tasmania where he would announce his resignation from the Cabinet. Mr Green, the Minister for Defence, had rushed after him to the station, and vainly implored, 'For God's sake Joe, don't do it', as the train was vanishing into the murky night, carrying with it a future Prime Minister.\textsuperscript{21}

Fenton and Lyons resigned from the Cabinet on January 29, the following day.

Lyons was careful to stress that although outside the ministry, he was still within the party, and he would continue to give assistance to lessening the difficulties of the Commonwealth:

It is not very difficult to hand over voluntarily the administration of a department such as the Post Office. It is bad enough that one is getting out.\textsuperscript{22}

\textsuperscript{19} Cook, op. cit., p.336 ff.
\textsuperscript{20} Argus, January 29, 1931. Queanbeyan is a town adjacent to the A.C.T. in New South Wales.
\textsuperscript{21} Denning, \textit{Caucus Crisis}, op. cit., p.121.
\textsuperscript{22} Examiner, February 6, 1931.
After completing the transfer of administration in Melbourne on February 4, Lyons entered into a sequence of consultations with the "Group". The principal meeting was held in the offices of J.B. Were, with Higgins as Chairman and Menzies as the principal negotiator. Others present were Ricketson, Pratt and Norris. According to Ricketson's account, the meeting was clandestine:

The meeting took place in the office of J.B. Were and Son on a Sunday afternoon and I went down to the Commercial Travellers' Club (where Mr Lyons was staying) and brought him and his fellow member - Mr Guy - up the lanes connecting the Commercial Travellers' Club and Bank of NSW Chambers.23

In later years, Ricketson asserted strongly that the meeting of the "Group" with Lyons has not been instigated by a political party or the press (probably Keith Murdoch), and that the five men - Pratt, Higgins, Norris, Menzies and himself - had been the "people" who had met Lyons and talked with him as to whether he should leave the ALP and join with the then Opposition.24 He rejected any suggestion that there had been prior communication with the National Party, or with Knox of the National Union:

Nothing could be further from the truth. The idea originated with these five men, and whereas I was the only one privileged to have a friendship with Joe [Lyons], ... I was used as the liaison to bring about the meeting with Joe.25

Ricketson's memories of the meeting were elicited late in his life in response to inquiries from Phillip Hart, who wrote a biography of Lyons. Many years before, Lyons had given his memories of this crucial meeting to Ricketson, who had set them down in a diary:

They [the "Group"] asked him [Lyons] to leave the Labor Party, guaranteeing their full support and the support of other businessmen. They hoped that he could encourage sufficient Labor men with help from the opposition with the probable later amalgamation of all the anti-Scullin forces [sic]. Future action depended on events outside their control but their basic plan was that he should be made leader of the opposition. They hoped that his growing prestige as the honest man fighting the forces of repudiation would mean electoral victory for the opposition. All Labor men who followed him out of the party were to be given electoral immunity.26

Even allowing for a degree of post hoc rationalisation, this account is somewhat perplexing. There is no direct reference to contacts with the Nationalists, and it is noted that future action depended on events outside the control of the "Group". Nevertheless, if Ricketson's recollections were accurate, the "Group" acted with a tremendous amount

25. Ricketson to Enid Lyons, op. cit.
of assurance and confidence. The tone of the discussion, as recalled by Lyons, disclosed a firm intention to install him as Opposition Leader, and to give electoral immunity to ALP defectors. Neither objective was feasible without the full co-operation of the Nationalists. It seems that Ricketson’s activities as a "liaison officer" might not have been confined to liaising with Lyons.

In his public statements about his resignation Lyons was careful not to cut his links with Scullin. He explained that Fenton had been determined to resign because of Theodore's reinstatement, and because of Fenton's loyal assistance to him in carrying out "Mr Scullin’s policy" in the face of consistent opposition, Lyons felt that he had to support him. Lyons reiterated that he had asked Scullin to resume the Treasury, "in view of the fact that never before was finance so important in government", but Scullin had declined, even though Lyons had offered to assist by giving him all the advice possible. Lyons said that he had tried to take a dignified stand throughout, and while he disagreed entirely with what Scullin had done he gave him credit for honesty of purpose, and for doing what he thought was best in the interests of Australia. In the circumstances, there seems no reason why Lyons could not have remained a member of the Caucus, as had been his original intention. Although he had been isolated from the main centres of power in that body, he retained a small group of supporters, mainly fellow Tasmanians and a few like-minded adherents of orthodox finance. This option was rapidly closed off through February as Lyons came under increasing pressures from the "Group" and the burgeoning Citizens' Movement to take an independent political stand. As noted earlier, the CL of South Australia was the first of the non-party bodies to endorse Lyons and to call on him to form a new government. A rally in the Adelaide Town Hall sponsored by the CL passed a resolution condemning the Scullin Government, and urging Lyons to declare himself willing with the support of the [federal] opposition to form a new government.

A week later, E. Lee Neil told the inaugural meeting of the Victorian AFA[L] in Melbourne that Australia needed more men "of the Joe A. Lyons type (prolonged applause)." As noted in Chapter 4, the AFA[L] in NSW was not enthusiastic about Lyons in the early phases of its development, but by the end of March it was committed to him. The prevailing political sentiments of these weeks were crystallised in three linked maxims:

Scullin must go!

27. Argus, January 28, 1931.
28. Ibid.
29. CL Minutes, op. cit., February 1931.
30. Advertiser, February 20, 1931.
Lyons must lead!
Latham must follow!  

The great uncertainty in this approach was the attitude of the Federal Parliamentary National Party. It also presumed that the Country Party would automatically throw in its lot with Lyons. The Nationalists in Canberra had welcomed the resignation of Lyons and Fenton, sensing in it the start of the disintegration of Scullin's Government. Gullett, the Deputy Leader of the Federal Parliamentary Nationalists, said that by driving out Lyons, Scullin had lost the one member of his Cabinet who stood really high in the estimation of the Australian people. Latham also expressed publicly his admiration for Lyons' stand. These sentiments did not necessarily mean that both leaders would voluntarily step aside for Lyons who was, technically at least, still a member of the ALP. Latham was entitled to feel that he had done well as an Opposition Leader, and there was loyalty to him in both the Parliamentary Party and the State Branches of the National Party. Despite Latham's lack of popular appeal, it was felt that he would have little difficulty in winning a federal election in the existing circumstances, an attitude reinforced by the sweeping victory in Parkes. These feelings within the National Party were quickly eroded by increasing evidence of the tremendous popular support for Lyons, the spectacular growth of the Citizens' Movement, and the availability of Lyons and his supporters.

Lyons' principal supporter, Alan Guy, played an important part in the negotiations which continued through February. With the start of the parliamentary session imminent, a final decision on the political future of both men was deferred. According to the Launceston Examiner, Guy was offered a portfolio in the Scullin Government if he broke with Lyons, but he declined to be associated with any ministry which contained Scullin and Theodore.

When Caucus met on February 20, the presence of dissident elements was soon revealed. Fenton made an attack on Theodore, declaring that if the Treasurer remained in government and the Opposition moved a censure motion when Parliament met, he would cross the floor and vote with the Opposition. Lyons did not address the Caucus in such terms, but he may have sounded out other ALP members at this time. According to Hart, Lyons did not deny allegations that he was about to form a breakaway party, replying that his actions would be controlled by the dictates of his conscience. On February 23, a press report quoted Guy as saying that a definite move

32. Argus, January 30, 1931.
33. Examiner, February 19, 1931. This report may have emanated from Guy.
34. Hart, J.A. Lyons, op. cit.p.94; Examiner, February 20, 1931.
would have to be made in the near future to save Australia from national disaster.  

On the same day, Lyons was questioned by the press about whether there was anything in a suggestion that he was thinking of forming a National Emergency Government. He replied at length, and with careful choice of words, that he was still in the Caucus and that he looked to the ALP of which he had been a member for over 30 years to do what was necessary to get Australia out of difficulties. He was still hopeful that the ALP would rise to the occasion, and make itself the instrument to rehabilitate Australia and put the unemployed to work:

On the other hand, if it does fail, I will be compelled to seriously consider my position, as I am determined to put the interests of my country and its people before any party institution. This was the strongest statement Lyons had made that he would put the national interest above party if the ALP failed to do what he considered necessary to meet the crisis: in short, adopt and implement policies based on principles of orthodox finance. His position hardened even further over the next few days.

On February 16, the Federal Executive of the ALP had approved Theodore’s reinstatement and called on party members to stop criticising Caucus decisions. It was decided unanimously by the Executive that any Caucus member voting against an ALP Government or deliberately abstaining from voting for an ALP Government on a censure motion would automatically cease to be a member of the party. On February 26, the State Conference of the Tasmanian ALP endorsed the attitude of the Federal Executive, and demanded loyalty of all members to the platform of the party and decisions of Caucus. The shaft was clearly aimed at Lyons, who told the press that he had no intention of taking any heed of it whatever:

He said he had mapped out his policy which aimed at the rehabilitation of Australia by the placing of men in employment, and he intended to pursue that course notwithstanding any action which might be taken at the Tasmanian Conference. He was going straight ahead as though the motion had never been carried. It is clear by this time that Lyons had made at least a tentative decision to leave the ALP and was stalling in public statements about his intentions. On March 2, Ricketson cabled the British financier Lord Glendyne in London that Lyons had decided to leave the ALP and was awaiting a fitting opportunity to make a public announcement.

36. Ibid.
39. Ibid.
40. Ricketson papers quoted in the *National Times*, op. cit.
According to Hart, Lyons told the press that it would be pointless for him to attend Caucus, and he went to Melbourne for discussions with the "Group" and the National Union on March 2-3. At these meetings, Lyons indicated that he was willing to lead a composite government to avoid inflation and repudiation.

Lyons' long career as a distinguished son of the Labor Movement rushed swiftly to its conclusion. On March 3, Guy announced that he would feel it his duty to vote for any motion that censured the Government for reinstating Theodore. On the following day, the national press gave extensive coverage to an editorial in the Presbyterian Messenger, which castigated Scullin, and called on all Australians to follow Lyons whose policy was sound and whose integrity had been manifested. By March 10, it was clear that Lyons, Fenton and Guy would vote for the censure motion which the opposition had notified that it would move. Lyons said that he would speak on the motion and make his position very clear. According to a press report, Lyons was expected to make some interesting revelations on the political affairs of the past few months. On the following day, Price resigned as Caucus Secretary, dissociated himself from repudiation, and criticised Theodore's reinstatement and the proposed fiduciary notes issue.

On the morning of March 12, there was speculation in the Parliamentary lobbies that if Lyons could get enough supporters from the ALP to defeat the Government on the censure motion expected that day, he would be given the opportunity to form a ministry to implement a scheme of national reconstruction. This was rather a long shot as at best it seemed that Lyons was assured of support from only three or four other ALP members. When the vote was taken, Lyons crossed the floor and voted against the Government with Fenton, Gabb and Guy. Ambrose Pratt of the "Group" had written a speech for Lyons to deliver, but it did not arrive in time, and Lyons made the greatest speech of his political career off the cuff.

By his actions, Lyons had automatically placed himself outside the ALP, as he acknowledged in his comments to the press. He said that he had done so deliberately.

43. Examiner, March 3, 1931.
44. Ibid., March 4, 1931.
45. Ibid., March 11, 1931.
46. Examiner, March 12, 1931.
47. CPD Vol. 128, March 12, 1931, p.229 ff. Pratt's draft speech is preserved in his papers, LatL, Melbourne.
and presumed that he had been expelled. He knew of no means by which the Tasmanian Executive could insist upon his right to continue in the party, even if it desired him to do so. With those who had supported him, he was now one of the independent members of the House of Representatives. Lyons was joined on the Opposition benches by four other independents, Fenton, Guy, Price and Gabb. On March 16, another ALP member, Daniel McGrath, joined the defectors. McGrath had been a supporter of Theodore but had voted against his reinstatement. Theodore and his supporters had moved in the Caucus to deprive McGrath of his parliamentary post as Chairman of Committees, and possibly in an act of reprisal, McGrath left the ALP and expressed his support for Lyons.

By the middle of March, Lyons has completed what he called his "little band". There had been talk of other defectors, but in the end the Lyons group comprised three firm supporters - Fenton, Guy and Price - plus McGrath, whose reasons for joining him were more personal than principled. Gabb was usually labelled as a member of the group, but he was an incipient independent; although he supported Lyons in the Parliament and expressed admiration for him he preserved his autonomy. In no sense was the Lyons group distinguished in its membership. Much the most impressive member was its leader, then at the height of his public popularity and political prestige. Lyons had been a sound Premier, an effective administrator of the Post Office, and a resolute Treasurer. Beyond these qualities, his abilities to run a major federal political party in either government or opposition were undisclosed. Guy had been Deputy Premier to Lyons and had risen to the Tasmanian ministry while yet a young man. He was regarded as a competent parliamentarian and possibly a future minister, but none of his colleagues would have suggested that he carried a marshal's baton in his knapsack. Price had sufficient political skills to win election as Caucus Secretary, and he was a solid enough parliamentarian. He was also ambitious and his defection to Lyons may have been partly calculated; certainly, he looked to preferment from Lyons. Fenton was respected, but his tenure as Acting Prime Minister had not evoked admiration; the Argus had described him as cutting a pitiable figure as "Scullin's locum tenens ...". McGrath was Chairman of Committees in the Parliament and had been an effective Caucus politician until he fell foul of the Theodore group. According to Denning,

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49. According to Enid Lyons, McGrath told her that he had abandoned the ALP as an act of revenge. Clark Tape, op. cit.
50. See correspondence between Price and Lyons about Price's Cabinet aspirations, December 1931, Lyons Papers (ANL), op. cit., Box 1, Folder 8. Lyons later compared Price to Disraeli: "He [Disraeli] did not scruple to write and ask Melbourne to put him in his Cabinet, just like Jack Price." (Lyons to Enid Lyons, n.d., probably 1934, Enid Lyons Papers, op. cit.
51. Argus, January 14, 1931.
McGrath had ministerial ambitions, and it is also possible that this was a factor in his defection. With the mercurial Gabb on the fringe, this group of five members did not constitute even the rudiments of a national government. Even if they joined together the Nationalists, the Country Party and the Lyons group could not obtain a majority in the House of Representatives, and with further defections unlikely the Lyons group was not dominant strategically in the Parliament.

The balance of power in the House had devolved on the Lang group led by Beasley, which comprised five members in the House of Representatives and two Senators. These supporters of Lang had left the ALP after Caucus had refused to admit Ward after his narrow win in the East Sydney by-election. The conflict between the Federal ALP and the NSW branch built to its climax in parallel with the events which took Lyons and his knot of supporters out of the party. This fragmentation at the left and right extremes of the Caucus was a threat to the government majority if the Beasley and Lyons groups joined with the two opposition parties. The Scullin Government was retained in office by the Beasley group whose longer-term support was uncertain in view of its bitter relationship with the Scullin Government.

In these circumstances, the National Party in the Parliament was temporarily frustrated. As the principal coalition party, it could not defeat the Government on the floor of the House without Beasley’s support. There was no prospect of bringing the Beasley group within its compass, and there was little point in deferring to the Lyons group in Parliament because of its meagre numbers. Short of rejecting supply in the Senate and forcing an election, there was little the Nationalists could do but wait for Beasley to move against the government in the Parliament.

Thrust into the role of an independent political leader, Lyons’ immediate problem was to assure the parliamentary validity of his group, and to provide it with logistical support. If it were to survive, it had to have administrative back-up, particularly for elections. The most effective way of obtaining this was to merge with the Nationalists in the Federal Parliament and in the electorate. This was a prospect fraught with many uncertainties. Even if the "Group" proved a successful medium for negotiations with the Nationalists, the support of only one branch, the Victorian branch, would be assured, and even here, delicate negotiations would be necessary. Beyond this, there was the certainty of problems with the National Party in Tasmania, particularly with the Northern Branch which had long been locked with Lyons and Guy in the bitter rivalry of parochial politics. (Lyons' seat of Wilmot and Guy’s of Bass were part of the fiefdom of the Northern Nationalists.) The National Party in New South Wales was not convinced that it should enter into any arrangements with Lyons, although there was considerable goodwill towards him within its ranks. The problems of a merger in the other states were also considerable.
In these circumstances, Lyons played his hand with considerable skill. He did not force the developing relationship with the Nationalists, and he worked vigorously to encourage the Citizens' Movement, which was ready to hail him as national leader. Lyons did not permit this dalliance to get out of hand, and he retained the initiative throughout. Essentially, Lyons had three options. He could organise his group on wholly independent lines as a political party, working to build up a political and electoral machinery outside the boundaries of either the National Party or the Citizens' Movement. He could link his group with the Citizens' Movement, taking over the machinery which it had already built up and becoming federal parliamentary leader of a national Citizens' Movement. Or he could merge with the Nationalists, negotiating the best possible deal for himself and his handful of parliamentary supporters.

The least feasible of these courses was to establish an independent political party. There was no logical basis for such a party as an independent Labor Party, unless it were supported by elements of the ALP machines in all of the states. There were fissiparous tendencies at work in some of these machines, but at the time of Lyons' departure they were in the direction of Lang and his supporters, as evidenced by the creation of the Lang group in the Federal Parliament, supported by the NSW machine which had broken from the national structure of the party. Bitter divisions were evident in the Victorian and South Australian branches of the ALP over economic policy, and the attitudes of the ALP Premiers, Ned Hogan and Lionel Hill, were similar to those of Lyons. The internal conflicts in the ALP in Victoria and South Australia did not reach a climax until after the decisive months of March-April 1931 when Lyons was manoeuvring. There was no sign that significant elements of the ALP state machines would defect to Lyons. Timing was an important factor in the inability of Lyons to put together any sort of "Lyons Labor" or independent Labor grouping, even if he had felt any inclination to do so. Yet another fundamental problem was the narrow base of the Lyons group which included two Tasmanians, two Victorians and one South Australian (excluding Gabb, who was an uncertain adherent). Lacking representation in New South Wales, Queensland and West Australia, Lyons was in a feeble position in drawing together even the rudiments of a workable party framework.

The second alternative, linking up with the Citizens' Movement, was much more promising. The South Australian and Victorian movements had identified Lyons as their preferred leader, and the AFA[L] in New South Wales had eventually accepted him. The three principal leagues had made considerable strides in establishing a grassroots organisation, and there were hopes that similar progress might be made in Tasmania, West Australia and Queensland. The leagues lacked just what Lyons could provide: representation in the Federal Parliament. There were two major problems:
the anti-party character of the Citizens' Movement, and the lack of any machinery to bring the scattered groups together in a federal organisation. Both problems were surmountable: the first by avoiding any specific party character and calling the parliamentarians representatives of a movement, or by leaving them as a loose grouping of independent members without any designation; the second by co-ordinating the leagues and other groups through a national framework.

Lyons' approach was a skilful blend of encouraging the Nationalists, building on the base which he had already established, and reaching out into the electorate to assemble a broad coalition of forces. To a degree, he played one side off against the other. Each wanted to capture him on their own terms, and each was afraid of the consequences if the other won the prize. The end result of these parallel negotiations was that Lyons brought a substantial part of the Citizens' Movement into a loose confederation with the Nationalists, identified as the United Australia Movement (UAM). The parliamentary arm of the movement, formed by the merger of the Lyons group and Latham's Federal Parliamentary National Party, functioned as the United Australia Party (UAP). Consequent changes were made in the structures of the State Parliamentary Parties and the state machineries of the National Party. Whether based on excellent advice or through his own political nous, Lyons' performance during this period was adroit.

Lyons took over as leader of an independent group at a time of intense political interest in the electorate. This was reflected in the growth of the Citizens' Movement, and also in the brief existence of a number of smaller parties which just as quickly faded away. Another reflection of the disillusionment with party politics was the hankering after some sort of para-military or radical solution. The New Guard in New South Wales was the most significant manifestation, but there were regular calls for the appointment of a national dictator or a committee of public safety. At the time of Lyons' defection from the ALP, the group most in the news was the so-called Khaki Legion of West Australia, originating in proposals from the Flying Corps Association which suggested that 5,000 picked returned soldiers should be assembled to take Canberra, turn out the Government and parliamentarians, and install the World War I hero, Sir John Monash, as dictator. 52 There were also suggestions that the British Government should send someone out to control Australia. Lyons had to conduct his negotiations and establish his political group in this sort of irrational political climate, and his own movements were attended with a drama and urgency that were reflected in the press. There were constant changes of plan and travelling arrangements, dramatic

52. Examiner, March 16, 1931.
arrivals and non-arrivals at railway stations and steamer terminals, hurried conversations on platforms and extended negotiations in railway carriages, hastily assembled meetings, and an incessant counterpoint of intrigue and manoeuvre.

Lyons' first task was to organise his small group as a parliamentary force, and to find it a public platform. At its first meeting in Canberra on March 18, Price was appointed secretary, and tentative arrangements were made for a series of meetings, beginning in Adelaide on April 9 and Ballarat on April 11, then moving to Melbourne, Sydney, Brisbane and Perth. Lyons envisaged this tour as the prelude to a new party:

It must stand for Australia First, for the re-employment of the unemployed, and the full acceptance of Australia's financial responsibilities, ... A party was wanted with not too many plans to tie up individual judgment, a few guiding principles only ... the strong movements already started in Adelaide, Victoria, and NSW will not be satisfied until there is some new organisation. 53

Lyons acknowledged that his "small band" required an organisation behind it but expressed its aspirations in ambitious terms:

We are individuals taking a stand and have entered on a mission. ... we have no funds. We have to meet the extra expenses involved in the program we have mapped out from our own pockets, except insofar as those who are working for us will assist at various centres .... Ours is not merely a Tasmanian movement but a national one. 54

53. Ibid., March 20, 1931.
54. Ibid.
CHAPTER 6
BUILDING A PARTY BASE

Assured of support from the three principal citizens’ leagues, Lyons took further measures to strengthen his base with a direct appeal to the country movements which were outside the established political structure. Excluding Lyons, Hardy was much the most popular of the new breed of political though "non-party" leaders, and his strategic position relative to the Country Party was similar to that of the Citizens’ Movement leaders with respect to the Nationalists. After Lyons had left the ALP, Hardy said that the issue was now clarified and the Riverina would stand behind the Lyons group as one of the stable parties to be given full sympathy and support. Despite the qualification that the Lyons group was 'one' of the parties that the Riverina Movement would support this was encouraging, and over the next few weeks Lyons sought to consolidate the support of the country movements, praising Hardy and promising to call a convention to review the Commonwealth Constitution, "particularly on such issues as those raised by the Riverina Movement". He played up the problems of country dwellers and the outer portions of Australia, and emphasised his own origins in a predominantly rural state:

I believe that you will do something to help Mr Hardy and his followers to a position where they will have something more to say in Government than they have today.

The promise of a constitutional review implied support for the creation of new states, a proposal calculated to appeal to Page and his supporters. His general proposals to encourage the primary producers were attractive to the Country Party, which in New South Wales, and to a degree Victoria, was threatened by the emergence of the country movements.

Together with these efforts to broaden his popular support, Lyons was engaged in a sequence of intensive negotiations with the National Party and the Citizens’ Movement. The key to this process was the relationship between Latham and Lyons. The "Group" was closely engaged in these negotiations which necessarily involved more people and interests than the tight bargaining which had got Lyons out of the ALP. It

2. Argus, April 14, 1931.
is not known at precisely what point Latham was brought into the process, or when the suggestion was first made to him that he should stand down for Lyons. It may never have been put to him in such a blunt form. Latham was sufficiently shrewd and experienced to pick up the political drift and assess the moods of the dominant interests in his party. His accommodation with Lyons may have been reached just after Lyons crossed the floor of the Parliament or even earlier. What is clear is that by March 18, Latham and Lyons had a firm understanding that the leadership of the Federal Parliamentary National Party would be adjusted in some way to take in Lyons. This is reflected in a letter Lyons wrote to Latham on March 18:

I had a chat with Dr Cunningham [Editor of the Argus] and he said the Argus would today declare for agreement between you and me and perhaps Page also on just three or four principles of financial and economic reconstruction. For the reasons I am sure he will advance, he argued that we should check the growth of seasonal mushroom movements that may be a menace to unity later. I agree with him. The fewer points outside the vital ones that we are asked to agree upon, the better for all, and I think such a policy will be acceptable to the AFA[L], citizens' and other movements. A lead from us, I hope, will swing them in for us. Therefore, whenever you are ready I am prepared to serve in any old capacity. The meetings I propose to hold aim at arousing a bit of enthusiasm and if that is swung behind you in the new policy, I will be entirely happy.  

Lyons played down the Citizens' Movement to Latham, implying that his objective was largely to bring them behind the Nationalists and perhaps the Country Party, on the basis of a program of national reconstruction. The tone is rather disingenuous, and his correspondence with the Citizens' Movement (seasonal mushroom movements?) conveys a different impression.

On the basis of this letter, Latham's position appeared firm enough, but there is evidence that he had already decided to stand down for Lyons. According to Lonie, a member of the "Group", Ambrose Pratt, wrote to Latham on March 18, referring to "the splendid patriotism of your actions" and stating that "the example to your countrymen will be remembered and honoured in Australia". The text of this letter is not contained in Latham's Papers, but Pratt's papers contain a brief acknowledgement from Latham, dated March 31, which may be a response to it:

Considerations which are merely personal cannot be allowed to stand in the way when a national emergency arises.  

This exchange raises the probability that Latham had decided to stand down for Lyons by mid-March, that he had made this intention known to the "Group", and probably to

5. Latham to Pratt, March 31, 1931, Pratt Papers, op. cit.
the National Union and the leaders of the party machine in Melbourne. Very likely, Lyons would have known and this is an explanation of the wording of his letter to Latham of March 18. The whole exercise can be construed as a bid to get the maximum possible support for the Nationalists before a change of leadership was announced, but it is more likely that Lyons was maintaining his options. Later actions of both Lyons and Latham suggest that any agreement reached at this stage was by no means irrevocable.

Lyons maintained a strong propagandist role through the remainder of March, building up his small group and moving to tie down the support of other organisations. The most important factor here was his establishment of rapport with the AFA[L] in New South Wales. The first signs of dissent from a smooth transition to a Lyons-led national movement or party appeared in Lyons' home state of Tasmania where the Nationalists embarked on a process of resistance which continued until the federal elections in December (see Chapter 8). According to the secretary of the National Federation in Northern Tasmania, G.G. Pullen, Lyons had made a mistake in harbouring ideas of a new party at that juncture. The Nationalists should work to replace the Scullin Government by endeavouring to get cohesion among the parties in opposition so that the Government could be defeated.6

During this period, the negotiations between Lyons and the Nationalists built to a climax. Latham received Lyons' letter of March 18 in Canberra on March 24, noting in his diary that Lyons had asked to work with him, and saying that no question of leadership arose.7 Latham acknowledged the letter by telegram and told only his deputy, Gullett, and the Nationalist Senate Leader, George Pearce, what Lyons had proposed. On March 26 a party meeting was called to discuss an Interest Bill. According to Latham, about five members attended. He told them that he probably would see Lyons, and they left it to him, in consultation with Gullett and Pearce, to do what he thought best. On the following day (March 27), Latham returned to Melbourne and consulted with the National Union, presenting them with a policy draft which he said was absolutely vague on the tariff and arbitration, the two most contentious points of policy difference between the political parties. At 2.30 p.m. that day Latham saw Lyons, Fenton and Pearce; the four agreed on the joint statement of policy, and that the question of leadership and a single party should stand over for the moment. According to Latham, he said that personally he would do anything necessary, and would hold the leadership in trust for the National Party. Again, this indicates an intention on Latham's part to stand down if and when required. Lyons had agreed with this course.

7. There is a typescript of Latham's diary entries for part of this crucial period in Latham's Papers (ANL), op. cit., Series 51.
The Deputy Leader of the Federal Parliamentary Country Party, Tom Paterson, had later attended the meeting and agreed to the joint statement.\(^8\)

About six o'clock on the same day, Knox and Willis of the National Union came to Latham's home and told him that Lyons had turned around, and would not make the joint statement because it would lose him support. Latham's diary records the following note:

8 o'clock. Knox, Willis, Pearce, Paterson. I suggested Lyons make statement saying he had done it himself and we then could say we agreed to co-operate. Lyons, Menzies, Ambrose Pratt and Ricketson came out and we agreed as above. After others went told Knox and Willis ... Conversation with Lyons.\(^9\)

Lyons' statement appeared in the press the following day, March 28. Known as the "Seven Points" it was widely accepted as a political manifesto, and it was endorsed with tremendous enthusiasm by the political parties, the Citizens' Movement, and the press. The "Seven Points" became the basis for subsequent negotiations between all the parties and movements opposed to the Scullin Government. Couched in simple terms, the document became the credo of the UAP. Widely identified with Lyons, on the basis of Latham's account it would seem that the "Seven Points" were in fact drafted by Latham.

Essentially, the "Seven Points" was a compilation of a number of maxims which were commonplace in the conventional response to the national emergency. The first point set out three canons of financial orthodoxy: restoration of national credit by re-establishing confidence in the integrity of government finance; the national currency to be preserved from political control; no direct repudiation of national obligations by debasing the currency. The second point sought the restoration of a balanced national budget through equality of sacrifice on a progressive basis as the economy permitted. Point three urged that government spending be cut in accordance with the fall in national income. On the crucial tariff question, point four urged an "economically sound tariff policy with effective preference to Great Britain and inter-dominion reciprocity". On unemployment, point five gave a commitment to re-employment by the encouragement of productive enterprises. Latham was not wrong to stress the vagueness of the arbitration policy contained in point six:

A fair deal for every section of the community. Protection of the worker by industrial tribunals. Protection of unemployed against undue interference with business management.

The seventh point pledged immediate assistance to the man on the land "by providing

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8. Ibid.
9. Ibid.
real money to be expended on keeping Australian land in profitable production".10

Despite its overwhelming blandness, the document had been put together with considerable skill. There was nothing in it that could offend the National Party, the Country Party, the Citizens' Movement, or the smaller parties and organisations. The "Seven Points" was not avowedly anti-Labor, although the financial provisions implied criticism of the Scullin Government. Remarkably enough, the document rejected indirect repudiation, but made no reference to Lang's threats of direct repudiation. As a blueprint for national reconstruction on the basis of comprehensive involvement of political and community elements, the "Seven Points" could not be faulted.

After the release of the "Seven Points", Latham seems to have had some doubts about his position. He consulted with his deputy, Gullett, who told him that he thought Knox and the National Union were not loyal to him.11 This may indicate that Gullett thought that the National Union was moving directly to replace Latham with Lyons, an assessment that was probably correct. On March 29, Latham saw Ricketson and Henderson "of the AFA[L]" at the National Union rooms:

They wanted to assure me of friendliness. Told them my position. I wanted united party to come and would do all I could consistently with principles to help. Members of Parliament must decide questions of leadership. Nothing new, except AFA[L] in Sydney wants new party which Lyons doesn't want ... He wants me to see Gibson ... 12

This rather cryptic account of crucial conversations raises more interesting questions. Latham was clearly encountering considerable pressure from the National Union and from the Victorian AFA[L] (or the "Group") to stand down, and it seems that he was prepared for this and everything else consistent with his principles to secure a united party. In the ultimate, only the members of the Federal Parliamentary National Party could determine leadership. Lyons' reaction to the decision by the NSW branch of the AFA[L] to engage in political activity is at variance with his public statements which expressly encouraged the formation of a national Citizens' Movement on non-party lines. Lyons may have been vacillating, but it is more likely that he was pursuing his own political ends. Certainly, he does not seem to have been averse to sinking the identity of his small group into the National Party.

10. Copies of the document embodying the "Seven Points" are contained in the papers of Lyons (ANL), op. cit., Box 2, Folder 16; and Ellis, op. cit., file on the formation of the UAP. It was published widely in the press.
11. Gullett's position during this period of negotiations is unclear. Ricketson suggested many years later that he may have had a direct involvement in the recruitment of Lyons. See Ricketson to Hart, op. cit.
12. Latham Diary, op. cit.
Latham set out his attitudes at this time in an extensive letter to Parkhill, which accords with the terse entries in his diary. He noted that Lyons' "Seven Points" was consistent with what the Nationalists had been saying for a long time without disclosing his own hand in the drafting. He continued:

You will have seen my statement that I would speak for the National Party in saying that we were prepared to co-operate to give effect to the principles set forth [in the "Seven Points"]. The statement which I made means exactly what I said and no more. I have made no agreement for the leadership, and have pointed out in conversation that this must be determined by the members in the House and cannot be determined otherwise. Lyons has said privately that he regards it as impossible to form a ministry through his own group, and that if the present ministry can be displaced, the basis on which a new ministry could be formed will arise for consideration. We have to consider our position in relation to these matters in the light of events as they happen. In the meantime, you understand, nothing more has been done than precisely what appears in my statement - a mere declaration of willingness to co-operate, leaving the best means of co-operation to be determined later.13

At this time, there are signs that Latham was coming under some pressure from elements of his parliamentary party to reach an accommodation with Lyons. A West Australian Nationalist, W.M. Nairn, suggested that immediately after Easter Latham should summon a meeting of Opposition members to set a common policy. Such an inclusion of the Country Party and the Lyons group raised the prospect of at least a closer co-ordination of the tactics and policies of the three opposition parties.14 Latham consulted further with Henderson and Ricketson, and went to Sydney on April 1 where he saw two prominent members of the National Party, Charles Lloyd-Jones and A. Hemsley:

Both very concerned re National Association management which is unpopular with AFA[L] and generally.15

Latham saw the Council of the NSW National Party, and outlined his position which was directed to obtaining unity of the Opposition, both in the Parliament and in the country. Parkhill argued strongly for maintaining an independent organisation and not bothering about the AFA[L]. Latham records that others supported Parkhill, but it is not clear whether this meant that a majority of the council acceded to this view. He then saw A.E. Heath, a timber merchant, who was an influential member of the NSW Nationalists, a member of the first executive of the AFA[L] (he subsequently resigned), and a member of the PAC. This tripartite association gave Heath a unique insight into political developments across the spectrum of the National and Country Parties and the

15. Latham Diary, op. cit. The National Association was the formal name of the NSW branch of the National Party.
AFA\[L\]. On the following day, Latham saw Bavin, the State Parliamentary Leader, and found him of a similar mind to Parkhill:

[Bavin] does not seem to realise depth and force of objection to present National Association .... Gibson, President of AFA\[L\] saw me. Very friendly to us federally but not to Parkhill .... He confirmed what many others told me re National Association and growing unpopularity of Tom Bavin .... He declined my suggestion of conference, but suggested that Lyons, Page and I should be invited to join AFA\[L\] and should do so. This, he said, would solve federal problem.\(^{16}\)

The audacious suggestion by Gibson that party contention should be resolved by the National and Country Parties joining the AFA\[L\] was pressed by Gibson in discussions with the NSW party leaders at this time (see Chapter 8). The League felt that it was negotiating from a position of strength based on its vast membership, its popularity, its press support, and its relationship with Lyons. Gibson could offer a populist movement which would bring large numbers of floating voters, many of them defectors from the ALP. Bavin and Parkhill resisted any move which would curtail the independence of the Nationalists, arguing that the popular support of the League was ephemeral and that the party's branch structure was largely on paper. There was the added point that if an election were held, the AFA\[L\] could not back Scullin or Lang, whatever its level of disenchantment with the Nationalists in New South Wales. The negotiations continued over the next few days with Latham trying to persuade Bavin to come to terms with Gibson, and finally reaching a decision not to do anything until after the National Interstate Conference in April. Lyons was out of communication in Tasmania.\(^{17}\)

While these rather confused negotiations involving Lyons, Latham, the "Group", the National Union, the AFA\[L\] and the NSW National Party were taking place, an important development had occurred in Adelaide where an Emergency Committee was formed to co-ordinate the activities of the political parties and citizens' groups. The principal agent in the creation of this Emergency Committee was Archibald Grenfell Price, who was master of St Marks College at Adelaide University. An historian and geographer, Grenfell Price was a skilled propagandist who had written pamphlets on inflation and Communism. Mildly progressive in some respects, Grenfell Price was firmly anti-Socialist, although he was prepared to concede in his writings that Communism had made progress in Russia and that some of Marx's forecasts had come to pass, both remarkable admissions given the spirit of the times.\(^{18}\)

\(^{16}\) Ibid.

\(^{17}\) Ibid. The negotiations between the Nationalists and the AFA\[L\] in New South Wales at this time are discussed more fully in Chapter 8.

According to Grenfell Price, he was approached by two leading members of the Liberal Federation (the South Australian branch of the National Party), Walter Duncan and Charles Hawker, MHR, who took him to lunch at the Adelaide Club and asked him to bring the anti-Socialist organisations in South Australia together. As 'Liberals', Duncan and Hawker made no secret of their anxieties as to the immediate dangers from the CL:

If the League came in and formed a new Lyons Party, it would split the vote. If ... the League could be kept under control until after the crisis it would collapse through lack of funds .... Other organisations to be brought in were the Country Party, the Political Reform League, and the businessmen.¹⁹

More directly, the proposal was conceived as a measure to stop Bagot who, perhaps unrealistically, was seen as the principal threat to the political parties. Many years later, Grenfell Price admitted:

We started the Emergency Committee to control Bagot.²⁰

Grenfell Price respected Bagot as a formidable organiser, but was more conscious than some of his colleagues of Bagot's faults:

He also possesses great courage and originality, and has made himself a very fair speaker. Of his organising abilities there is little doubt. His main faults are an extraordinary self-assurance, a domineering outlook (I christened him the "democratic dictator"), an utter inability to work with anyone on an equal or subordinate footing, and great rashness.²¹

With the agreement of the Anglican Bishop who granted him leave and arranged for someone to take over his university duties, Grenfell Price proceeded to organise the Emergency Committee whose activities were based on St Marks College. The first meeting was held at the College on April 1, with representatives of five organisations present. Apart from the Liberal Federation, Country Party and CL, the meeting was attended by two other organisations, the Political Reform League (PRL) and the Producers and Businesmen's Association. Like the CL, the PRL had its origins in the Essential Services Maritime Volunteers formed during the Port Adelaide strike. At a subsequent meeting, "a number of young men of intellectual ability comprising eminent solicitors, bankers, insurance men, pastoralists and others" decided that they were needed in the political arena.²² The principal organiser of the League was Keith Wilson, who later became a member of the Federal Parliament. The PRL was closely affiliated with the Liberal Federation; when it had assembled ten members in a particular area, it

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²¹. "Grenfell Price Rough Notes", op. cit., p.3.
formed them into a branch of that Federation. It aimed to inject new ideas into the Liberals, broadening the party's appeal, and introducing new elements into the party structure. Lonie credits it with developing the concept of the South Australian Housing Trust and promoting the industrialisation of the state. The Producers and Businessman's Political Association was more narrowly based, and in practice it was little more than an arm of the Liberal Federation. Grenfell Price described the popular perception of these two bodies as "Liberal Pups".

There were problems in bringing the five organisations together. The Liberals and the Country Party were wrangling over a Senate vacancy, and the Country Party was reluctant to participate, but Grenfell Price succeeded in persuading a prominent Country Party figure, A.G. (Archie) Cameron, that it should attend. The CL was rightly suspicious of the meeting. Bagot at first was unwilling to co-operate but was persuaded by Queale and Pellew to go. Bagot felt that the ALP should be represented, or at least the Hill Government. Grenfell Price had some sympathy with this view and argued that Labor interests should not be neglected, but concluded that any invitation would have to be extended on a state basis, which meant the Trades Hall, or Grote Street in local parlance. In the event, Bagot attended the meeting, on the basis of this sentiment:

Let's go to the meeting and let the b....'s show their hand and then shoot them.

Grenfell Price described the meeting as a great success, ending in social drinks, unity and brotherly love. His dominant impression was that the non-party people at the meeting were firmly in the hands of the skilled political men.

On the basis of this meeting, a co-ordinating committee was formed for the purposes of the federal election only, accepting Lyons' "Seven Points" as fundamental, with the addition of five points of South Australian relevance. It was decided to call the committee the Emergency Committee, delegates rejecting the title "United Party" because of the inclusion of the Country Party, and objections from the Chamber of Manufactures and traditional "liberals". An Executive was formed, comprising one member of each organisation. Grenfell Price correctly described the committee as the first body in Australia to unite all moderate leagues and parties to oppose the national dangers of repudiation, inflation, and financial drift, although he saw its achievement thorough rather parochial eyes:

25. Ibid., p.8.
26. Ibid.
The great move to save Australia in the crisis of 1930-31 originated in South Australia and was strongest in that State.\textsuperscript{27}

Permitting some historical hyperbole, the formation of the Emergency Committee provided a model for what could be done in the other states, linking as it did the principal political parties and citizens' leagues. The UAM in Victoria was perhaps the closest parallel, although it did not succeed in incorporating the Country Party. A similar organisation was sought by the unity negotiators in New South Wales, but the best that could be achieved was a campaign committee for the federal election (see Chapter 8). In Tasmania a campaign committee was formed later in the year, but was deeply divided over questions such as pre-selection and immunity of candidates. Only in South Australia did an Emergency Committee function harmoniously and competently from early April until after the election of the UAP Government in December. Apart from its contribution to the UAP, the Emergency Committee had another profound effect on the structure of Australian politics, with the creation in 1932 of the Liberal and Country League (LCL).

Undoubtedly, the Emergency Committee represented a compromise on the part of the CL, one which it worked hard to explain to its membership. The report of the League's Executive Committee to its annual convention of delegates in June justified the decision to join the committee:

That although co-operating for a temporary period in a national emergency none of the suggestions of the representatives of the Emergency Committee in any way affect the permanent aims and objectives and ideals of their respective members. Co-operation extends to the sphere of federal politics only, and continues only until the next federal election has been completed.\textsuperscript{28}

The League had been influential in the adoption of the additional five points. Among these was a pledge to assure the entire freedom of members of Parliament from party or executive control, and a truce from contentious party issues for the duration of the next Commonwealth Parliament. These commitments were presented as indicators of the influence of the CL in breaking down the control of political parties over candidates:

In this arrangement your committee emphasises that none of the candidates already supported by the Emergency Committee will be tied in any way to any particular political party.\textsuperscript{29}

Despite these claims, the League's entry to the Emergency Committee represented a climb-down from its independent and non-party stance. Inevitably, the League was drawn into party politics and away from the relationship which Bagot had sought to maintain with the ALP, particularly the Hill Government.

\textsuperscript{27} Ibid., p.1.
\textsuperscript{28} Report of the inaugural meeting of the Emergency Committee in CL Papers, op. cit.
\textsuperscript{29} Ibid.
It was significant that the formation of the committee came only a few days before Lyons arrived in Adelaide, and a unity conference of citizens' organisations was held in that city. If it had been deferred until after these events, it is unlikely that the Liberal Federation could have succeeded in bringing the parties together in such a combination. Lyons responded favourably to the Emergency Committee, although Grenfell Price noted that "personally I think he wants AFA[L] and Citizens' League [to] form party behind him. One can understand this as he will want a permanent following. But he has been up to Sydney to try and avoid a split vote." The Emergency Committee had given a firm lead, not to the formation of one united party, but to the co-operation and co-ordination of anti-Labor parties throughout Australia.

Lyons arrived at Adelaide station on April 9 to a remarkable public response. From the steps of the Melbourne Express the staunchly Catholic Lyons adapted the words of the Protestant martyrs Latimer and Ridley to launch his movement:

We shall strike a match tonight which will blaze throughout Australia.31

The crowd at the railway station responded spiritedly:

'Good Luck to you, Joe', came the response. 'Hip-hip-Hurray', roared the crowd, milling round the most gallant little figure in

Australia today.32

Lyons was hoisted onto a porter's barrow to address the crowd, telling them that the Lyons 'band' was not concerned because it had no name for its party; it was the objectives and ideas that mattered:

What we are hoping for is to have one huge organisation embracing all parties concerned in the welfare of Australia, such as the Citizens' League. A name can come later.33

This was sufficiently ambiguous to satisfy those who wanted a united party, and the advocates of a confederation.

The enthusiasm of the reception given to Lyons and the extraordinary success of his public meetings encouraged the supporters of a new party, and affirmed the wisdom of the Liberal Federation in moving quickly to control the CL through the Emergency Committee. Lyons' visit was a triumphal concourse through the city, addressing the opening of the conference of citizens' organisations, a businessmen's rally, and three evening meetings. His message was couched in simple terms of national unity, national

30. Note in Grenfell Price Papers, op. cit. Grenfell Price's undated note was filed with a minute of the Emergency Committee Meeting, April 12, 1931.
31. News, April 9, 1931. A slightly different version of Lyons' words appeared in the Advertiser on April 10, 1931.
32. Ibid.
33. Ibid.
honour and orthodox finance. He played down his own qualities of leadership, saying that he would rather go back to his own state and hide in a hollow log:

But that would be no use today. Everyone must play his part to help Australia.34

The impact of the massive press coverage of Lyons' visit was augmented further by the use of radio. The Advertiser estimated a national radio audience of more than 750,000:

In every remote home and hut in Australia to which the voice of the radio penetrates, the same thing was happening. Mr Lyons was rallying the country. Adelaide had become the cradle of the most striking event in Australia's political history, the rousing of a whole nation by one small honest man. It was unique.35

The evidence of Lyons' great popular support mounted as he returned to Melbourne by train, addressing numerous small meetings at railway stations and sidings, and receiving expressions of loyalty and gratitude. The spontaneity of these demonstrations was impressive, as little notice had been given for the preparation of an organised response. Lyons' first venture into public promotion of his non-party movement was capped with another huge meeting at Ballarat on April 11. His wife could fairly claim when she returned to Tasmania after the campaign that enthusiasm for the "All for Australia Movement" was wonderful and beyond description:

It seems that in this movement there is something of the spirit of a crusade.36

The meeting of Citizens' Movements held while Lyons was in Adelaide had been organised by the CL, whose initial invitation list had extended to 17 organisations, including the Kyabram Movement, the Empire Party of Sydney, the Women's Non-Party Organisation [of South Australia], and the PRL of South Australia. There is also a suggestion that the Emergency Committee was invited to attend. The lists published in the press of organisations actually attending the conference are contradictory, but from the CL minutes, it appears that seven organisations were present: the AFA[L] of New South Wales, AFA[L] of Victoria, the SDL, the PAC of Tasmania, Citizens' Federation of West Australia, and the CL and the PRL of South Australia. Perhaps wisely, the Emergency Committee did not attend in its own right, although it was justifiably concerned about the consequences that might flow. Grenfell Price saw the meeting as a dangerous one, believing that Gibson and Snow of the NSW AFA[L] had come to bring South Australia into a central party, and this would destroy the aims of the Emergency Committee.37 Measured by the rather meagre evidence

34. Advertiser, April 11, 1931.
35. Ibid.
36. Examiner, April 14, 1931.
which has survived of the conference's proceedings the threat was a real one, averted mainly because of the tactics adopted by Gibson (described by Grenfell Price as an academic theorist), who performed indifferently. Gibson affronted Bagot by the vehemence of his attacks on the ALP, offering no concessions even to the conservative Hill. Gibson and Snow offered to fund the South Australian CL in the interests of a united party (a sign that the NSW League had funds at its disposal at that time), but with Queale and Pellew standing firm the CL resisted efforts to change its name and deprive it of its independence. At a subsequent meeting, the Executive of the CL acknowledged that delegates from Sydney and Melbourne had sought to swamp it, but its delegates had persuaded the meeting that the South Australian scheme was best. Presumably this meant co-operation on Emergency Committee lines and not strict unification. 38

In the event the CL agreed to affiliate with the two eastern state leagues. On the basis of this affiliation agreement the three leagues telegraphed to Lyons on April 10 inviting him to become their leader. On the following day, Gibson, Turnbull and Bagot wrote again to Lyons setting out their invitation in more detail. The Leagues still looked to a time when all existing "political organisations" which stood for the "Seven Points" would be united in one great non-partisan organisation under a common name, with Lyons as leader. Pending this development, it was obvious that Lyons and his small group of legislators were handicapped by lack of a constituency organisation. The Leagues offered to fill this gap:

We are in a position to supply you with that service, and we have the honour now to place at your disposal the whole force of the All for Australia League movement of NSW and Victoria, and of the Citizens' League of South Australia, and we invite you to be our leader. 39

There is no evidence that Lyons formally accepted this offer, but there was tacit agreement during and after his visit to Adelaide that he was the leader of a national non-partisan movement with each league accepting him as national leader. The NSW League had been the tardiest, but by the time of the Adelaide Conference its leaders were espousing Lyons with enthusiasm. H. Gordon Bennett told a meeting of the AFA[L] in Sydney on April 8 that Lyons had decided to lead the League:

That is definite. We must accept a unity of purpose and everybody in Australia must act together.

A voice: Is Mr Lyons absolutely anti-Soviet?

38. The account of the meeting is based on "Grenfell Price Rough Notes", p.12 ff., and CL minutes, op. cit.
39. The telegram and subsequent letter are in Lyons Papers (ANL), op. cit., Box 1, Folder 8.
Bennett: Absolutely. He believes, as our League does, in freedom from machine politics.\footnote{Examiner, April 9, 1931.}

At the time of the Adelaide Conference, Nationalist leaders were assembling in Melbourne for the Interstate Conference of the National Party.\footnote{The proceedings of the Conference are described in full in ANR, April 1931.} Latham had been kept informed of the Adelaide Conference by his close political colleague, Charles Hawker, a senior officer of the South Australian Liberal Federation. The source of Hawker's intelligence from the meeting is not known, but it was sufficiently accurate for Hawker to telegram Latham on April 11:

Gibson totally failed to make trouble here. Situation well in hand. Do not be rushed. Watch Melbourne effort.\footnote{Telegram from Hawker to Latham, Latham Papers, Series 49.}

Latham's brief diary entries end on the eve of the conference, but it seems that he also had the situation "well in hand". A final entry on April 7 notes that he had decided to make no decisive move until after the conference, and that he would seek further discussions with Lyons when the latter returned from Adelaide.\footnote{Latham Diary, op. cit.} The conference began on April 8, attended by six delegates from the National Party of New South Wales, six each from the National Party and the AWNL of Victoria, six from the Liberal Federation of South Australia, six each from the CPN Party and the QWEL, six from the West Australian National Party, and two from the Tasmanian "National Federation of Hobart and Launceston" (presumably one from each).\footnote{ANR, April 1931.} According to the ANR, Latham attended as leader of the House of "Commons".\footnote{Ibid.}

The Conference had been placed in a delicate position. Several of its branches, particularly the NSW and West Australian branches, had reservations about Lyons, his policies, and his involvement with the Citizens' Movement. If the Nationalists stuck hard to their principles and kept aloof from Lyons, they faced the risk of a new political movement which would almost certainly organise on political lines, as the NSW AFA\[L\] had begun to do. It would have been bravado to ignore the Citizens' Movement as transitory and the conference felt that it had to be accommodated. Even though the Nationalists had the Victorian league under firm guidance, and could exert influence on the South Australian League through the Emergency Committee, the NSW League had eluded it and the national position remained fluid. As a face-saver, the Nationalists could argue that accommodation would be reached on the principles of sound finance that it had argued persistently, and that in effect the non-party movement had adopted Nationalist policies.
The Nationalist Conference passed three resolutions which were the basis for the actions it took in the next crucial weeks. The first affirmed that economic revival and the return of prosperity depended above all on the adoption of an honest and sound financial policy by the Australian Government. The second urged that further effort should be made to procure unity of action between all political parties or groups which were opposed to the Scullin ministry and its policies of inflation and political control of the currency. The third gave the party leaders a mandate for specific action:

That the members of the Executive, representing the several states, be invited to take action, in conjunction with the Federal and State Parliamentary leaders, to consult with the representatives of other political organisations in their respective states with a view to arranging effective co-ordination of their actions.46

The Conference agreed as a basis for negotiations on a policy which reflected the "Seven Points", although with some variation and elaboration. Latham described it as a policy to meet the times, replacing no plank in the Nationalist platform, although some portions of it might be incorporated in that platform.47

The period April 7-9 was pivotal in the formation of the UAP, with Lyons' visit to Adelaide, the Citizens' Movement conference in Adelaide, and the Nationalist Interstate Conference in Melbourne. Grenfell Price summarised the complex situation as a movement in three directions: choice of Lyons as leader of national reconstruction; co-operation of those parties which stood for national integrity and sound finance; and general acceptance of a policy based on Lyons' "Seven Points". Negotiations were by no means over between the parties, which had a right to think matters through carefully before they asked their leaders to stand aside for Lyons. Grenfell Price acknowledged that the nation was moving towards Lyons as a rallying point; if the party leaders could conscientiously do so, they would follow the nation's call. Grenfell Price was thinking on the lines of a co-ordinated national movement rather than a united one. He felt that after an election, Lyons' following might be small compared with the older parties. The Adelaide Citizens' Movement conference had adopted the Adelaide model (in effect, the Emergency Committee) which he described as "immediate and feasible ... a united party involved many problems and many stages of negotiation at a time when a federal election was almost certainly in sight."48 At this stage, Grenfell Price was looking to the formation of an Emergency Committee on national lines, with Lyons maintaining his own separate group but acting as leader of a co-ordinated national movement. This would require co-operation at three levels: having accepted Lyons as leader the

46. Ibid.
47. Ibid.
non-party leagues would now co-operate with other bodies; the political parties, effectively the National and Country Parties, must co-operate on Emergency Committee lines; and the federal members of the different parliamentary groups - Nationalist, Country Party and Lyons groups - must co-operate.49

Armed with the resolutions of the Interstate Conference, Latham sought to bring the political parties together at the federal and state levels. He wrote to Lyons and to Page requesting an early meeting to discuss co-operation of the Federal Parliamentary Parties, and he wrote to the National Party State Parliamentary Leaders pointing to the conference resolutions and asking them to take initiating action (see Chapter 8).50 The approach to Page drew a quick response. There were wide differences about unity between members of the Country Party in New South Wales and Victoria. In New South Wales, some Graziers' Association members felt that the way of the future lay in unity of the Country Party with Lyons. This view was put rather forcibly by an official of a Graziers' Association branch:

At the present time, the Country Party should be in with Latham-Lyons-Gullett and not talking rot about separate identity and cordial co-operation .... The AFA[L] is purely a city meeting I know. The National Party is more or less Bligh St ridden, and counts for very little at the present time, and the Country Party is mostly circulars and nothing else. Can you see any hope except of mergement in the best elements of the lot in a new organisation, something with a kick in it .... I am sure of this - the aloofness of the Country Party will kill it, and the funeral is not far off.51

Such an astringent assessment of the capabilities of the NSW Branch of the Country Party was not rare in branches of the Graziers Association, even though it was a constitutional arm of the Country Party in New South Wales and its principal financial supporter.

Despite murmurings among the membership, the officers and executives of the party in both New South Wales and Victoria were intent on maintaining their separate identity, while co-operating with other anti-Labor organisations. The Secretary of the Victorian United Country Party, E.E. Roberts, said that its Central Council was prepared to support a change of government in the federal sphere, but the identity of the [Country] party must be preserved.52 H.K. Nock, the president of the Farmers' and Settlers' Association of NSW (like the Graziers' Association, a constitutional arm of the Country Party), approved co-operation to secure good government, but considered closer

49. Ibid.
50. Letters to Lyons, Page and the Nationalist State Parliamentary leaders, all April 9, 1931; Latham Papers, op. cit., Series 49.
52. Roberts to Page, n.d., telegram transcript in Ellis Papers, Formation of the UAP file, op. cit.
relations should hinge on Lyons undertaking to pay the wheat bounty, and harmony on general tariff and arbitration attitudes. Apart from hinting that the Country Party was not completely satisfied with the undertakings in Lyons' "Seven Points", Nock's statement indicated some disposition to negotiate an arrangement with Lyons, although not a political union.

These attitudes of the state branches were reflected in the Federal Parliamentary Country Party. Latham had written to Page and Lyons seeking a meeting on possible lines of co-operation, based on the Interstate Conference resolutions:

You will see that the conference adopted resolutions approving in principle unity of action between parties or groups having similar objectives. In effect, Latham sought an expression of opinion on united opposition with a common policy and under common leadership. In reply, Lyons said that there should be an agreement on common policy with common leadership for the purpose of defeating the Scullin Government. In a somewhat legalistic way, Latham found this response inadequate because it was limited by the specification of its purpose (i.e. to defeat the Scullin Government), and therefore fell short of the proposal for a single opposition which the National Party was prepared to support:

It appears, therefore, that it is not possible, at least for the present time to attain the objectives of unity of parties on the Opposition side of the House.

Despite this objection, Latham met with Lyons and Page in Canberra on April 17. The meeting is described in a note by Latham:

Dr Page stated that he was not prepared to form a single Opposition Party. Mr Lyons made an identical statement. Mr Latham said that he was authorised by his Party - both within and outside Parliament - to agree to the formation of such a party. It was agreed that for the present the best course to be pursued was close co-operation in the House and in the constituencies. Dr Page joined in stating that they desired Mr Lyons to run the Opposition. This was the position at about 3 p.m. on Friday April 17 - when the conference ceased pro-tem on account of business coming on in the House.

The official attitude of the Country Party had been expressed on the previous day (April 16) in a statement by Page, which affirmed its support for "Australia First, strong, stable and honest Government". Page recalled a statement which he had made a few weeks before, setting out the essentials for rehabilitation of primary and secondary industries. Subsequent declarations of policy issued by Lyons and Latham had backed

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53. Ibid., telegram transcript. Nock to Page.
54. Latham to Lyons, April 13, 1931, Latham Papers, op. cit., Series 49.
55. Ibid.
56. Ibid.
57. Note in Latham Papers, op. cit., Series 49.
these propositions. Rather obviously, the statement pointed out that the Scullin Government was still the responsible body in control, with 40 supporters as against a total of 35 on the opposition side. (The statement did not refer to the tenuous nature of Scullin's majority, dependent as it was on the Beasley group.) No effect could be given to the principles advocated by the opposition until the Scullin Government had been removed from the Treasury benches. The Country Party accepted unity of action with regard to certain fundamental principles (presumably the "Seven Points" of Lyons, which Page and Paterson had publicly supported):

But equally complete liberty of action must be preserved to each group in all other matters .... This can best be achieved not by attempting to fuse all the groups in one mould, thereby perpetuating the worst features of machine-made politics, but rather by a common purpose and willing co-operation of all groups bent upon the return of Australian prosperity on sound economic lines.58

Page adhered to these principles when he met Lyons and Latham, and would not be drawn into a united party.

At this time, there were signs that Lyons' popularity in the electorate was attracting the support of possible candidates who would support his group. On April 11, he was contacted by a former ALP candidate for the Federal seat of Echuca, offering to support him as a non-party candidate for the forthcoming elections, and asking Lyons to launch his campaign at a meeting in Shepparton.59 The possibility that Lyons might be able to put together slates of attractive candidates in electorates throughout the country was ominous for the Nationalists. Lyons received more tangible support with the accession to his group of three former members of the Australian Party in the House of Representatives. Latham had written to Hughes, Marks and Maxwell informing them of the resolutions of the Nationalist Conference, a measure designed to involve them in the discussions as individuals and not as a party group. Marks was the first to take the plunge, telegramming Lyons on April 13 and announcing his intention to join his group:

As you like myself at a time of crisis placed country first and being in approval of your published policy and statements have decided [to] join your independent group.60

On the following day (April 16), Hughes announced that as Leader of the Australian Party, he had definitely decided to support the unity movement proposed by the National Party resolutions.61 Maxwell also fell into line, writing to Latham expressing his support for the move to unity and Lyons' "Seven Points".62

58. Statement by Page in Ellis Papers, op. cit.
59. E.C. Hill to Lyons, April 11, 1931; Lyons Papers, ANL, op. cit., Box 1, Folder 8.
60. Ibid. Marks to Lyons, April 13, 1931.
61. Examiner, April 17, 1931.
With the parliamentary elements moving to an understanding, popular attention had switched to a name for the national Citizens' Movement. According to one press report, a competition had been held in Melbourne to name the organisation headed by Lyons; the prize had been won by United Australian Party. Bagot said that he thought this a good name, but would like to see it as United Australian Parties rather than United Australian Party. Despite the propaganda about citizens' and non-party movements, the Labor parties in Canberra had little doubt about who was calling the tune, Beasley putting it to the press thus:

The talk about the United Opposition at Canberra .... It is the National Association [Party] and nothing else.

Such an assessment was not confined to the Labor Parties. C.L.A. (Aubrey) Abbott, an officer of the PAC and member of the NSW Country Party, wrote to Grenfell Price in mid-April, expressing apprehension at the position that was developing:

To speak very frankly, it seems to me that the National Party is going to make a very big effort to absorb the other party by sheer weight of numbers. This, in my opinion, would be fatal. I am quietly awaiting events and will do all possible to consolidate the forces, but I feel that it cannot be in any present party.

Although Lyons was titular head of a national Citizens' Movement, what happened in the electorate was at the time less important than the resolution of the party position in the Parliament. Lyons' group had grown to eight with the addition of the former members of the Australian Party, but the Nationalists were still the dominant force in the Opposition, and even if a consolidation which brought in the Country Party could be achieved, the National Party would remain the principal element. To this extent, Abbott's apprehensions were justified, although outside the Parliament the Nationalists were at a strategic disadvantage compared with the buoyant Citizens' Movement.

Following his negotiations with Lyons and Page on April 17, Latham issued a statement which was designed to clarify his position and that of his party. He said that in view of the desperate national emergency, the National Party was prepared to join with Lyons and his supporters to form a "United Party" in the House of Representatives and in the country under the leadership of Lyons:

It is for Mr Lyons to say whether he will accept this offer. If he accepts the offer, he will have my sincere goodwill. I have communicated this statement to Mr Lyons.

Latham's draft statement included a paragraph outlining his own circumstances which

63. News, April 13, 1931 (Author's emphasis).
64. Advertiser, May 16, 1931.
65. Abbott to Grenfell Price, April 15, 1931, Grenfell Price Papers, op. cit.
was omitted from the final version given to the press. Latham said that he felt that he
should not be a candidate for the Deputy Leadership of the "United Party":

I feel that I could best be of service to the new party by refraining from
becoming a candidate for any position in the party which might be considered
to make me the head of a dominant section within it.67

On the evidence of this statement, it appears that Latham had resolved the rather
casuistical quibbles that he had raised about the extent of Lyons' intended co-operation
(see above).

Over the following few days, discussions between the two leaders continued.
Latham’s papers contain an agenda item for one of these meetings on April 20 which
noted the following items: (1) seats, (2) Senators, (3) No Socialisation or nationalisation,
(4) Reserve Bank Bill, (4) [sic] Transport Workers Act, (5) General policy.
(1) public service, (2) pensions, Wheat, Roads, Tariff, New States. (This sub-group of
four measures may have been intended as a basis for co-operation with the Country
Party.) The final two items on the list were "Portfolios" and "Leader".68

It is obvious from this agenda that preparations for the union of the Lyons group
and the National Party in the Federal Parliament were well advanced by April 20.
Indeed, it is probable that by that date there was clear agreement that Lyons would
become leader of a "United Party" in the Parliament. By April 22, there were press
reports that Lyons had accepted leadership of the "Opposition", and that the first
meeting of the new "United Party" comprising the Nationalists, the Lyons group and
other supporters (presumably the former members of the Australian Party and the
independent Gabb) would be held on the following day in the Opposition Party Room
which hitherto had been occupied solely by the Nationalists.69 Over the remaining days
of April there were further reports about the delays in formalising the union, mostly
attributing it to difficulties with the AFA[L] in Sydney (see Chapter 8). Despite the
lack of any formal proclamation, a "United Parliamentary Party" was probably an
accomplished fact by the end of April.

An equivalent advance had been made in the status of the national Citizens' Movement in the latter half of April. After the conference in Adelaide on April 7-8,
Gibson had telegraphed Latham on behalf of the three citizens' leagues pointing out
that they represented 200,000 members and 4,000 branches. The Leagues had decided to
"invite and earnestly request" Latham and his party, Page and his party, and Lyons and
his party to join together as a "single party uniting all the people under a new name to

67. Ibid.
69. Advertiser, April 22, 1931.
be selected under Lyons' leadership and policy of broad principles as announced by Lyons." The Leagues pledged full support for such a move "as the only method of achieving true unity and expression of support and desire of [the] people ...".70 Gibson informed Latham that similar telegrams had been sent to Lyons and Page. He did not tell him that the telegram to Lyons had in fact been an invitation to assume the leadership of the three affiliated leagues acting as a national Citizens' Movement (see above). Latham responded by pointing to the resolutions from the National Party Conference, stating that in accordance with the resolutions, he intended to seek a conference of leaders.71

Outside the Parliament, the next step in bringing the movements together had come with a meeting in Melbourne on April 19, convened by Lyons to inaugurate the UAM. According to the minutes of the CL, those attending included Lyons from the "Parliamentary independent group", Queale and Bagot from the CL, Snow and Gibson from the NSW AFA[L], Ricketson and Henderson from the Victorian AFA[L], Willis and Knox from the National Union, and Menzies, Pratt and Higgins, all members of the "Group", but given no official designation as delegates. The composition of the meeting has some peculiar features. The National Party was not directly represented, but the two principal officers of the National Union attended. The three citizens' leagues were represented. It was not clear whom or what Menzies, Higgins and Pratt represented, but with Ricketson and Henderson representing the Victorian AFA[L], five active members of the "Group" were in attendance. (Norris had not played a prominent part after the "Group's" initial meetings with Lyons.) Menzies was the only National Party officer present, and the absence of Latham is distinctly odd. The meeting had all the hallmarks of Lyons' personal machine, its membership carefully balanced to meet the non-party objections of the leagues while giving the National Party indirect representation.72

The meeting agreed that the new Parliamentary "Party" to be formed under Lyons' leadership should be called the United Australia Movement. The name would be submitted to Latham, and then to the various organisations with the recommendation of Lyons and Latham for endorsement. According to one account of the meeting, "Mr Gibson thereupon declared that the AFA[L] in NSW will support the United Australia Movement."73 It was agreed that all of the organisations supporting the UAM should work in harmony. To procure a single organisation throughout Australia dedicated to

70. Gibson to Latham, April 11, 1931, Latham Papers, op. cit., Series 49.
71. Ibid. Latham to Gibson, April 11, 1931.
72. Based on CL minutes and reports, CL Papers, op. cit. There is a memorandum of the decisions taken in Lyons Papers, ANL, op. cit.
73. Ibid.
securing the return of "United Australia candidates", the separate organisations in each state were urged to appoint a representative central committee to choose candidates before the next federal election, "if time permitted". If this could not be done, then the representative committees should act so as to secure "united action" in the electorates. No section should pre-select candidates, but suitable candidates should be endorsed by the committee with the aim of limiting the number. The movement was not anti-Labor, but opposed to all such proposals as inflation, repudiation or Communism, which were described as "destructive of the real interests of Australia and its primary and secondary industries." 

The resolutions issued on behalf of the UAM after this conference have some interesting features. The confused use of "Party" and "Movement" does not seem to have been intended. In total, the resolutions make it plain that Lyons was to head a UAP in the Federal Parliament with Latham's co-operation, and that the name of the broader non-Parliamentary organisation supporting this party was to be the UAM. It is not clear whether this "Movement" was intended to incorporate the State branches of the National Party, but it is a reasonable presumption that it did. Quite clearly, the three citizens' movements were seen as integral parts of the UAM.

In organisational terms, the resolutions pointed to a federal organisation, with co-ordinating committees in each state on similar lines to the Emergency Committee of South Australia. The meeting tackled the delicate question of pre-selection, but the terms of the resolutions adopted left plenty of flexibility for future state co-ordinating committees. The Country Party was not represented at the meeting, nor was it referred to in the resolutions. Apart from the single reference in the context of the name of the movement, Latham was ignored despite his federal position as Nationalist Leader. His absence may have been due to parliamentary commitments, and it is possible that he and Lyons had already reached a degree of understanding which permitted Latham to absent himself. The insistence that the movement was not anti-Labor was probably a response to the sensitivities of the South Australian CL, and a recognition of the industrial membership of the NSW AFA[L] though this had not prevented Gibson from attacking the ALP at the Adelaide meeting. The disavowal of hostility to the ALP may have reflected some lingering susceptibilities on the part of Lyons and members of his parliamentary group. The meeting was not publicised and it was left to Lyons' discretion to announce its decisions, which he did almost immediately.

By the time the Melbourne meeting was held, the tacit agreement between Lyons

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74. Ibid.
75. Ibid.
and Latham had percolated through the membership of the Parliamentary National Party and the Lyons group. Most members supported the proposal for unification, but there was some resistance. Gabb re-asserted his independence, and argued strongly that Lyons and his followers should stay outside the Nationalist fold. More peculiarly Maxwell, who described himself as an "unattached member of the Opposition", wrote to Latham on April 18 complaining that he had not been consulted about the formation of a new party and suggesting that the National Party had acted precipitately. Maxwell's complaint was based on press reports that the Federal Parliamentary National Party had already decided to unite with the Lyons group. It is not possible to establish any formal basis for these reports, but over the next few days it became clear that Nationalists throughout Australia regarded the new party as accomplished fact.

This feeling emerged in a number of ways. Latham received a number of letters praising his decision to stand down, and his responses did not deny this. On April 23, Heath wrote to Latham saying that it was wrong that he should have to make way for a "Johnny come Lately". Latham responded, pointing out that he and Lyons had sought to bring about unity in the country as well as in the Parliament:

Unity in the country is as important as unity in the House - one is the correlative of the other.

Latham said that he and Lyons had agreed that until the position was clarified, they should not appear in New South Wales on the same platform. There was coolness among some NSW Nationalists to Lyons' announcement on April 21 that the Federal Parliamentary National Party and the Lyons group would unite. Bavin wrote rather stiffly to Latham, asking for official advice as President of the [NSW National] Association as to the precise terms of the agreement entered into, so that "the Association in NSW may be in a position to consider it, determine its attitude and future activities." Latham replied rather tersely that he had sent this information in a letter which Gullett had delivered to Bavin on the preceding day.

Assessment of the wisdom of the union was somewhat mixed. Heath told Latham that as regards the unity movement, "I have rather a suspicion that you have made a very astute and capable move, particularly as far as the AFAL is concerned." Maxwell was less sure, suggesting that a party led by Lyons, containing "five" ex-Labor members with no name and no definite policy, might prove a fiasco. The Tasmanian

76. Maxwell to Latham, April 18, 1931; Latham Papers, op. cit., Series 49.
77. Ibid. A.E. Heath to Latham, April 23, 1931; Latham to Heath, April 23, 1931. Latham Papers, Series 49.
78. Ibid. Bavin to Latham, April 23, 1931; Latham to Bavin, April 23, 1931.
79. Ibid., Heath to Latham.
80. Ibid., Maxwell to Latham.
National Party was critical, its secretary, G.G. Pullen, arguing that the arrangement with Lyons should only have been a temporary one, with the leader having the biggest following after an election leading the "United Party" in the next Parliament:

Personally, I can feel a very great opposition to Lyons as Leader of our Party and we are going to face trouble at every turn. 81

Other Nationalist branches looked favourably on the new party, which was not resisted in Queensland, Victoria, South Australia or West Australia. Such approval was expressed in two resolutions of support from the West Australian Branch, accompanied by an expression of confidence by its State Secretary, Allan MacDonald, to Lyons:

As one of the West Australian delegates of the recent Interstate Conference of the Party, I had the opportunity of studying the position as represented by the States delegates, and I feel sure that with our combined forces and with a virile campaign we could look forward under your leadership to bring about a change of Government. 82

The new party and movement encountered its greatest problems in New South Wales where the National Party and the AFA[L] began a long and bitter series of conferences which did not resolve differences until late in the year. This process was central to the establishment of the UAP and it is described in detail in Chapter 8. Apart from the animosity between party and league, there was some dissatisfaction among elements of the National Party in New South Wales over the yielding of party sovereignty to Lyons. Parkhill was particularly critical, allegedly telling a National Party Conference in his Sydney electorate of Warringah that Lyons would no doubt be employed to address meetings, but the work of leadership inside the party would be carried on by Latham:

The UAP is merely a party of spare parts, and it is a terrible thing that in the bitter political fight that is about to take place, the activities of the AFA[L] will not assist our cause, but rather tend to break up the Nationalist organisation .... The compromise with Mr Lyons appears to have benefited only three people - Messrs Hughes, Marks and Maxwell ... 83

Despite the ferocity of the battle between the Nationalists and the AFA[L] over the following months, the feelings of resentment which had been crystallised by Parkhill soon dissolved within the Federal Parliamentary Party and Parkhill himself became one of Lyons' firmest supporters and admirers.

Although the dispute between the Nationalists and the AFA[L] and some dissension among Federal Parliamentary Nationalists were principal factors in delaying the formal announcement of the UAP, there was another important consideration. This

81. Ibid., Pullen to Latham.
82. Allan MacDonald to Lyons, n.d, probably late May; Lyons Papers, ANL, op. cit., Box 1, Folder 8.
83. Quoted in ANR, May 1931. The original report appeared in the Daily Telegraph, May 26, 1931. Parkhill claimed that he had been misquoted, and that his comments were made at a private party meeting. He wrote to Lyons outlining the context of his remarks.
was the hope that the attitude of Page and the Federal Parliamentary Country Party was not irrevocable, and that the Country Party might be brought into the UAP. On May 5, Latham made another attempt to co-opt the Country Party, writing to Page saying that he had been authorised by his party [presumably the Nationalists] to invite Page to a meeting in the Opposition Rooms to "form a United Parliamentary Party in Opposition under a single leader and to elect that leader." Page seems to have taken some offence at the character of this letter. According to a draft reply to Latham, he refused to attend the meeting, saying that the Country Party desired to continue on the "same friendly and co-operative basis, and to secure an appeal to the country at the earliest possible time ... we feel, however, that we should not participate in the election of your officers." The distinction between the two parties was clearly emphasised.

On May 5, a meeting described as a United Australia Conference was held at Scott's Hotel in Melbourne. (Lyons annotated a record of the proceedings as "not a conference" which may mean that it was intended as informal negotiations rather than a formal meeting of the UAM.) In his letter of invitation to delegates, Lyons described its purpose as to discuss and, if possible, determine ways of uniting all parties and individuals opposed to repudiation, inflation and the "destructive forces of Communism":

It is a matter for great satisfaction that in the past few weeks substantial progress has been made towards that desirable objective but much still remains to be done. I doubt whether the urgent need for unity in this general crisis is generally fully appreciated, and whether the fact is realised that there is no practical alternative.

The conference was attended by Knox of the National Union, Senator Harry Lawson, the Victorian President of the National Party, Mrs Elizabeth Couchman of the AWNL, Menzies from the YNO, Turnbull of the Victorian AFA[L], Roberts, the Secretary of the Victorian Country Party, and a Country Party Senator, R.D. Elliott. The meeting formalised the arrangements for the functioning of the UAM, in effect establishing a co-ordinating committee on the lines prescribed in the earlier meeting on April 19. This committee resembled the Emergency Committee of South Australia, but it was not as wide in its representation; it was usually referred to as the Campaign Committee, and apart from the inclusion of the Victorian AFA[L], it did not differ in essentials from the campaign committees which had co-ordinated the previous federal and state elections. Although Country Party delegates attended the meeting on May 5, they did not participate in the work of this campaign committee.

84. There is a full set of this correspondence in Ellis Papers, op. cit. Part of it is also included in the Latham Papers, op. cit. Series 49.
85. Ibid.
86. The draft letter of invitation and some notes on the conference are contained in Lyons Papers, ANL, op. cit., box 1, Folder 8.
On May 5, the Tasmanian Branch of the AFA[L] held a conference of delegates from North Coast branches, attended by 400 delegates. It telegrammed Lyons as leader of the "Australian United Party", assuring him of the full support of the League:

Do not worry about Tasmania. Federal Treasurer's [Theodore] visit a misfire. We will keep the homefires burning. 87
(The meeting was held in the context of a State election campaign, in which Theodore and Menzies campaigned.)

The final steps in the creation of the Federal Parliamentary UAP were taken at party meetings in Parliament House, Canberra, over the period May 6-8. The meetings were marked by emotion, enthusiasm and some hilarity. An occasion of symbolical importance was the re-entry to the opposition party room on May 7 of four parliamentarians whose defection had destroyed the Bruce-Page Government and produced the short-lived Australian Party:

Messrs W.M. Hughes, W.M. Marks, G.A. Maxwell, and Senator W.L. Duncan ... attended the [National] Party meeting and were cheered as they entered the party room. Great enthusiasm was shown and members joined in the chorus: "the more we are together". 88

Lyons was elected Leader of the joint party, and Gullett did not press his position as Deputy Leader of the superseded National Party, standing aside for Latham. The only dissident note came from Gabb who decided not to join the new party:

My experience of a particular party and or party room is such that I cannot bring myself to risk a repetition of that experience. 89

On May 7, Lyons wrote to Scullin, informing the Prime Minister that he had been elected leader of the UAP and announcing his intention to move immediately to censure the Scullin Government when the House of Representatives resumed its sitting. On the following day, Lyons announced his leadership to the Parliament:

His appearance in the House was the signal for an outburst of rancour and violent inyective by the Government and its supporters, for which it was difficult to find a parallel in federal parliamentary history. For three hours, Mr Lyons was called names and accused of treachery, mostly by ministers. 90

According to press accounts, Lyons was flushed but calm and restrained as he gave notice of the 'No Confidence' motion. Scullin sat opposite him with a curious smile, but his face was almost crimson. 91 The Government survived the motion, and it became

87. Examiner, May 6, 1931.
88. Advertiser, May 8, 1931.
90. Examiner, May 8, p.8. The parliamentary debate which followed Lyons' announcement is in CPD, Vol. 129, May 7, 1931, p.1690 ff. Gullett (at 1691) described it as "the most sordid of all the parliamentary demonstrations that I have seen ....".
apparent that the parliamentary situation had stabilised with the UAP at full strength and further defectors from the government unlikely. The UAP had to win the support of the Beasley group and the Country Party if any move to topple the Government were to succeed. On May 12, the new party was given a substantial morale boost with the success of the National Party in the Tasmanian elections, when four more seats were won on a swing of about 13 per cent. 92

CHAPTER 7
DEVELOPMENT OF THE UAP

The erection of a non-parliamentary structure for the UAP began at the Interstate Conference of the National Party in April (see pp.168-70). The Conference decided that Latham should contact the state branches of the party, urging the unification of anti-Labor forces at the state level. His letters to the six parliamentary leaders elicited varied responses which pointed to the problems in the way of achieving an integrated national structure. McPhee, the Nationalist Premier of Tasmania, replied that the conference resolution had no application to that state "on account of the fact that the only political organisations there are the Nationalist and Labor Party organisations."¹

This ignored the moves to form a branch of the AFA[L] in Tasmania, and some other citizens' group activity, but essentially it was an accurate account of the political situation in Tasmania at that time. McPhee was on the eve of a state election, and was anxious to avoid major distractions such as the formation of a new party.

The leader of the Liberal Federation of South Australia, R.L. Butler, replied that the matter had been handled in South Australia upon "lines which were satisfactory to yourself [Latham] and the organisations concerned."² This was a clear reference to the formation of the Emergency Committee, and perhaps an implicit indication that more could not be expected at that stage. According to Mitchell, the West Australian Premier, there appeared to be no need for taking action at that time in West Australia, although he would be glad to be advised of Latham's opinions.³ In Queensland, the existence of the CPN Party was prima facie evidence of a unity of National and Country Party interests, and the matter was not pressed further. In Victoria, the situation was firmly under control with the co-ordination of Nationalist and AFA[L] activity, and every indication that the Country Party would co-operate while stopping short of merger. Neither Moore in Queensland nor Argyle in Victoria, appear to have responded directly to Latham's request.⁴

Bavin, the NSW leader, accepting the need to pursue unity, responded that

¹. McPhee to Latham, April 10, 1931, Latham Papers, op. cit., Series 49.
². Ibid. Butler to Latham, April 10, 1931.
³. Ibid. Mitchell to Latham, April 10, 1931.
⁴. There is no response from either in Latham's Papers.
Latham should proceed on the basis of the third resolution approved by the conference (see pp.168-70). He asked whether Latham or he should take the initiative to achieve co-operation of the anti-Labor forces. The difficulties in New South Wales were indicated previously: the decision of the AFL to organise for political activity; resentment approaching enmity between elements of the Nationalists and the AFL; existence of country movements distinct in organisation and, in some respects, policies from the Country Party; an inflexible and conservative Nationalist machine; a state-leader who was unpopular with elements of his party; lack of affinity between the state branches of the National and Country Parties. There were considerable difficulties in the way of achieving even an Emergency Committee structure, let alone a closer and more abiding unity.

Another problem lay in fears that a dissolution of the federal Parliament in the first half of 1931 might severely damage the Nationalists. Given the overwhelming swing to them in the Parkes by-election such pessimism is hard to fathom, but the Nationalists felt that the AFL would slice into their vote in New South Wales and, to a lesser extent, in Victoria and South Australia. In particular, the Nationalists looked to the Senate as the bulwark of the conservative forces in holding the Scullin Government in check, and there was a widespread feeling that the overwhelming non-ALP majority in the Senate should not be jeopardised. This attitude applied to any suggestion that the Senate should itself force a double dissolution, or that it might succumb to government pressure and pass its legislation. These dangers were crystallised at a meeting of the South Australian Emergency Committee early in April:

If AFL hangs out from other parties in Sydney, Senate may feel that an election is too risky, and may pass Theodore's legislation rather than face the loss of our last bulwark. Admitted AFL have only one fifth in votes. [Last sentence added in handwriting, probably by Grenfell Price.]

In this atmosphere of uncertainty and political rivalry, the prospects for any effective unity in New South Wales appeared bleak as accommodation was reached in the Federal Parliament, in Victoria and at least nominally in the other states. The quest for unity in New South Wales was begun by Bavin some weeks before the Nationalist Conference in April, and the formation of the Federal Parliamentary UAP. Bavin called a meeting for February 27, inviting representatives of a number of associations and organisations. According to an official of the NSW Graziers' Association who attended the meeting, Bavin had intended to procure adoption of a common policy rather than to effect any

5. Latham Papers, Series 49, op. cit.; Bavin to Latham, April 10, 1931.
amalgamation. Bavin's action was an early manifestation of the Emergency Committee approach, but he did not persevere with the initiative. Indeed, the relationship between the Nationalists and AFA[L] deteriorated to such an extent that the negotiations for co-operation which continued through the year had to be conducted by less overtly political bodies, first the SDL and then the PAC (see Chapter 8).

Despite these obstacles, there was a clear determination on the part of the Nationalist machine to unite the political forces which it saw as opposed to extreme Labor. On April 13, following the Melbourne Conference and the agreement between Latham and Bavin, the Council of the NSW National Party passed a resolution affirming that "no desire to retain the independent entity of any existing party should be allowed to stand in the way of such unity, and that federal and state leaders be supported in any effort to that end." This spirit ultimately prevailed, although it took several months and imminent federal and state elections to produce a UAP branch in New South Wales.

Although Bavin had begun the quest for unity, and Latham had supported it with the approval of the federal machinery of the National Party, the actual process of negotiation was inaugurated by the SDL. It is not clear whether the SDL brought the three parties together on its own initiative, or whether it was accepted that an independent arbiter was essential. Given that the SDL did not represent itself as a principal party and that it was not part of the subsequent arrangements, even in a strictly formal sense, it was a suitable honest broker for conducting the negotiations, even though it did have some common membership with all three principals. Some of the meetings were held at the SDL offices, and others at what were described as "various offices". The usual chairman was an officer of the SDL, Charles McDowell, who also acted as a channel to Lyons.

The formation of the UAP branch in New South Wales falls roughly into three phases. Between early April and late July, the three parties met under the aegis of the SDL in an attempt to form a Unity Council on Emergency Committee lines. The attempt foundered because of intrinsic disagreement between the AFA[L] and the Nationalists. This series of meetings culminated in the formation of a Unity Council between the National and Country Parties. The second phase began in September-October when further meetings were held between the three parties with the PAC as sponsor. These meetings established a Unity Council for the federal elections which were

8. ANR, May 1931.
held in December. Finally, between January and May 1932, the National Party and the AFA[L] merged as the NSW branch of the UAP.

The ensuing account follows the broad chronology of the first two of these three phases, incorporating where appropriate other events in the development of the federal party. The organisation in the other states had largely been determined by April-May, and only in New South Wales was the situation fluid. The third phase of the development of the UAP in New South Wales is considered in Chapter 8.

April-July 1931

The extended negotiations between April and July designed to bring the three parties together failed largely because of a combination at the state level of Nationalist superciliousness and AFA[L] bellicosity. Although the Nationalists perceived the threat from an AFA[L] organised on political lines, it did little to adjust its attitudes to meet a new challenge. At a time when flexibility might have served to blunt the thrust of the challenge, and open the way for an absorption or amalgamation which would leave Nationalist principles well on top, the National Party in New South Wales was disposed to stand on its dignity and adopt the aura of the 'grand old party'. In particular, there was resentment at what was interpreted as an attempt by the League to appropriate Lyons. It was felt that the Nationalists and their Federal Parliamentary leader, Latham, had displayed a profound spirit of renunciation and sacrifice. This had been offset to some extent by the power and emoluments which Lyons had sacrificed, so that the relationship between Lyons and Latham could be regarded as one of mutual noblesse oblige:

There has been an attempt on the part of a section of the new movement to capitalise Mr Lyons' leadership as their own special property, but while this may be dismissed as overzealous enthusiasm it is as well that the matter should be clarified. Mr Lyons is the leader of the United Australia Movement, the Parliamentary side of which has been made possible by the adherence of the National Party members in both houses of the Federal Parliament. This seems to be recognised in other states, but apparently is overlooked by critics of the National Party in NSW.9

The conception of the National Party as a national healer and unifier fell rather short of the truth, as the above account reveals. The emphasis given to the Nationalist contribution was often expressed in party propaganda which was invariably over-stated and often provocative:

It remained for the National Party to implement this spirit in the formation of the UAP in the Federal Parliament, and in endeavours to secure a united front in the state sphere. The spirit of renaissance needs direction and rallying

9. ANR, June 1931.
point.\textsuperscript{10} With rather more justification, the Nationalists defended the existing party and parliamentary institutions, pointing out that it was not an intelligent criticism of any organisation to say that it was a machine: what mattered was the way in which the machine worked. Although direct attacks on the AFA[L] were rare, there was a frequent resort to thinly-veiled euphemisms such as "enthusiastic friends". With some signal exceptions, such as Parkhill, the leading Nationalists were circumspect in their remarks about the League but there were plenty of the "old and bold" to affirm party fundamentalism. Albert Gould, a minister in the last government of Henry Parkes, told the annual Parkes commemoration dinner:

> Do not let us have sectional parties. At the present time we have this league and that party. They all want to lead by themselves.\textsuperscript{11}

Another common tactic of Nationalist speakers was to deplore the formation of new parties as unnecessary and wasteful, a sentiment perhaps best expressed by a former Nationalist Premier of New South Wales, George Fuller:

> At the present time, there seems to be a tendency in Australia to bring new bodies into action, based on exactly the same principles which have always been embodied in the policy of the National Party.\textsuperscript{12}

In an atmosphere of pin-pricking, the AFA[L] could hardly be blamed if antagonism towards the Nationalists, already prevalent in its ranks, was aggravated. The NSW League could take justifiable pride, along with other citizens' movements, in the elevation of Lyons and the creation of the UAP. Without their leverage, it is doubtful whether the new leader could have been installed. The NSW AFA[L] felt with some reason that it was up to the National Party to be conciliatory and accommodate it. If the League had tactical disadvantages in the need to assuage strong pockets of pro-Labor and anti-Nationalist sentiment within its organisation, it had one potent weapon. A Federal election was looming, and with federal unity and unity in Victoria and South Australia, the Nationalists would be gravely embarrassed if they could not reach an arrangement in New South Wales.

The negotiations began well enough. The \textit{ANR} reported in May that while it was to be regretted that unity between the three parties was confined to a "tentative and provisional" agreement only for the elections, real progress had been made in effecting rapprochement.\textsuperscript{13} This assessment was somewhat premature. By the end of May, both parties were in acrimonious public controversy and negotiations had been abandoned.

\textsuperscript{10} Ibid.
\textsuperscript{11} Ibid.
\textsuperscript{12} Ibid.
\textsuperscript{13} \textit{ANR}, May 1931.
At the first meeting on April 21, Knox attended as a representative of the National Union, Menzies represented the Victorian National Party, and Gullett the Federal Parliamentary Party. It seems that Lyons also used Menzies to negotiate on his behalf, praising him to Gibson in the highest terms:

He has my complete confidence, and I would be obliged if you would get in touch with him with the objective of his being asked to be present as my confidential representative.14

The Victorian representation was continued at the second meeting which Turnbull and Henderson attended as representatives of the Victorian AFA[L]. The following meetings in May were largely confined to representatives of the three NSW parties, with McDowell of the SDL as chairman. Press reports indicate meetings on April 21-22, April 29, May 11, May 21-23, June 5 and July 28, and there were other subsidiary meetings, largely unpublicised. The basic proposal was for the establishment of some sort of Emergency or Unity Committee (both terms were used) which would organise the federal election campaign. It was recognised that getting co-operation at the state level was impossible at this time. The first meeting agreed that there should be co-operation between the three "anti-extremist" forces in fighting the federal election. A resolution was approved:

That members of this meeting agree to represent to their respective organisations the formation of a joint committee for supporting the Australian United Movement [sic] at forthcoming general elections and that the committee should be constituted by an equal number of representatives from each party.15

This proposal immediately struck trouble with the AFA[L]. Part of the problem was that Gibson, who was disposed to be conciliatory to the Nationalists, was not given a free brief to negotiate by his party officers. Dalrymple Hay gives a vivid if somewhat jaundiced picture of him at this time:

Mr Gibson nervously displaying his prominent and very synthetic teeth in a mindless smile, ran distractedly from the Conference and his aggressive executive.16

Gibson was put in the unfortunate position of trying to negotiate a successful agreement with the Nationalists while maintaining good faith with a constituency in many ways hostile to them. This caused him to make aggressive public statements attacking the Nationalists which drew in return a strong response from Nationalist spokesmen, in particular Bavin and T.A.J. Playfair, the state president. Other AFA[L] spokesmen, particularly A.E. Bennett, eroded the basis of negotiations by persistent

14. Lyons to Gibson, April 21, 1931, Lyons Papers (ANL), op. cit.
15. Statement in Latham Papers, April 25, 1931, Series 49. This document summarises principal decisions at the early meeting. It is not clear who prepared it. It seems unlikely that there was a meeting on April 25 (Anzac Day).
sniping at the Nationalists, particularly A.E. Bennett, and there were frequent eruptions of public argument between the two parties outside the framework of the unity negotiations.\(^\text{17}\)

Gibson was forced to go back on his earlier expression of support for a Unity Council, telling the Nationalists that the AFA[L] would have no further association with them unless the National Party submerged its separate existence in the League. This prompted Bavin to respond that such a demand could have been made only by a gentleman who had lost his sense of humour or his sense of proportion.\(^\text{18}\) Gibson was dissuaded from making a final statement that the AFA[L] would no longer co-operate with the Nationalists, and adopted a more conciliatory tone:

I will be prepared to represent to my chairmen [of League sub-divisions] of differences attending the formation of a Council representing the National Party, the Country Party and the AFA[L] for the purposes of supporting the United Australia Movement at the following elections, and that it is understood that there will be no pre-selection of candidates, except when the candidates that are nominated shall be ballotted for by the members of the Leagues concerned and that the [Unity] Committee shall deal with the endorsement of only one or more of these candidates.\(^\text{19}\)

This preoccupation with pre-selection was a principal source of contention between the two parties. Initially, the AFA[L] had completely opposed any form of pre-selection, insisting that it be eliminated and that the League had no pledge except to act honourably and according to conscience.\(^\text{20}\) Pre-selection and the pledge were the most hated manifestations of 'party' politics in the eyes of the League. Nationalist practice with regard to pre-selection varied from state to state. In New South Wales, the National Party favoured endorsement of candidates selected by branch members in each electorate, but the system was administered with some flexibility. The statement by Gibson indicates that the AFA[L] had conceded some ground on pre-selection and was at least prepared to tolerate endorsement by a Unity Committee.

Apart from pre-selection, the AFA[L] insisted on several other provisions. Parliamentarians should not be members of the Council, whose representation should be decided on the basis of financial membership of the participants. The Council should have its own premises, and be called the Council of the UAM. For the purposes of

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17. Ibid. According to Dalrymple Hay, A.E. Bennett had offered to bring the League and the Sydney radio station 2GB behind the Nationalists in return for a parliamentary seat, and a seat on the Nationalist Executive. The offer was declined and Bennett became a bitter critic of the Nationalists.

18. SMH, April 21, 1931.

19. Quoted from account of the meeting in Lyons Papers, unsourced and undated, possibly by Gullett (ANL), op. cit.

20. SMH, April 20, 1931.
pre-selection ballots, membership of the existing organisations should be merged. Although these stipulations clearly favoured the League, Bavin undertook to submit them to the National Party. Before this could be done, negotiations between the two parties broke down badly, and Gullett informed Lyons that he had been told that a meeting of sub-divisional representatives of the AFA[L] had decided to have nothing further to do with the National Party.

This was the situation when Lyons addressed a meeting of the AFA[L] divisional and sub-divisional representatives in Sydney on April 28. Few details emerged from the meeting, but Lyons did secure agreement for a Unity Council. When the unity negotiations resumed on the following day (April 29) a basis of agreement was reached for the formation of a UAM Council in New South Wales, made up of five members of the AFA[L] and five members of the National Party, with an independent chairman and secretary to be appointed by Lyons. Although prepared to co-operate, the Country Party insisted that it must maintain its separate identity and not participate in any arrangement which could be construed as amalgamation. Accordingly, it would negotiate a basis for co-operation with the Unity Council once it started to function.

The Executive of the AFA[L] approved this proposal, but it was rejected by a special meeting of the National Party Council, which recommended that further meetings be held between the three parties to achieve co-operation. The principal objection of the Nationalists was to any proposal that the Unity Committee should "control" any of the activities of a large political organisation, even for such a specific purpose as the federal election. This led to further public arguments and niggling between Bavin and Gibson, partly over suggestions that the activities of the Unity Committee should extend to a state campaign, but more directly over the failure to establish a branch of the UAM under Lyons’ leadership in New South Wales. This failure was pointed up by the creation of the Victorian organisation early in May. Bavin blamed the inability of the parties to reach agreement on the AFA[L]'s intention to become a separate political party, unlike its counterpart in Victoria. Negotiations resumed in a more conciliatory spirit on May 11, perhaps because of the presence of Latham who addressed the meeting. Some progress was made over the next fortnight towards the creation of a Unity Council, delegates from all three parties approving a

21. Ibid.
23. SMH, May 1, 1931.
24. SMH, May 5, 1931.
25. Ibid.
26. SMH, May 12, 1931.
committee of 15 (five from each) to control the federal election. Its policy would be the "Seven Points", and in choosing candidates, the principle of local endorsement would be applied as far as possible, with no pre-election pledge. This proposal was approved by the council of the National Party on May 18. According to Bavin, a central office and staff would be established, with staff of the existing organisations used as far as possible. Should the Country Party reject the proposal, the National Party and the AFA[L] would co-operate with a central council of five delegates from each organisation. In the circumstances, the Nationalists had made notable concessions in the direction of unity.

The Country Party at this time was suspicious of the AFA[L] which it regarded as a city organisation unsympathetic to country interests. On the fundamental question of the tariff, the Country Party felt that the League was influenced by business and protectionist interests. There were fears that the formation of AFA[L] branches in country electorates would split the non-Labor vote. At a meeting on May 23, Page outlined the Country Party attitude, saying that he, Lyons and Latham should be empowered to name an independent chairman for the Council. The Country Party would maintain its separate entity and organisation because of the importance of the primary industries, and the revision of the tariff and arbitration legislation. As far as his party was concerned, the Unity Committee would serve only as an advisory body with regard to the selection of candidates.

The AFA[L] was cool to the Country Party proposal for an advisory committee. Its representatives argued that it had authority from the League only for a committee embodying the UAM, and that it would require fresh instructions before entering into an arrangement between the UAM and the Country Party. The Country Party might be invited to associate with the UAM in the Federal Parliament and through non-parliamentary organisations. If it reached agreement with the UAM it could be granted membership of the Emergency or Unity Committee. The assumption by the AFA[L] that the UAM already existed was premature. According to Gibson, the Nationalists refused to enter into an arrangement without the Country Party.

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27. SMH, May 19, 1931.
28. Ibid.
29. Ibid.
30. According to David Drummond, the Country Party MLA for Armidale, the decision of the League to establish country branches represented war on the Country Party. SMH, May 30, 1931.
31. Unity Conference, Report of Proceedings, May 23, 1931, Lyons Papers (ANL), Box 1, Folder 8. The report may have been written by an AFA[L] representative at the Conference. The Country Party conditions are also set out in SMH, May 29, 1931.
32. SMH, May 26, 1931.
33. Ibid.
In Bavin’s account, the proposal for a committee comprising only the Nationalists and the AFA[L] had already been rejected by the Council of the National Party. The Country Party acknowledged that its proposal was badly formulated, and agreed to re-submit it to the Country Party Council on the basis of a committee of 15. This proposition had been rejected by the AFA[L] and the meeting had broken up in disagreement.\textsuperscript{34} The newly elected State Council of the AFA[L] issued a statement setting out its position at the termination of the May unity meetings:

... The purpose of the League can best be achieved by discharging its electoral responsibilities as a separate entity in both federal and state spheres. The State Council of the AFA[L] reaffirms its support of the leadership of Mr Lyons in the federal sphere. The Council further pledges itself to work for the return of UAM candidates nominated by the AFA[L].\textsuperscript{35}

It described as very unfortunate the refusal of the National Party to join it in the formation of an emergency committee of the UAM pending a settlement with the Country Party. There was a further bout of charges and recriminations between the two bodies about just what had been discussed at the final meetings. It is difficult to establish the merits of a situation which has been summarised thus by Matthews:

It is clear that there was a clash of demands between the National Party and the AFA[L] at these negotiations, which, combined with the increasing intransigence on the part of the AFA[L] delegates, caused a complete deadlock.\textsuperscript{36}

The League did not participate in the further unity negotiations sponsored by the SDL. These were largely directed to establishing a basis for conduct of the election campaign between the Country Party and the Nationalists.

This confusing sequence of events is partly explicable by domestic processes within the League. Its old executive had ceased to exist after a ballot for the new State Council, which took over at a critical stage of the negotiations. As a new body, this council was disposed to assert the original principles of the League, and it may have encouraged a more aggressive attitude by AFA[L] delegates at the final meetings of the three parties. Relations between the AFA[L] and the Country Party undoubtedly deteriorated during the unity negotiations, and a Country Party delegate, A.K. Trethowan, blamed the breakdown on the League:

After a long series of conferences the movement towards co-operation has been brought to a dead-end by the definite refusal of the AFA[L] to work with either the Nationalists or the Country Party .... It was very obvious all through the conferences that the main condition that the AFA[L] was imposing, namely, that all parties should fuse under the leadership of Mr Lyons, was simply put

\textsuperscript{34} SMH, May 28, 1931.
\textsuperscript{35} SMH, May 26, 1931.
\textsuperscript{36} Matthews thesis, op. cit., p.39.
up with the object of preventing co-operation among the anti-Labor forces.\textsuperscript{37}

It is difficult to reconcile the League's flat rejection of association with the Nationalists late in April with its advocacy a month later of an Emergency Committee with the Nationalists and excluding the Country Party.

Another factor which undoubtedly influenced the League was the opposition to the Nationalists among its industrial membership. This emerged in a series of disputes between the central administration of the League and its Newcastle branches over the negotiations with the Nationalists. On May 20-21, as the unity negotiations were moving to a climax, 16 sub-divisions of the League in the Newcastle and Hunter (federal) electorates expressed dissatisfaction at any relationship with the Nationalists:

That this meeting of AFA[L] sub-divisions in Newcastle and Hunter electorates affirms the principle of complete political independence and refuses to accept any proposals which, in these electorates, bind the AFA[L] to any other party.\textsuperscript{38}

The general dissatisfaction and unrest within the strong industrial elements of the League were dramatised when members of the Cardiff sub-division on the Hunter coalfields resigned in a body. Following representations from the headquarters of the League, the branch agreed to work on until the situation was more clearly defined with regard to co-operation with political parties. Other branches complained about the "protracted and unsatisfactory nature of the proposed Emergency Committee and United Australian [sic] Movement."\textsuperscript{39} The AFA[L] by mid-1931 was showing signs of disintegration in the face of an apparent inability to reconcile its contradictory elements.

Keysor, who with Gibson had been a principal negotiator for the League at these meetings, sought to allay fears among the membership. In a letter to the Secretary of the Newcastle Divisional Council which was at the centre of the resistance, he pointed out that the arrangements would be confined to the federal sphere, and the League would not affiliate in any way with the Nationalists at a state level. Rather plaintively, he wrote:

We feel sure that your executive will be able to differentiate between the responsibilities of the AFA[L] in Federal and State measures.\textsuperscript{40}

Keysor stressed that the League was both a federal and state body, affiliating with other state branches in Tasmania and Victoria, and with the CL in South Australia. In West Australia and Queensland, the League was "in process of formation":

\textsuperscript{37} SMH, May 28, 1931.

\textsuperscript{38} Keysor to Lyons, May 23, 1931, Lyons Papers (ANL), op. cit., Box 1, Folder 8. The correspondence between Keysor and the Newcastle branches was included with the letter to Lyons cited above.

\textsuperscript{39} Ibid.

\textsuperscript{40} Ibid.
If they had no existence, we would not be an All for Australia League but an All for NSW League. 41

He argued that New South Wales differed from the other states which did not have the extremes of ALP and Nationalists. Because the League had entered a federal body, it had to discuss federal matters in a federal spirit. What it had done in conjunction with associated bodies in the other states was substantially in accord with AFA[L] policies. All states had accepted the leadership of Lyons who had thrown off the shackles of machine control, and "set out as leader of the moderate section of the community." 42

With the formation of the UAP, the National Party had ceased to exist in the Federal Parliament:

In order to keep faith with our federal political leader, Mr Lyons, it became necessary to afford him machinery for conducting the elections at the next federal campaign. At his request, the AFA[L] in all states agreed to participate in the formation of an Emergency Committee to control the election on behalf of the United Australia Movement candidates. With regard to state politics, it is entirely a domestic matter of the AFA[L]. At no time has the central executive done anything which would prevent the AFA[L] from retaining this freedom of action in domestic politics. 43

Thus, Keysor set out at some length the attitudes of a leadership caught between loyalty to Lyons and the necessity of supplying him with an election machinery, and a restive membership which wanted no truck with party politics, particularly the Nationalist brand of machine politics.

Although disappointed by the breakdown in negotiations, Lyons acknowledged the acute difficulties involved, telling Keysor that his attendance at a meeting of sub-divisional representatives of the AFA[L] in April had given him an insight into the special difficulties facing the negotiators. 44 McDowell formally advised Lyons that in spite of all efforts to the contrary, the tripartite unity negotiations had broken down. He said that Bavin's account of what had happened was substantially correct, thus implying that the Nationalists were not principally to blame. McDowell felt that the situation might be mollified by a statement from Lyons, which the federal leader provided on June 12:

We desire to be the leaders of a really united party and to present a strong front to the forces represented by the Government of the Commonwealth and NSW. The necessity for this is not affected by the fact that at the eleventh hour these governments [at the Premiers' Conference] have reluctantly adopted

41. Ibid.
42. Ibid.
43. Ibid.
44. Lyons to Keysor, June 1, 1931, Lyons Papers (ANL), op. cit., Box 1, Folder 8.
some of the proposals which we have been advocating for months past.\textsuperscript{45} Keysor had already declared that the AFA[L] would not participate in any further unity conferences called by the SDL, because it wanted unity of the people before unity of parties; 200,000 people of New South Wales had revolted against the party system, joining the AFA[L] and Riverina Movement. The State Council of the SDL was not sincere in its desire for unity in which sectional interests might be forced to give way to common interests.\textsuperscript{46}

Undoubtedly Keysor was trying to rally the AFA[L] constituency in this public statement which was stronger in tone than the more moderate sentiments outlined above. Some confusion lingered over attribution of blame for the failure of the negotiations. According to Snow, the AFA[L] delegates thought that Bavin had rejected their proposal to go on with the Emergency Committee of ten. (This interpretation would seem to tally with the account given above although Bavin attributed the rejection to his party's council.) Snow referred to statements by Bavin and Playfair which had blamed the AFA[L] for the trouble, and told Latham that he had no intention of entering into a controversy:

... Suffice it to say that we did agree on the earnest representations of Mr Lyons and yourself to sign a 'blank cheque' and give full control to the proposed Emergency Committee. Had the National Party entered the negotiations with the same spirit of sincerity that our action implied, I have little doubt everything would run smoothly.\textsuperscript{47}

In reply, Latham expressed regret at the breakdown of the Unity Conference:

I had hoped that some compromise would have been reached which would have made it possible to agree, even though some questions might have been left outstanding.\textsuperscript{48}

In a formal sense, the newly elected State Council of the AFA[L] passed a resolution stating that in view of the outcome of the unity conferences, the purposes of the League could best be achieved by discharging its electoral responsibilities as a separate entity in both federal and state spheres. It pledged itself to work for the return of UAM candidates who were nominated by the AFA[L], leaving itself considerable discretion in deciding what constituted a UAM candidate. The Council expressed support for Lyons, who attended the meeting and was wildly applauded when he said that the League should get as close as possible to other sections of the community who were fighting for a common policy against repudiation, inflation and Communism. In

\textsuperscript{45} Ibid. McDowell to Lyons, June 6, 1931. This also contains a copy of the statement sought by McDowell and provided by Lyons on June 12, 1931.

\textsuperscript{46} SMH, June 5, 1931.

\textsuperscript{47} Snow to Latham, May 29, 1931, Latham Papers, op. cit., Series 49.

\textsuperscript{48} Ibid., Latham to Snow, June 2, 1931.
tune with the atmosphere of the meeting, Lyons stressed that the League should preserve its political identity, resorting to analogy to make his point about co-operation:

It is absolutely essential ... for us to forget our differences as far as we possibly can, just as Mr Latham and I have been compelled to forget some differences, and to co-operate on important general principles that we have to guide Australia back to prosperity and content.\(^{49}\)

The League was also incensed at this time by Parkhill's attributed remarks describing the UAP as a "party of spare parts" (see Chapter 6) using them as evidence of Nationalist sentiments hostile to both the UAM and the League. Snow felt that Parkhill's speech disclosed his personal feelings towards the UAM, "and is hardly strong evidence of a desire for unity."\(^{50}\)

Despite the hard-line adopted by the Nationalist delegates at the unity conferences during May, there were indications that some elements within the National Party were seeking unity. At a Nationalist Council meeting Bavin said that legal difficulties stood in the way of a merger or broad union between the two bodies, as only a General Convention of the party could decide whether or not it went out of existence. Another member of the Council, Norman Cowper, took up this point, suggesting that a special general convention could be held with only a fortnight's notice:

The proceedings last night strengthened my contention that the only satisfactory solution is that the National Party and the AFA[L] should go out of existence and should merge into a new United Australia Party for all members; also that the first step towards such a merger is that the personnel of the provisional executive should be agreed upon ... I quite appreciate the very great difficulty of dealing with impractical fellows such as the AFA[L] people seem to be, but it seems to me that if the majority of the responsible men were to work strongly for the closest union on the lines I have suggested, instead of sparring about with all sorts of alternatives for looser co-operation and so on, unity would come in no time. The proceedings at the Council meeting last night seem to have put us back where we were weeks ago.\(^{51}\)

Cowper was a representative of the younger membership of the party, and his impatience is perhaps an indication of a wider feeling within the NSW branch that a greater effort should have been made to accommodate the AFA[L]. The modus operandi suggested by Cowper was similar in many ways to the one that was ultimately adopted (see below).

The withdrawal of the AFA[L] at this juncture left unresolved the degree of co-ordination for the federal election of the state branches of the Country and National Parties. Such arrangements were a familiar part of the relationship between the two

\(^{49}\) Argus, May 26, 1931.

\(^{50}\) Snow to Latham, May 29, 1931, Latham Papers, op. cit.

parties, and the issue was successfully resolved at a further meeting on July 28, again under the chairmanship of the SDL. It was agreed that the parties form a Unity Council, with five delegates from each, and an independent chairman to be agreed upon by the delegates. This Unity Council would draw up a fighting platform, and evolve a scheme to secure "Unity" to be submitted for approval to their respective organisations. The degree of "Unity" desirable was never specified, although it is unlikely that either envisaged anything beyond the requirements for mutual conduct of the campaign. The federal and state leaders of the two parties, Page, Bruxner, Latham and Bavin were included on the Council.52 Another significant appointment was Frederick Tout, an official of both the Graziers' Association and the PAC.53 Tout was to play an important part in the second round of negotiations which brought all three parties into effective co-operation.

**August-December 1931**

One anomaly in the SDL-sponsored negotiations was the position of the Country Movement, a loosely linked regional confederation with Hardy the titular leader. It posed a threat to the State Branch of the Country Party as well as the Nationalists. The Country Party was not intensively organised in its own right, relying heavily on the superior organisation of the Farmers' and Settlers' Association and the Graziers' Association of NSW which operated as arms of the state branch of the Country Party. The Farmers' and Settler's Association had declined as a financial supporter, although its organisational assistance remained considerable. To an increasing extent, the Graziers' Association had emerged as the principal underwriter of the Country Party. It imposed a levy on its members and paid the proceeds into a Special Fund, which was used for several purposes but essentially served as a political slush fund for the Country Party. It financed Country Party election campaigns, and provided administrative, publicity and secretarial support for the party at federal and state levels. The Country Party did raise some funds through mail order schemes and individual donations but it was heavily dependent on the Graziers' Association to pay its bills. The Special Fund was also used to finance other political activity; for example, it made small grants to the

52. An account of the SDL’s part in the unity negotiations is contained in a letter from its secretary, A.R. De Barclay, to Lyons' private secretary, Martyn Threlfall, January 10, 1933, *Lyons Papers* (ANL), op. cit. An account of the meetings organised by both the SDL and the PAC is contained in a paper prepared by S.P. McDonald, UAP Editor of Publications, Sydney, sent to Threlfall on January 24, 1931, *Lyons Papers*, op. cit. Both documents were compiled as an attempt by the UAP to set down what had been decided during the unity negotiations at a time of controversy with the Country Party over tariff policy.

53. Ibid., McDonald to Threlfall. Tout was also a grazier and a director of Associated Newspapers.
NSW Constitutional Association for propaganda purposes, and on occasions provided funds for the election campaigns of Nationalist (and subsequently UAP) candidates.\textsuperscript{54}

The NSW Branch of the Country Party had a number of organisational deficiencies. It was perceived as poorly organised in many country electorates, lacking the administrative effectiveness to win difficult seats. With its central office in Sydney, the party administration was criticised as remote from country voters. Communication between party headquarters and country branches was largely confined to circulars, and organising resources were applied sporadically. Important areas of New South Wales were largely unorganised by the Country Party, and there were strong pockets of support for the ALP and the Nationalists. The role of producers' groups in stimulating new organisations, particularly in New South Wales, was mentioned earlier. As one of the founders of the country movements in New South Wales, the PAC was in an excellent position to monitor their development. Two senior members of the Graziers' Association, Tout and Graham Waddell, were also members of the PAC. Both had attended the previous negotiations as Country Party delegates. These linkages are important in understanding subsequent developments in the Country Party and the UAP.

Both the Country and National Parties were fearful that the country movement with the charismatic and truculent Hardy at its head would combine with the AFA[L] in a powerful populist movement. The relationship between Hardy and the AFA[L] had been cordial, and the League and Hardy's Riverina Movement were frequently linked in the press. Both movements shared the basic organisational problem of how to sustain the popular enthusiasm and interest which they had kindled in their formative stages. There was a limit to what the flamboyant Hardy could achieve by dramatic aeroplane swoops around the state, his personal recruitment efforts co-ordinated by an effective and well-financed advertising campaign. Hardy had told a Country Party Conference in Melbourne that he had "1,000 committees all dressed up with nowhere to go."\textsuperscript{55} In practical terms, his committees could go either to the AFA[L] or to the Country Party.

There seemed a very real prospect that Hardy would join his movements with the League. Certainly he aroused firm expectations among League members that it was his destination. At the first convention of the AFA[L] in Sydney on August 9, Gibson read a telegram from Hardy to a cheering audience:

\begin{quote}
Best wishes for success. My sincere hope that developments next 14 days will
\end{quote}

\begin{footnotes}
\item 54. The organisation of the Graziers' Association and the rationale of its Special Fund are set out frequently in its papers, op. cit., Series E256/250.
\item 55. \textit{SMH}, May 22, 1931.
\end{footnotes}
pave the way for unity ... 56

Gibson told the convention that there was no reason why they [the AFA[L]] and the country people should not form a movement which "could only be for the good of the state and of Australia. That was his hope and his desire, and he had little doubt that they would bring that about." 57 At this time, Hardy expressed support for a union of all country movements and organisations:

We want to see all the big country movements in line on a policy that will be in the interests not only of the primary industries but of the whole state. 58

This statement did not exclude the AFA[L] which was partly organised in the country, but it did imply a leaning to the existing Country Party and its outriders, the Graziers' Association and the Farmers' and Settlers' Association. Indeed, the subversion of the country movements by the Country Party was already well advanced. Despite his frequent protestations of anti-party feeling, Hardy was amenable to the inducements of Page and Tout. The process is not completely clear but the Graziers' Association was a principal instigator. On July 14, its executive decided that a special sub-committee headed by Tout should examine the political situation with a view to unifying the parties opposed to Labor. On August 5, the Central Council of the Association met delegates from the Riverina, Western, Monaro and New England movements to discuss their future and the desirability of union with the Country Party. At a further conference on August 13-14, these organisations were joined by representatives of the "Metropolitan Movement", and the secretary of the "Consultative Council". (This latter body was probably the PAC, and not the sponsor body of the National Party.) 59 The meeting agreed to form a United Country Movement with divisions modelled on the existing regional movements (Riverina, Monaro-South Coast, Western and New England), and with a Metropolitan Division. The meeting decided that the Country Party would change its name to the United Country Party, and give representation on its Central Council to the UCM. 60

The formation of the UCM with Hardy as its chairman was ratified at a series of meetings during the next few weeks. In effect, the Country Party had followed the example of the UAP, establishing a broad movement with a political party as its political expression. Page made clear the association between the two bodies at the meeting of the New England-Northern NSW Movement which ratified the new

56. SMH, August 12, 1931.
57. Ibid.
58. Ibid.
60. SMH, August 14, 1931.
arrangement. He said that the Lang Labor Government must be destroyed, and that the system which enabled it to come to existence must be altered. On this program the country movements had linked up with the Country Party:

Despite the fact that up to the present they had regarded themselves as constitutional movements and not political movements, they had done wisely. By the action taken, their objective might be accomplished immediately. When that objective of sub-division [of NSW into New States] had been fulfilled the movements would automatically end.61

The amalgamation was not achieved without some rumblings, the Monaro movement particularly showed some resistance, but the transformation was generally smooth. According to Hardy, the new arrangement was not the absorption of one side by the other, or even an amalgamation:

It was a question of partnership and the creation of a parallel line of action which fully warranted the support of all people who realised that in the development of the country lay the road to salvation. Questions of leadership, prejudice and previous misunderstandings had been thrown overboard in the united action which should be universally acclaimed as the right course to have been taken in this time of crisis.62

Some members of the Country Party were concerned that the country movements had in fact absorbed the Country Party. One country branch official described it rather pungently:

Looks very like an attempt by the western and other movements to swallow the Country Party. One of our leading men describes it aptly as the western cuckoo having dropped its egg in the Country Party nest, and now the bird is dominating the situation.63

These fears were unfounded. The Country Party had gradually taken over the Country Movements, and Page and Tout were the major figures in the subversion of Hardy. Faced with the need to find a political outlet, Hardy had opted for the established party with its assured access to parliament and power. The new relationship was sealed when Page and Hardy embarked on a tour of towns in Northern New South Wales.64

Where did this leave the AFA[L]? It is possible that there may have been some dealings between the League and the UCM and UCP on the basis that the AFA[L] would serve as their metropolitan organisation. Although the state branch of the Country Party maintained a rudimentary organisation in Sydney, it could not be dignified as a metropolitan division. AFA[L] spokesmen welcomed the formation of the new country movement and party, and there is no suggestion that they felt betrayed.

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61. Ibid.
62. SMH, August 24, 1931.
64. SMH, August 18, 1931.
On August 21, the State Council of the AFA[L] decided to withdraw immediately from organising in country centres and electorates, confining its work to an area bounded roughly by Wollongong in the south, Newcastle and Maitland in the north, and the Blue Mountains in the west. The Council urged its country members to join the UCP, offering this rationale:

It is the conviction of the AFA[L] that with the creation of the UCM and its twin brother the UCP, the whole of the country provinces and country thoughts [sic] of NSW are now firmly and effectively combined for every purpose of good citizenship.65

If the AFA[L] expected to derive reciprocal benefit from this expression of support for the UCM and UCP, it was to be disappointed. Not surprisingly, it sparked an outburst of indignation from the Nationalists. Horsfield, the State Secretary, claimed that the membership of the AFA[L] was disillusioned by its failure to tackle the Lang Government and inflationists and repudiationists generally. Perhaps ironically, he accused the AFA[L] of degenerating into a machine-controlled clique: "rail sitting has been developed to a fine art by the new body."66

Certainly, the support of the AFA[L] for the UCP in particular is hard to fathom. Having refused to join an Emergency Committee with the Country Party unless there was amalgamation of the three parties, it now gave enthusiastic support to the re-organised Country Party. Despite its anti-party rhetoric, the natural orientation of the League was to the Nationalists. It was predominantly a city-based party, and even with the inclusion of elements of the Labor Movement, there was little doubt that the bulk of its membership would vote "Nationalist" if the choice at the state level came down to Bavin or Lang. In federal politics, the choice was easier because of Lyons' presence as Opposition Leader, and the merging of the Nationalists into the UAP.

The failure or inability of the AFA[L] to link up with Hardy and the Country Movement destroyed the last chance of the League to establish an effective and viable organisation independent of existing political parties. At the state level, Hardy was the logical leader of a new populist party. His recruitment to the Country Party left the League without any prospective leader. Gibson could assert that although the leaders of the AFA[L] were mostly untrained in public life, the fact that they had been able to carry a message to the people showed that it was the message that counted.67 The AFA[L] was entering a period when the message counted less than the medium which conveyed it. The leaders of the AFA[L] in New South Wales were Gibson, Snow and Keysor, all of whom lacked the leadership qualities of Lyons, Page, Lang, Hardy, or even Bavin and Michael Bruxner (the NSW Country Party Leader).

65. SMH, August 25, 1931.
66. Ibid.
67. SMH, August 10, 1931.
The August convention of the AFA[L] sought to re-kindle the original fervour of
the movement, what Gibson described as the "awakening of the great middle class to a
sense of national righteousness."\textsuperscript{68} The Convention clung to its anti-party rationale
despite clear evidence that its practice was to the contrary, approving a rule that all
candidates nominated by the League might stand at the polls without any ballot to
determine order of preference. Keysor described the League's policy development as an
attempt to codify the "middle thought of the country, which hitherto had been
inarticulate."\textsuperscript{69} Despite the assumption of "business as usual" it was plain by the time
of this convention that the League was in considerable difficulties.

An intrinsic problem has been referred to earlier: the persistence of old party
loyalties within its framework. In particular, the organisation of the League in
industrial centres reflected anti-Nationalist sentiments as well as disenchantment with
the ALP. According to one branch member, the AFA[L] had 235 members from the
Tramways Department, and "Nationalism could never get them".\textsuperscript{70} The strong element
of the membership which held Nationalist sympathies was affronted by much of the
League's anti-party rhetoric, particularly statements which equated the power of money
as represented in Bligh Street (the National Party headquarters) with the power of the
"basher gang" as represented by Goulburn Street (Trades Hall and ALP
headquarters).\textsuperscript{71} The press had also adopted a critical approach to the AFA[L]. In its
most extreme form, this was exemplified by \textit{Truth}:

\begin{quote}
Three-ply minds created it [the AFA[L]]; cross power currents smashed it ....
The shouting and tumult died away when the '2-bob army' suddenly discovered
that it had sold itself to a political machine that threatens to be more
dictatorial than any yet known ... those who joined up in the first wave of
enthusiasm now shamefacedly hide their badges.\textsuperscript{72}
\end{quote}

Even the newspapers which were enthusiastic about the creation of the League now
treated it much more critically, publicising disputes in its branches and criticisms made
by members.

At the same time, the Nationalists adopted a more aggressive approach to the
AFA[L]. Bavin's criticism was generally mild and framed in statesmanlike language.
Other party spokesmen such as Horsfield and Parkhill were less restrained. This
criticism of the AFA[L] was multiplied many times at the basic levels of party
organisation. In July, Gordon Bennett wrote to Lyons complaining bitterly about the
denigration of the League:

\textsuperscript{68} Ibid.
\textsuperscript{69} Ibid.
\textsuperscript{70} \textit{SMH}, August 21, 1931.
\textsuperscript{71} Ibid.
\textsuperscript{72} \textit{Truth}, July 25, 1931.
During the period of the association with the National Party in an endeavour to form an Emergency Committee - negotiations in which the AFA[L] representatives endeavoured to complete formation of the committee - canvassing was going on in many districts, one in particular, in which attempts were made to cause defections in the League. The canvassers passed many disparaging remarks about the League, its objectives and those connected with it. The Press, too, attacked the League. Furthermore, the National Party called for candidates for the new elections. And you must be aware of the reports of Mr Parkhill's statements re the United Australia Movement. The negotiations were delayed unduly while these tactics were being employed. Much damage was done to the League and not a few defections were caused. Those who were true to the AFA[L] stiffened their resistance to a unity with the National Party so that a position has arisen which precludes any possibility of an arrangement for unity.73

Undoubtedly, the AFA[L] was subject to persistent erosion and pin-pricking at this time, but much of it was due to the League's own erratic political course which emerged plainly despite the attempts of its leaders at post hoc rationalisation. A further problem was the willingness of its branches to seek accommodation with the Nationalists at the local level. In August, a meeting of the Vaucluse Branch of the Nationalists held a meeting to discuss means of securing either unity or co-operation between Nationalists and the AFA[L] at the local level. Several leading members of the League attended the meeting by invitation. The convenor of the meeting, Ramsay Sharp, blamed Keysor for fighting to keep the Nationalists and the AFA[L] as separate entities.74

At a general meeting of the members of the Manly sub-division of the AFA[L] on August 20, all of the committee members resigned. Subsequently, a meeting of the Manly branches of both organisations held a joint conference and recommended what was described as an "equitable" basis of co-operation. A resolution of the State Council of the AFA[L] was sent to all sub-divisional committees pointing out that "no negotiations whatsoever with the National Party shall be entertained by the executive officers of the State Council, nor by any committee or council of the League."75 Despite this proscription, branches continued to have dealings at the local level.

There were occasional reports in the ANR of branches from the two parties reaching local accommodations:

Some of the members [of the Marrickville Branch of the National Party] belonged to the local AFA[L] and it was pointed out by an ex-MHR, Sir Elliot Johnston, that membership of the League by Nationalists had strategic value as Nationalists by remaining as members could direct the policy of the League along sound lines .... Sir Elliot suggested a move be made towards meeting

73. H. Gordon Bennett to Lyons, July 1, 1931, Lyons Papers, AA CP 30/2.
74. SMH, August 21, 1931.
75. Ibid.
with the local AFA[L] in an endeavour to unite in one consolidated effort ... 76

With this sort of drift at branch level, the leadership of the League was hard pressed to maintain the status quo. Wisely, no attempt was made to discipline branches which sought arrangements with the Nationalists, the Executive believing that these would work themselves out. The Executive pushed on with efforts to stiffen the League, planning the formation of a women’s section in which women could control their own groups and have representation on the Council. In the face of a restless and questioning membership, the leaders often had to hedge:

Another woman asked: At the outset of this movement was it not supposed to be non-political?

Mr Gibson: No. At the outset we were political but absolutely non-party. We had to enter politics to gain our objective.

A delegate from Wollongong complained that little news was received from AFA[L] headquarters by her branch. She asked if the League stood for all branches. Mr Gibson replied that it was absolutely a non-class movement.77

This extract shows something of the confusion and fuzzy perceptions that pervaded the ideals and organisation of the League. It could be argued that the Nationalist organisation was little better, but it was up to the AFA[L] to prove its effectiveness against an entrenched political rival. In this crucial task, it failed.

With membership declining and an increasing tendency for local branches to make arrangements with the Nationalists, the AFA[L] came under intense pressure to resume negotiations with the National Party. Bavin had continued to urge the formation of a non-party government in New South Wales, saying that the National Party was willing to join a composite government to implement the agreement reached by the Premiers’ Conference. If necessary, he would eliminate himself from the ministry for the success of the proposal:

It was essential that the National Party do all possible to strengthen its own organisation. They had repeatedly made the fullest efforts towards co-operation, even to the extent of offering to merge their own separate existence in the establishment of a new united party with other organisations. They had not abandoned the efforts to reach unity. Although their friends of the AFA[L] had finally declined to enter into any kind of association with them, they were continuing efforts which had now been going on for some time past to achieve complete unity with the Country Party.78

Bavin seemed to have had in mind a concept which went beyond an Emergency Committee framework to a united organisation with both metropolitan and country

76. ANR, May 1931.
77. SMH, August 21, 1931.
78. SMH, August 21, 1931.
organisations. The exact nature of these proposals was not disclosed, but Bavin and his deputy, Bertram Stevens, met the Country Party leaders, Buttenshaw and Bruxner, to discuss them.\textsuperscript{79} It is unlikely that a united organisation on these lines would have appealed to the Country Party.

The opportunity now existed for another series of unity meetings. As with the creation of the UCM and the UCP, the initiator was the ubiquitous Tout, acting on behalf of the PAC. During September and October, further meetings were held involving the National Party, the UCP, the AFA[L] and the PAC. The meetings were chaired by Tout and held in the Sydney board room of a major industrial company, Australian Iron and Steel. The outcome of the meetings was summarised in a report prepared from UAP files in January 1933:

\begin{quote}
It was out of these [sic] series [of meetings] that the agreement generally referred as the Unity Agreement, emerged, although it was more in the nature of a general understanding than [a] documentary undertaking. These understandings were later implemented by the creation of a United Advisory Council which controlled the joint funds and supervised the joint publications and advertising campaign for the parties in the Federal campaign [of] 1931 wherever a joint campaign was possible. This arrangement was, however, purely for the purpose of the campaign, the parties retaining their separate entities.\textsuperscript{80}
\end{quote}

Lyons did not participate in the meetings, although he maintained close contact throughout with Tout. Henderson of the UAO of Victoria and Price, the Secretary of the Federal Parliamentary Party, attended at least one of the meetings. Despite Lyons' absence, the line-up of federal and state politicians at the conference was impressive: Latham, Bavin, Stevens, Hemsley and Playfair, for the Nationalists; Page, Buttenshaw, Bruxner, Drummond, and Trethewan for the Country Party.\textsuperscript{81} Other prominent officials of both parties were present, including Hardy as President of the UCM. The AFA[L] was represented by Gibson, Snow and Charles Hoskins, the chief executive of Australian Iron and Steel. (Hoskins' presence explains the use of the company boardroom.) Significantly Keysor, who had been prominent in the earlier negotiations and was regarded, perhaps unfairly, as a hard-liner, was not present. Apart from Tout, the PAC had three other representatives.\textsuperscript{82}

In broad terms the meeting reached agreement on seven points. It was decided to establish a council representative of rural, industrial, commercial and political interests

\textsuperscript{79} SMH, August 6, 1931.
\textsuperscript{80} McDonald to Threlfall, op. cit.
\textsuperscript{81} A. Hemsley, T.A.J. Playfair and A.J. Trethewan were members of the Legislative Council of New South Wales. E.A. Buttenshaw, M.F. Bruxner and D.H. Drummond were members of the Legislative Assembly.
\textsuperscript{82} McDonald to Threlfall, op. cit. See also SMH, October 14, 1931.
to conduct the federal election, which was then expected in May 1932. City and country wings of the organisation would be created. State leadership would be settled subsequently by members of political parties in parliament. Three points of policy were agreed: a scientific revision of the tariff; improvements in the existing arbitration system; and creation of new states after referenda in various districts. It was expected that other matters on which the movements were divided would form the basis of further deliberation, and that full agreement would be reached. 83

On November 19, a Joint Advisory Council was formed, with Tout as the independent chairman and Abbott, another representative of the PAC, as temporary secretary. The committee as constituted was a rather unwieldy body of 22, made up of eight each from the National and United Country Parties, four from the AFA[L], and two from the PAC. There were no federal leaders of either party, and Marr, the UAP Member for Parkes, was the sole federal parliamentarian. The state leaders of both parties were included, as were several state parliamentarians. On the AFA[L] side, Snow was not a member but Keysor was restored. 84

Apart from the prime intention of establishing federal election machinery, this series of meetings served a number of other functions. It sought to define a broad policy for rehabilitating Australia and New South Wales in particular, to obtain cohesion of political activities, to eliminate friction between the parties, to get a common basis for platform work, and to show a united front based on a constructive policy of rehabilitation. According to one account of the proceedings, the view was expressed that the policy adopted would be such as to attract the great bulk of the "operatives in industry", as well as the "captains of industry":

It was intended to appeal to former Labor supporters who were dissatisfied with the policy of extremism in both the State and Federal spheres. If an absolute merger was found to be impracticable, the desire of all those participating in the conference was to get a degree of co-ordination between the various activities that would enable them to secure their objectives. Fears that were entertained yesterday that various parties would lose their identities are, it is understood, groundless. The Country Party organisation will still continue to exist. It will function as a wing of the United Movement. The National Party will also retain its organisation (both city and country). 85

The reference to the UCP as a "wing of the United Movement" implies that the parties had agreed to form a branch of the UAM including the Country Party, a proposition that would have been sharply at odds with the independence of that party. In practice, the parties had agreed to little more than establishing a machinery for co-operation in

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83. Ibid.
84. SMH, October 19, 1931.
85. SMH, October 14, 1931.
the federal election campaign. In itself, this was a considerable achievement, given the problems encountered earlier in the year, but press claims of greater integration were somewhat over-enthusiastic. Tout stated the position clearly in a brief comment after the meeting of October 13:

It is not proposed to make any further statement at the present time, except that no action will or can be taken other than through the political organisations themselves. There is no foundation whatever for the statement that any organisation either formally or informally has agreed to join some new body. I am hopeful, however, that agreement will be reached on the main lines of a general policy which, of course, will have to be referred back to the various organisations.86

One of the reasons for the success of these negotiations was the secrecy in which they were conducted. Little was disclosed of the meetings until a substantial measure of agreement was reached. This presented the rank and file with a fait accompli, and allowed no opportunity for resistance to develop through the machinery of the individual parties. By avoiding the publicity and controversy which the first series of meetings had produced, the organisers did much to ensure their success.

Tout kept in close contact with Lyons during these meetings, placing much stress on what he saw as the non-partisan nature of the discussions:

The representatives of these (three) parties have met under my chairmanship not so much representing their respective parties, but as citizens of this state, determined to do something which might have results in a concrete opposition to the present Governments, both in the Federal and State spheres. Many people have deplored the political divisions which at present exist in NSW and it was thought that if general agreement could be arrived at on the policy, the hostile division between the parties would practically disappear.87

Tout described the basic objective of the meetings as the creation of a Council of Citizens "in whom the people of this state would have confidence, and which would act as the co-ordinating body of the political parties at present in existence." If this body could raise substantial funds, and establish a Bureau of Information and Propaganda, then the anti-Labor forces could move forward and carry out the common policy. Tout also stressed to Lyons that the proceedings had been held "absolutely in camera", and there would not be any press statements until finality was reached.88 Despite the sweeping references to councils of citizens and national co-ordination, the agreement hinged on the merger of the National Party and the AFA[L] which is described in Chapter 8.

Meetings held after October 12, when the seven points of agreement were

86. Tout to Lyons, October 7, 1931, Lyons Papers (ANL), op. cit., Box 1, Folder 8.
87. Ibid.
88. Ibid.
announced, provided some elaboration of policy proposals. The bald objectives of scientific tariff and industrial reform and new states were expanded but remained deliberately vague. An Australian Transport Council to co-ordinate transport and power distribution would be established. There was a call for the "restoration of Parliament to deliberative assemblies", a sop to the AFA[L]. There was also a reference to "merging in unity of effort all non-political bodies of kindred ideals to obviate waste". Tout's proposal for a Bureau of Research and Publicity was sanctioned, with the function defined as the collation of facts and figures relating to national economics, "and for the correction and contradiction of Socialistic and Communistic propaganda". The official statement indicated that the plan would be implemented by a Council of Co-ordination, comprised of men who recognised the serious position of Australia, and particularly of New South Wales, "and who further are prepared to take constructive action to combat Communism and restore sane government by the following plan".89

In a policy sense, the United Country Party did rather well, with incorporation of tariff and arbitration reform, guidelines for creation of new states, and co-ordination of transport and power distribution. It is difficult to point to anything that has a distinctively National Party policy ring.90 Perhaps it is unwise to look too closely at this document which has some perplexing and contradictory elements, particularly references to the "new party" which seem to include the Country Party. According to the statement the "new party" would concentrate on "speaker group organisation" (presumably for election purposes) and the active pursuit of a comprehensive program of organisation through public meetings throughout the state. It may point to the merger of the Nationalists and the AFA[L], although the organisational emphasis is different. If the purpose of political draftsmanship is to achieve agreement and consensus, then this was demonstrably a masterly example of the genre.

The AFA[L] had spent the best part of a year developing an ambitious structure for branches, State Electoral Councils, Divisional Councils, State Executive, State Convention, and Women's Section. In many ways, the framework was as elaborate as that of the National Party on which it was modelled. Despite the severe difficulties faced by the League during July and August, near the end of the year its membership felt that things were improving. Lyons' papers include an unsourced letter which is clearly from a senior member of the AFA[L], written about the time that the second series of unity negotiations began:

Our members have cemented their ranks again and are satisfied to fight a friendly fight with the other component part of the United Australia Movement

89. SMH, October 14, 1931.
90. Ibid.
[presumably the Nationalist]. Many of our Labor supporters have returned to our membership and brought others with them. The League has again settled down and is progressing very favourably. It was with mild alarm that we read the statements in the *Sydney Sun* last week that you and Mr Latham were to go to Sydney to try once more to bring the AFA[L] and the National Party together again.\textsuperscript{91}

The resumption of negotiations was attributed to the National Party. Lyons' informant reflected the feeling in the League that any attempt to re-open negotiations would deal it a death blow:

> No doubt that is the desire of our Nationalist friends. We do hope therefore that you will not help our friends to destroy our movement. The movement started on an ideal and it intends to stick to this idea.\textsuperscript{92}

This expression of alarm was well-founded, at least as regards the continuance of the League as an autonomous organisation. As a vehicle for destroying the "extremists", the unity movement came not a moment too soon. Ironically, the precipitate calling of the federal election by Scullin for December 19 had the effect of prolonging the life of the League. The work of amalgamation or absorption, according to the standpoint of the observer, was postponed until after the installation of a UAP Government in Canberra. With this achieved, the mopping-up of the AFA[L] in New South Wales was an inevitability.

Apart from New South Wales, the greatest problems flowing from the formation of the UAP were to be found in Tasmania. In some ways, the Tasmanian Branch of the National Party was even more recalcitrant than the AFA[L] in New South Wales. The problems were largely parochial. As noted earlier, the Nationalists were accustomed to dealing with a two-party structure, with the AWNL functioning as the auxiliary of the National Party. This formal simplicity was impaired by two factors which emerged after the creation of the Federal UAP. The first was the formation of three new political groupings: the Reform League, the YNO of Tasmania, and a State Branch of the AFA[L]. The second was the presence in Tasmania of residual elements of the ALP, namely Lyons and Guy. The problems arising from these structural factors were compounded by traditional rivalries between the northern and southern arms of the National Party.

The Reform League was formed in Launceston in the latter part of April 1931. In essence, the League was a conventional expression of a desire for political reform, emphasising the necessity for reducing the number of parliaments, cutting parliamentary

\textsuperscript{91}. MS letter in *Lyons Papers* (AA CP 30/2), unsourced, undated and incomplete. On the basis of Lyons's correspondence with AFA[L] officers, the most probable author is H. Gordon Bennett, but it may have been Gibson or Keysor.

\textsuperscript{92}. Ibid.
salaries, and generally limiting the size of government. The Reform League was not markedly pro-Lyons, one of its spokesmen referring almost derisively to Lyons as "the Australian hero today [who had been] the man responsible for much of the increased cost of Government today, with the assistance of the [Tasmanian] Legislative Council." 93 The movement generated some enthusiasm, establishing an office in Launceston and appointing an honorary secretary. It confined its early activity to two policies, with an intimation that other matters would be tackled in due course: reducing the numbers of members in both houses, and cutting members' salaries to "at least" 300 pounds a year. The Reform League gave its endorsement to State candidates who supported these aims. In the light of the sweeping victory for the Nationalists at the polls in May, the Reform League was not a significant factor, but its continued existence created apprehension among all sitting members, both state and federal. There were complaints in the Tasmanian Parliament about pressure from League members, and its nuisance value was accentuated by a generally favourable press:

The League came into being at the last State Elections. It was somewhat hurriedly organised, but did good work and rendered the community very useful service. There is a great opportunity for it to continue that service, and to extend the ambit of its operation. Tasmania requires an organisation with wider objectives than political reform, one that will embrace and protect the interests of the public as taxpayers. 94

A subsequent letter in the Examiner noted that while the League was inactive, it had merely adopted the French motto of reculer pour mieux sauter ("crouching for a better spring"). 95 This sort of publicity grated on the established parties, and particularly on McPhee's Nationalist Government.

The formation of YNO branches in Launceston and Hobart during August and September did not present any immediate problem to the Nationalists. The YNO had created an aura in the state through the vigorous campaigning of Menzies during the State election campaign. It is not clear what degree of involvement the Victorian YNO had with the formation of the Tasmanian Branch, although it seems to have been largely indigenous in origin. The policies of the YNO largely echoed those of the Tasmanian National Party. In organisational terms, the emergence of the YNO did raise potential problems of co-ordination, particularly with a federal election on the horizon.

The AFA[L] had established only a tenuous foothold in Tasmania through the creation of a handful of scattered branches. Despite this weakness there was some concern among the federal leaders of the Nationalists that the AFA[L] should be

93. Examiner, April 18, 1931.
95. Ibid., October 29, 1931.
contained. Much of the surveillance of the League in Tasmania was conducted by the AWNL, which was advised by Latham to use it as a vehicle for getting the maximum support for the principles of the UAP in the federal arena. Perceptively, the AWNL canvassed the possibility of using the AFA[L] to capture the floating vote, an objective firmly endorsed by Latham:

The AFA[L] has not up to the present obtained any substantial foothold in Tasmania, and the only objective in developing it there should be, I suggest, to obtain the floating vote to which your letter refers. You might consider the wisdom of establishing the AFA[L] on a friendly basis with the objective of ultimate coalescence with existing organisations, not a new organisation to support the UAP. In Victoria from the very beginning every effort was made to avoid antagonising the AFA[L] and the result is that no practical difficulties have arisen. In NSW, on the other hand, animosity arose at an early stage [written in June], and this has not yet been overcome. Putting it shortly, my view is if the AFA[L] can bring an accession of strength to our cause at the cost of alteration of the name of one or even both of our organisations ... then the AFA[L] should be encouraged.96

Latham also drew attention to the autonomy of the Victorian Branch of the AWNL. With some hesitation, he suggested that the Women's League in Tasmania should do the same because it was much stronger in numbers than the men's organisation. He suggested that the AWNL in Tasmania should continue to support McPhee in the State arena, and "Mr Lyons and myself in the Commonwealth, and for the National Party and the AFA[L] to combine as a men's organisation with similar objectives".97

Latham's implicit concern at the weakness of the men's branch was accentuated by territorial rivalries within the party. As well, there was simmering animosity directed at Lyons and Guy, particularly from the northern arm which could not adjust easily to the apostasy of traditional opponents. In Victoria and South Australia, the presence of the federal ex-ALP members had not been a problem, but in Tasmania Lyons and Guy could not be ignored. The Tasmanian Nationalists regarded their former political enemies as anomalies whose presence represented a threat rather than an opportunity to advance the strength of the National Party.

In this sort of atmosphere, Lyons was subjected to much petty harassment. Nationalists suggested that he had refused to return to Tasmania to counter Theodore in the state election campaign, despite strenuous efforts to induce him to come. According to the State Secretary, Pullen, the Tasmanian Nationalists felt that if Lyons came to Tasmania, he would be so shackled by members of the ALP that his responses would be ineffectual. Latham replied that Lyons was not unwilling to go to Tasmania but that it

97. Ibid.
was essential for him to be in Canberra at that time.\textsuperscript{98} In a situation of some fluidity, the Nationalists were uncertain about what elements of the ALP were represented in the new party. Even when it became plain that Lyons had no personal machinery, and that he had not drawn off any significant part of the Tasmanian Branch of the ALP, the Nationalists remained suspicious of his allegiance. This hampered efforts to bring the anti-Labor forces in Tasmania into effective co-operation.

In both Hobart and Launceston over several months, there were unity meetings which sought to achieve a basis for co-operation. The problems were resolved amicably in Hobart, but in the north hostility to Lyons and Guy impaired any effective co-operation. The three arms of the party - the AWNL, YNO and the National Federation - agreed at a meeting in Launceston in October to co-operate in a common campaign council backing the UAP in the Federal Parliament. They would not accept the loss of party identity, and refused to grant any immunity to candidates for the federal elections. The AFA[L] and Reform League sought to give immunity to Lyons and Guy. There were suggestions that Latham might be called on to act as arbitrator, and the \textit{Launceston Examiner} described the situation as one of the most serious and difficult that had confronted the Nationalist organisation in many years.\textsuperscript{99}

The question of whether Lyons was ALP or Nationalist preoccupied the Tasmanian party through the remainder of the year. Lyons and Guy had not defected directly to the National Party, an action which whatever its connotations was at least intelligible to the ethic of Tasmanian Nationalists. Instead, he had become leader of a new federal party with a dubious pedigree. Evidence that Lyons had not split the ALP at the state level, and that there was no specific grouping that could be labelled as "Lyons Labor" failed to convince the Nationalists of Lyons' bona fides. As late as November 10, the Nationalists conferred at a state level and decided that the organisations comprising the party should be informed that the state branch would press to know the exact relationship of Lyons as Federal Opposition Leader to the National Party. Pullen was instructed to put two questions to Lyons:

1. Have you definitely renounced the Labor Party's platform?

2. Are you willing to become a member of the National Federation and to conform to the principles and platform of the National[ist] Constitution?\textsuperscript{100}

Lyons had replied in general terms that he accepted the policy of the UAP, and that on the mainland kindred organisations had joined together in the UAM:


\textsuperscript{99} \textit{Examiner}, October 19, 1931.

\textsuperscript{100} \textit{West Australian}, November 11, 1931.
So far as the mainland states were concerned, there would be no Nationalist candidates at the next election. 101 This reply was considered "too vague", and a subsequent meeting at Launceston decided to renew the request, asking Lyons for a definite reply in the "negative or affirmative". 102 To be fair to the Tasmanian Nationalists, it should be said that this hounding of the Federal UAP Leader was instigated in the north. The southern party was far from enthusiastic about the accession of Lyons, but it was largely accepted.

The problems in Northern Tasmania were accentuated by a division in the machinery of the non-Labor forces. On October 17, representatives of the five organisations met and decided that each should make a decision on three questions: whether each should preserve its identity; whether any candidates should be granted immunity; and whether a joint UAP organisation representative of the five bodies should be formed to endorse candidates and act as a campaign council. 103

It soon emerged that immunity was the decisive issue. The Nationalists in Tasmania had traditionally observed the principle of the "open field": all of good standing who accepted the Nationalist platform and constitution could stand as Nationalist candidates. In practice, informal processes usually weeded out all but the most suitable, but there were no party bars on the right of members to contest elections. Although it represented a notable break with tradition, there was a strong case that Lyons and Guy should be given immunity from other candidates. It was argued that they had made considerable sacrifices and their actions had led directly to the defeat of the Scullin Government. In particular, Lyons had to conduct a federal campaign and would not be able to campaign in his electorate, thus risking its loss. As the Launceston Examiner noted succinctly: "It would be a most unsatisfactory conclusion of the present election if the UAP triumphed but its leader lost." 104

The refusal of the Nationalists to consider immunity for Lyons and Guy destroyed any possibility of a united campaign organisation embracing the five non-Labor organisations, although they agreed on preserving their identities and acting together as a campaign council. The three Nationalist organisations opposed any grant of immunity to Lyons and Guy; the AFA/L and the Reform League insisted that the UAP leader and his closest colleague should be endorsed free of opposition. Essentially, it was a disagreement over pre-selection.

With this fundamental division, the three Nationalist bodies formed a campaign

101. Examiner, November 21, 1931.
102. West Australian, November 11, 1931.
103. Examiner, October 17, 1931.
104. Ibid., December 1, 1931.
organisation called the UAP Campaign Council. After a meeting on November 27, it made a statement reaffirming its previous position not to sink party identity or to grant immunity. Only candidates who were members of the Nationalist organisation would receive endorsement. The *Launceston Examiner* pointed out that although technically Lyons was not a Nationalist, there could be no greater qualification to the title (of a Nationalist) than putting the interests of the nation before party and personal interests. It was also pointed out that as the National Party had ceased to exist in the Federal Parliament, no party in the Wilmot and Bass electorates corresponded to the official opposition in the House of Representatives. The Northern Nationalists remained obdurate in the face of such compelling logic.

The other two anti-Labor bodies, the Reform League and the AFA|L], formed their own campaign body, the UAP Election Campaign Committee for Bass and Wilmot. Despite some suggestion that the Reform League might run its own candidates, this committee strongly supported Lyons and Guy. A number of compromises were suggested, including the possibility that Lyons might be given immunity because of his national responsibility as leader, but Guy should not be immune because he was an ordinary backbencher who could fight the campaign in his electorate. The Nationalists resisted all such proposals and went ahead with the calling of nominations for the three northern electorates of Darwin, Wilmot and Bass. Guy went to Tasmania at the end of November, and wrote to Lyons in some trepidation about the position:

> The Nats (Pullen and Co.) say quite definitely that they are going to see that a contest takes place in each division, and that Lyons and Guy will not be endorsed by them. There are several suggested candidates mentioned for Wilmot, and the contest in Bass will be [between] Barnard [ALP], Jackson [Nationalist] and myself.

Guy advised Lyons that the opinion among his Tasmanian supporters was that he should make an early visit to the state, address a couple of meetings and then return to the mainland:

> I further think that it is imperative for both Latham and Menzies to come over, because they [Lyons' Tasmanian supporters] have information that Pullen himself and some of his supporters intend to campaign through Wilmot.

Plans for Latham to come to Tasmania were cancelled when the election was announced late in November. Latham sought to exert influence on Pullen, with whom he had worked when he was Opposition Leader, and the Northern Nationalists to withdraw their opposition:

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105. Ibid., November 28, 1931.
106. Ibid., December 1, 1931.
107. Ibid., December 2, 1931.
109. Ibid.
I cannot believe that the Nationalists of Northern Tasmania would play into the hands of our political opponents by nominating a candidate against Mr Lyons.\textsuperscript{110}

The treatment of Lyons and Guy provoked considerable indignation among mainland Nationalists. The President of the ANF, Henry Tassie, a South Australian Legislative Councillor, telegraphed the Tasmanian Branch strongly urging that no opposition be offered to Lyons' candidature, and that the chosen leader of the anti-Labor forces be given solid support. He warned that continued resistance would bring grave danger of upsetting arrangements in other states, with disastrous results.\textsuperscript{111} Grenfell Price criticised the movement against Lyons, and at Lyons' request it was decided to dispatch Bagot to Tasmania to assist with his campaign. After conferring with Lyons in Melbourne, Bagot left for Tasmania on December 1, 1931.\textsuperscript{112} More significantly, the UAO in Melbourne made it plain that the UAP Election Committee for Bass and Wilmot, sometimes referred to in press reports as the new UAP Committee, was the body allied with the UAP on the mainland. A senior officer of the Victorian Branch of the AFA[L] was sent to Tasmania by the UAP to help Lyons and Guy.\textsuperscript{113}

In the face of press, party and popular criticism, the Nationalists buckled but did not capitulate. Pullen declared his intention to wait at the electoral office up to the moment nominations closed when, if suitable Nationalist candidates had not nominated, he would lodge his own papers:

He [Pullen] wished the position to be perfectly clear that whatever opposition Mr Lyons might have to face from Labor, he would be confronted by at least one Nationalist candidate.\textsuperscript{114}

Sufficient dissension emerged within the Nationalist organisations to weaken their position. The UAP Campaign Committee was forced to disband a fortnight before the elections because of the deadlock over endorsement. Members of the three Nationalist organisations were told that they could work for whichever non-Labor candidate they chose, after the AWNL made clear that it would support Lyons. The public outcry over the endorsement deadlock frightened off the stongest Nationalist contenders for both seats. On the evening before nominations closed, the Nationalists endorsed Pullen to stand against Lyons in Bass, and a member of the YNO, Harold Solomon, to stand against Guy.\textsuperscript{115} These were very much second or third best choices, and the

\begin{itemize}
\item \textsuperscript{110} Examiner, November 30, 1931.
\item \textsuperscript{111} Advertiser, December 2, 1931.
\item \textsuperscript{112} Ibid., December 2, and December 3, 1931. The Examiner does not refer to Bagot's presence in its reports of the campaign.
\item \textsuperscript{113} Examiner, December 7, 1931.
\item \textsuperscript{114} Ibid., December 1, 1931.
\item \textsuperscript{115} Ibid., December 4, 1931.
\end{itemize}
Nationalists' action was more an indication of stubbornness than an expression of practical politics. Pullen campaigned defiantly on two themes: "Hear about Lyons' maladministration", and "Secure Latham as Leader".\textsuperscript{116} Neither cry proved a vote winner, and both Pullen and Solomon polled poorly in the face of massive votes for Lyons and Guy. Pullen managed only 2,776 votes to Lyons' 12,611, Solomon a more respectable 5,032 to Guy's 10,293. It is difficult to conclude that Pullen was not motivated by personal vindictiveness against Lyons.

Resistance to Lyons and the UAP had disappeared in Southern Tasmania before the election was called. A meeting attended by representatives of the AFA[L], the YNO, the AWNL and the National Party branch formed a united campaign organisation when the election was announced, and decided to endorse only one anti-ALP candidate for each of the two southern seats of Franklin and Denison. (The absence of the Reform League indicates that it was a force largely in the North.) The meeting deplored the actions of the Northern Nationalist organisation in opposing Lyons and Guy. It was even suggested that Lyons should contest Denison, where he would be assured of unanimous support.\textsuperscript{117}

In West Australia, the AFA[L] did not present any impediment to the achievement of unity. Early in August, the State Branch of the League decided to join with a number of other bodies in the formation of a body described variously in press reports as the United Movement or the Democratic League of West Australia.\textsuperscript{118} The groups composing this movement were extremely diverse, but all were characterised by lack of political impact: Women's Service Guilds, Women's Electoral League, the Women's Christian Temperance Union, the Highways' Association, and the Theosophical Order of Service, as well as the AFA[L].\textsuperscript{119} The United Movement made ambitious plans to work for the election of men and women of integrity to federal and state parliaments, preparing a lengthy ten-point platform, and formulating a scheme for similar mergers in the eastern states with a view to creating a national movement. It proved impossible to weld this collage of motley interests into any sort of effective political machinery, and the United Movement (or Democratic League) sank without trace, taking the state branch of the AFA[L] with it.

With the absence of any challenge from the citizens' movements, the West Australian branch of the Nationalists was able to operate unimpeded as the state arm of the UAP at the federal level. The ambiguity of such a Cox and Box situation did not

\begin{itemize}
  \item \textsuperscript{116} Examiner, December 7, 1931.
  \item \textsuperscript{117} Advertiser, December 1, 1931.
  \item \textsuperscript{118} Examiner, August 5, 1931; West Australian, August 3, 1931.
  \item \textsuperscript{119} Ibid.
\end{itemize}
create any embarrassment for the Federal Party, and for electoral purposes the UAP was effectively represented in the west by the campaign machinery of the National Party.

Tracing the often complex machinations and manoeuvres in the various states demonstrates the wisdom of the approach adopted by Latham and the ANF in April when it was obvious that a substantial degree of political re-organisation was inevitable. Latham had summarised the position after the Inter-State Conference in April:

Unity of action in the House cannot be achieved unless a real degree of action is secured in the country. It may be that such unity will be attained by different methods in different states. It was the view of the ANF Conference that it would be unwise to attempt to prescribe a single method for adoption by each different state.120

By adopting such a patient and non-interventionist approach, the federal Nationalists ensured the ultimate achievement of unity with the Citizens’ Movement, and a substantial measure of electoral co-operation with the Country Party. There were few problems in West Australia and Queensland where the citizens’ organisations were weak and adjustment of the conventional machinery was not necessary.121 In Queensland, the Country Party was part of the Nationalist structure and in West Australia, the two parties co-operated on traditional lines through a joint Campaign Council in preparing for the federal election campaign. In South Australia, the early appearance of the Emergency Committee effectively neutralised the CL, and brought the Country Party into the joint election machinery. In Victoria, the state branch of the Nationalists controlled from the start the evolution of the AFA[L] and its incorporation into the UAP and co-operative election machinery. There were problems of election co-ordination with the Country Party in Victoria, but these did not impair the electoral success of both parties.

Only in New South Wales and Tasmania were there serious problems in fitting the various parts together. In both states the achievement of an effective UAP machinery for the federal election was a near-run thing. In New South Wales, the basis for election co-ordination was completed only a few weeks before the Beasley Labor group in the Federal Parliament brought down the Scullin Government. The Nationalists and the AFA[L] were in the process of merging when the election was called. In Tasmania, the circumstances were even more perilous and the federal UAP was very nearly presented with a situation in which its leader was rejected by his party in his electorate. It is

120. Draft Statement in Latham Papers, op. cit., Series 49 (possibly April 10, 1931).
121. The failure of citizens’ organisations to develop in West Australia was probably due to the strength of the Dominion League. There is no simple explanation for their failure in Queensland. Conceding the difficulties of an effective regional organisation and the strength of the ALP, there would seem to have been opportunities for their development at least in Brisbane.
doubtful whether such action would have jeopardised Lyons' seat or threatened the national success of the campaign, but it would have been a grave embarrassment.

The Country Party was not a factor in Tasmania, but in New South Wales it played a perhaps decisive part in the achievement of anti-Labor unity. It had stressed from the outset that it would not merge with the UAP, and its relations with the Nationalists in New South Wales were relatively cool. Furthermore, the Country Party faced a threat from an incipient populist movement in its New South Wales heartland. Despite these unfavourable factors, it reached an early agreement with the Nationalists on a joint campaign machinery. When all other expedients had failed to bring the Nationalists and the AFA[L] together, an organisation with strong Country Party elements was successful in facilitating the final unity arrangements. Despite subsequent disagreements with the Country Party, Lyons and Latham always acknowledged the debt that they owed to Tout, who was knighted by the Lyons Government.
CHAPTER 8
EVOLUTION OF THE PARTY STRUCTURE

Lyons' eight months as Federal Opposition Leader were marked by anxiety over the progress of unity negotiations in New South Wales and Tasmania, as discussed in the previous chapter. Apart from these particular concerns with the evolution of the UAP in those states, Lyons had an arduous responsibility in maintaining links with the manifestations of "United Australia" in the other states, principally the UAO in Victoria and the Emergency Committee in South Australia. Within this web of relationships, Lyons paid particular attention to the AFA[L] in Victoria and the CL of South Australia. The attention which Lyons gave to the three principal citizens' bodies in New South Wales, Victoria, and South Australia through 1931 suggests that he continued to regard this broad movement as a principal basis of his support, at least until the federal elections. In particular, he was conscious of any weakening in the strength of the citizens' bodies or any faltering in their sense of purpose. He took pains to write regularly to their leaders, encouraging them and reiterating the need for their continued existence, as in this letter to Bagot:

The necessity for the existence of the Citizens' League ... has not been removed by the recent action of the Commonwealth Government in adopting a policy we had so long advocated [the adoption of the Premiers' Plan by the Scullin Government]. The work of reconstruction that lies ahead will require constant effort and vigilance on the part of organisations like the Citizens' League. In the completion of the task of rehabilitation, the United Australia Movement, of which of course, the Citizens' League is an integral part, must continue to give a lead. The members of the Citizens' League who have so splendidly supported my efforts, will, I am confident, wholeheartedly give their adherence to this task.1

Lyons' qualms about the continued viability of the citizens' groups were fully warranted. (It was alluded to above in the discussion of the role of the AFA[L] in the negotiations for unity in New South Wales.) As noted in Chapter 7, this loss of strength cannot be documented for New South Wales, although it seems to have been considerable in the May-July period of 1931, consolidating to some degree through the remainder of the year. The evidence of disintegration is more apparent in South Australia, where Bagot noted in a report on the CL finances that after formation of the Emergency Committee,

1. Lyons to Bagot, September 12, 1931, Lyons Papers, AA, CP 104.
the League had not reduced its activity. In fact, it had undertaken additional branch organisation at an intensive level, and curtailed its newspaper advertising to concentrate on wireless broadcasting in line with contemporary thinking on political propaganda:

Notwithstanding [such attempts to secure a higher profile] public support fell away to an amazing degree.2

Bagot attributed this dramatic loss of support to three factors: the linking up of an avowedly non-party organisation with party machines in the Emergency Committee; the lack of newspaper advertising propaganda; and concentration on branch committee organisation rather than upon membership.3 In these circumstances, Lyons was induced to make a further visit to South Australia in October. Although the visit was ostensibly to address meetings on Empire trade reciprocity, Grenfell Price described it as of great value to the Emergency Committee "in which the moderate organisations are conducting a vigorous campaign against repudiation, inflation and financial drift."4 Lyons’ efforts to maintain the strength of morale of the Citizens’ Movement was partly an expression of the loyalty which he felt for its early support, and partly expediency. A vigorous Citizens’ Movement within the UAM was essential if Lyons were to maintain any flexibility of action in both the movement and the party. Without the Citizens’ Movement, Lyons’ autonomous stature was dependent on the survival at the polls of a small group of ALP defectors, all lacking political distinction and with no access to independent election machinery. Without the Citizens’ Movement and its populist base, Lyons was manoeuvred inexorably towards the strong political representation and organisation of the Nationalists.

Although Lyons had been confirmed as leader of the Federal Parliamentary UAP without opposition, support for Latham persisted within the Nationalist ranks. There was also lingering opposition to the creation of the UAP among Nationalists in the Federal Parliament, notably from Hawker who was a former president of the South Australian Liberals and an influential figure in the Nationalist machine. Hawker did not attend the early UAP meetings in Canberra, although it is not clear whether this was due to antipathy to Lyons or opposition to the whole UAP arrangement:

I am not making any song which may embarrass the new symposium but having got clear I hope to remain at least semi-detached.5

Hawker was scathing about the conduct of the early party meetings of the UAP:

3. Ibid.
4. Grenfell Price, to Lyons, October 13, 1931, Lyons Papers (AA), CP 30/2. The meeting also produced some strains within the Emergency Committee as various bodies vied to arrange Lyons’ program.
5. Hawker to W.L. Duncan, May 8, 1931, Hawker Papers (ANL MS 4848), Series 3.
There have been two party meetings .... First the inaugural one, and another today. They could not decide to face the hurdle of concrete suggestions. Lyons' kick-off with the new unity has been moderate in the house, but there has been a pretty good feeling between all opposition members both inside and outside the chamber. I don't think any friction is likely, at least until responsibility for doing something arises.6

The precise basis of Hawker's attitude to meetings of the new party is unclear; it may have been partly a mixture of resentment at the dilution of Nationalist principles by the inclusion of ALP and independent elements. There is no indication of any previous antipathy between Lyons and Hawker, nor is it clear when or why Hawker overcame his scruples and participated again in the party processes.7

Hawker was a close associate of Latham, and with other elements of the National Party, he retained a firm loyalty to the deposed chief. Latham was instrumental in persuading Lyons to include Hawker in the UAP Cabinet after the elections, and it is possible that he acted as a conciliator. Hawker was also under pressure from his state party to participate in the UAP, although this was tinged with some ambivalence as in this advice from Duncan, who was President of the South Australian Liberal Federation:

As all organisations outside the House are getting together for a certain purpose, it seems to me that it would strengthen the position if all in the House did ditto. Furthermore, you could, of course, pull out (preferably after an election) when they start doing something you do not approve of ....8

Duncan here indicates some reservations about the possible actions of the new leadership, and it seems that uneasiness about Lyons was not confined to the Tasmanian Branch of the party. This unrest emerged at an early stage in the Federal Parliamentary Party, although it was muted and did not detract in any way from the populist image of Lyons which had been built up in the press. It was partly a reflection of the Latham loyalists, and partly a measure of disquiet at Lyons' own parliamentary performance which did not reflect the vigour and eloquence of his speech on leaving the ALP, at least in the early stages. Because of his onerous responsibilities in the quest of unity and the heavy administrative burden that devolved upon him, Lyons to some extent neglected his parliamentary duties, leaving much of the burden to Latham who performed at his best during this period. The problems of Lyons' peculiar situation were summed up by one press account:

Circumstances put Mr Lyons where he is, and the changeover into new surroundings brought about a situation which, if it was distasteful to Mr Latham's admirers, was not without its difficulty to the new leader. But of Mr Latham's own attitude - his patriotism and self immolation - one can only
speak in terms of the highest admiration; and his work in the house in Mr Lyons' absence has been carried out with conspicuous ability.\(^9\)

There is no suggestion that Latham was in any sense disloyal to Lyons, or that he traded on his established reputation with members of the old National Party and their loyalties; all the evidence indicates that he did not. But Latham would have been less than human if he had not retained some hopes that the Lyons leadership would collapse, and that he would be restored.

Lack of enthusiasm for Lyons among UAP parliamentarians persisted until October, when the leader seems to have made a conscious effort to lift his game. With the NSW divisions resolved, he could devote more time to parliamentary work. His parliamentary performance improved and he made a number of effective speeches, particularly on the proposals for the compulsory conversion of loans (see below). This speech was described by the press as Lyons' best in the Parliament:

> It did much to strengthen his position as the Opposition leader, and it earned for him the plaudits of his supporters, while it also left a marked impression on members of the Government side of the House .... To tell the truth, there has [sic] been some mumblings in the opposition ranks concerning the leadership, and the position of Tasmania's ex-Premier has not been a bed of roses.\(^10\)

With evidence of unity in every state except Tasmania, the boost to party morale from the sweeping electoral victory of Ramsay MacDonald's National Government in Britain, and the imminence of the federal elections, Lyons' position in the party improved steadily. It was reinforced by his tremendous popular support and the backing of most of the press.

If Lyons was able to put much of his parliamentary work on to Latham during a testing period of consolidation and organisation, he inherited other party responsibilities which extended his already strenuous task. As noted in Chapter 2, the Federal Parliamentary Leader was the focal point of the Nationalist movement because of the limited federal machinery. The burden of co-ordinating this sprawling and diverse machinery fell upon Lyons, who also had the ultimate responsibility for shaping the apparatus for a federal election.

This task of keeping in touch with the former Nationalist branches was simplified to some extent by the existence of powerful supra-party organisations such as the National Union and the Consultative Council (see Chapter 10). Even so, Lyons shouldered a heavy load in meeting requests from all sections of the old National Party, often for financial support. Given the circumstances, it is not surprising that he took

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\(^9\) Examiner, October 21, 1931.

\(^10\) Ibid. Lyons' speech on the second reading of the Debt Conversion Agreement Bill (No. 2) is recorded in CPD, Vol. 132, October 16, 1931, p.822 ff.
some months to establish his leadership beyond challenge and to get on top of the complex political machinery which the federal leader had to manipulate.

Public policy is not a principal theme of this account of the emergence and organisation of the UAP, but it is necessary to refer briefly to Lyons' role in the formation and implementation of the Premiers' Plan. This program for economic revival and reconstruction was based on the achievement of budget equilibrium by cutting government expenditure, increasing taxes, and reducing public and private interest rates. The latter proposal hinged on a conversion loan similar in essence to that undertaken by Lyons as Treasurer in the previous December, but larger in scale and much more important in its implications. A crucial issue was whether the conversion loan should be voluntary, or whether compulsion should be used to convert any uncovered portion of the loan.

In many respects, the adoption of the Premiers' Plan was a political triumph for Lyons. It vindicated his persistent calls for balanced budgets and no repudiation. As Schedvin has written, the plan was a compromise heavily weighted in favour of the political opponents of the Government. Unable to get its own measures through the Parliament because of the Opposition majority, the Scullin Government in effect capitulated to pressures from the private banks and moved to a deflationary policy whose rationale was essentially that offered in the preceding months by Lyons, Latham and the leaders of the Citizens' Movement. If the plan was a tremendous vindication for Lyons, it created a number of political problems for him. Undoubtedly the Scullin Government had moved to a policy tack which was favoured by a majority of Australians. This blurred the sharp lines which had existed between the Government on one hand and the political parties and citizens' groups opposed to it on the other. With the federal election not expected for almost a year (the plan was adopted in June 1931), there was a danger that the Government could claim all of the credit for the plan and that public perception of the role played by Lyons would fade. There was the further problem that the adoption and implementation of the Premiers' Plan severely eroded the justification for Lyons' traumatic break with the ALP. It could be argued against him that his policies had eventually been adopted, and that the disruption he had brought to his government and party was totally unwarranted. There was a sound case for arguing that Lyons could have achieved what he wanted by sticking to Scullin and working to change policy within the party. If he had remained loyal, then within a brief period he would have been vindicated through the processes of his party.

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Lyons was certainly conscious of both sorts of arguments. His response to the Premiers' Plan was almost petulant. With other UAP spokesmen, he attacked the conversion proposal on the grounds that compulsory conversion was tantamount to repudiation and default. With Latham and Pearce, he attended the conference during its closing stages. According to Schedvin, Lyons' blustering tactics almost wrecked the whole plan, injecting an acrimoniously-political note into a conference that had been largely free of recrimination:

In a long political speech which was completely unnecessary under the circumstances, Lyons antagonised the rest of the Conference by going over the whole of the ground since the Melbourne Agreement, claiming that he had acted consistently but that the Scullin Government had not .... It took all Scullin's great tact and persuasive power to save the conference from collapse.

Lyons' intervention gave Lang an opportunity to threaten to reject the agreement unless the loan conversion was conducted on a compulsory basis. In the end Lang signed the agreement, and it was agreed that the conversion should be voluntary, with implicit acceptance that some government inducement might be necessary if a substantial part of the loan were uncovered.

Lyons' actions can be defended on the grounds that he was supported by his fellow party leaders, Latham and Pearce. Even if the blame is shared jointly, it is hard to explain why Lyons followed the tactics that he did, except as the product of an understandable but inept attempt to vindicate and place firmly on the record his attitudes and those of his new party. It surely would not have been to the advantage of either Lyons or the UAP if a plan which largely accorded with their proposals failed because of the intervention of the UAP leadership. Lyons was placed in a difficult position when the conversion loan recorded dissents totalling three per cent of the value of the debt and the Government moved to compulsorily convert the holdings of dissenters. This was widely interpreted in the UAP as repudiation, and although the party opposed this course in the Parliament, and sought to dissuade the Government, it did not press its opposition to the point of rejection in the Senate. This would have risked an immediate election on grounds which would have exposed the UAP to tactical disadvantages, particularly if the failure to introduce compulsory conversion procedures provoked Lang to abandon the Premiers' Plan. Although this was the sensible political course, it created tensions within the party, leading to the resignation of Lyons' close

12. Schedvin, op. cit., p.248. Lyons, Latham and possibly Pearce wrote a joint letter to Scullin and the six Premiers urging them to drop any notion of compulsory conversion, describing it as "repudiation and deceit". See drafts of these letters in Lyons Papers (AA), CP 30/2.
13. Ibid., p.248.
associate, Henderson, as Secretary of the UAO. Lyons was put at a tactical disadvantage, but he recovered with the parliamentary speech which so impressed his followers.

The advent of the Premiers' Plan and its implementation by both ALP and non-ALP Governments, with the partial exception of Lang, aroused in Lyons a feeling that his renunciation of the ALP and the Government had been futile; that what he had regarded as the course of honour and economic sense had been introduced by Scullin. His doubts and self-questions were assuaged by his wife, who assured him that Scullin would not be able to carry through the full implementation of the plan, and that ultimately it would fall to Lyons to do the job properly. With the tentative participation of Lang in the Premiers' Plan, and the Beasley group holding the balance of power, this was a shrewd assessment and one which appears to have satisfied Lyons.

There was an element of luck in the effect of the Premiers' Plan on the fortunes of Lyons and his party. The tactics of the party and its leader were maladroit and in all of the circumstances they were lucky to get away with it. Despite temporary difficulties, Lyons was to enjoy the credit for both forcing the adoption of the Premiers' Plan and then of implementing it to the benefit of Australia, thus fulfilling the forecast of the Chairman of the Bank of New South Wales, A.C. Davidson:

They [the Scullin Government] will pass the necessary legislation which will naturally be unsavoury to their extreme supporters with the probable result that a Nationalist Government will follow and obtain the credit for pulling Australia out of the mud.16

A principal cause of the transformation of Australian politics during 1931 was the urgency that the non-Labor parties felt about winning elections. The necessity of defeating the Scullin and Lang Governments was the principal cause of the unprecedented rallying of the conservative forces. Defeat of Scullin and Lang was equated with a number of less tangible factors: upholding national honour and integrity; fending off Bolshevism and Communism; preventing economic chaos and disintegration; in the last resort, national survival. Faced with these threats, the National Party could not countenance the emergence of a powerful Citizens' Movement headed by the most popular politician in Australia. These forces had to be subjugated and Lyons' popular appeal diverted to securing victories for fundamental Nationalist objectives. Defeat of the ALP Governments in Victoria and South Australia was seen as less important because of the generally conservative character of the respective leaders, Hogan and Hill.

15. Clark tapes, op. cit.
Lyons was installed as head of the UAM because it was felt that he could win the federal election and that he could successfully counter Lang. How Lyons performed in the Parliament and what some sections of his party thought of him were not particularly important. What mattered was the perception of the party controllers that Lyons would win the federal election and then establish the basis for destroying Lang.

In the normal course of events, the federal election would not have been due until the end of 1932. The Scullin Government had not taken up the challenge to confront the Senate by forcing a double-dissolution at the earliest possible opportunity. By the middle of 1931, the Opposition parties had effectively called the Government's bluff, and UAP strategists such as Grenfell Price assessed the prospects of Scullin going early to the people as most unlikely. Grenfell Price put the chances of Senate rejection of Supply as a 50-50 proposition.  

As noted in Chapter 4, use of the Senate to block supply had been considered earlier in the year. Such a possibility was still present when the budget debate began in August. Lyons pursued the curious course of trying to induce Scullin to grant supply for only three months instead of the customary year. This proposition was suggested as a means of ensuring that the Parliament would not be curtailed, but it could also have been used to force an election. Scullin rejected the proposal, and Lyons moved a motion in the House of Representatives designed to reduce supply by the requisite amount. There was subsequently some disagreement about whether this tactic had been discussed beforehand with the Country Party, but that party did not support the motion, its Deputy Leader, Paterson, arguing that supply should be granted for the full year. The motion may have been symbolic, as UAP members claimed that even if the Country Party had supported the motion, the Scullin Government would have won by one vote. According to the Country Party, admittedly with the wisdom of hindsight, the Beasley Labor Group had not voted on the motion, and the danger had existed of government defeat leading to an election.  

According to Grenfell Price, the best prospect for the defeat of the Government and a consequent election was the defection of more ALP members forcing Scullin into a

18. Correspondence between Lyons and Walter Marks, statement by T. Paterson and statement by Lyons all in Lyons Papers (AA), CP 30/2. This curious episode has not been considered in subsequent analyses of precedents for blocking supply in the Federal Parliament. The UAP did not push the question in the Senate so it is probable that the move was a tactical ploy. In his speech to the Parliament (CPD, Vol. 131, July 29, 1931) Lyons sought to reduce the allocation of supply by 16,506,919 pounds, or 75 per cent. He said this would allow the Parliament to monitor the implementation of the Premier's Plan from week to week, and block any attempt to vary it.
minority in the House of Representatives. One of Lyons' most frequent arguments for unity in the UAP was that public dissension discouraged ALP members who might be inclined to cross the floor. The possibility of further defections receded in the course of the year, and the ALP Government held its numbers after the schisms of February-May. The most obvious possibility for its defeat was the withdrawal of the Beasley Group's support, but this does not seem to have impressed itself on the minds of Lyons and his strategists as a serious prospect, at least not until later in the year. There is no evidence that any attempt was made by the UAP leadership to detach Beasley from supporting the Government. Possibly Lyons feared the public and party odium of dealing with the "Lang Group" in the Federal Parliament. In the event, the initiative was left to Beasley, with splendid results for the UAP. This does not mitigate criticism that Lyons, who was experienced in the sudden mood changes and the random ruthlessness of ALP politics, should have been better prepared for the assassination when it came (see below).

Not surprisingly, the most thorough preparation for the federal election campaign was made in South Australia. Apart from organising its own state, the Emergency Committee constantly urged the establishment of a national campaign machinery, what Grenfell Price described as an "All Australian organisation". The basics of this approach were the appointment of a national organiser and national publicity officer to be stationed in Melbourne, with dispersal of finance from Melbourne in accordance with national priorities. Grenfell Price's report gives some indication of the magnitude of the funds required for an election campaign. Victoria would need 10,000 pounds immediately and 20,000 for the actual campaign. South Australia aimed at a target of 700 pounds a month with a total of 10,000 pounds for the actual campaign.

In terms of contemporary election campaigning, Grenfell Price's proposal was a relatively sophisticated one. The prospects of establishing an effective national organisation hinged very largely on an early resolution of the differences in New South Wales, but the National Union, which was crucial to the success of such an exercise, seemed optimistic that a national structure might be formed. At the end of May, Knox wrote to Grenfell Price expressing confidence:

I am quite sure that we can establish between Melbourne, Adelaide, Perth and Tasmania a very close liaison, and in fact this could be extended to Brisbane, but the New South Wales position unfortunately does not appear to be at all clear. Both camps would appear to continue sniping at each other, and while having patched up a truce in so far as the federal arena is concerned, are still

20. Ibid.
poles apart on the state issue.\textsuperscript{21}

Given the history of the unity negotiations in New South Wales as described above, Knox's suggestion of a federal truce in that state seems misplaced. He told Grenfell Price that the financial situation was satisfactory:

We today had a subscribers' meeting and I have no doubt that the financial organisations [will] stand up to the position.\textsuperscript{22}

Grenfell Price continued to push his vision of a national campaign organisation and to suggest other election strategies to Lyons:

I saw Lyons and suggested the appointment of an Australian campaign organiser in Melbourne to control all states. I also suggested that there should be a central publicity organiser - [J.A.] Alexander - who had just been turned out of Canberra for releasing Scullin's cables - and that he should be assisted by an economist such as L. Wood, Associated Chamber of Commerce in Melbourne. I also asked Lyons if he could use his influence with the Catholics in Melbourne to frame a united appeal by Churches such as had just been published in Adelaide through the instigation of Bishop Thomas of the Anglican Church. Lyons stated that he barely knew Archbishop Mannix, but would try to get things to work.\textsuperscript{23}

Despite the apparent availability of finance, Lyons did not act on these suggestions, and the opportunity to establish a national campaign machinery in Melbourne lapsed to the disadvantage of the UAP. Nor did Lyons succeed in manipulating the churches on the lines suggested by Grenfell Price. (The involvement of Grenfell Price and the Emergency Committee in organising the unity message disseminated by Australian churches had been carefully concealed.)

The account of the unity negotiations in New South Wales and Tasmania in Chapter 7 has shown something of how the joint campaign machinery was evolved in those states. The following discussion of election preparations of the UAP is drawn largely from South Australian experience, with some attention to Victoria. This selection is partly due to chance; little information is available for the other states. South Australia and Victoria formalised their campaign structures earlier and these functioned for some months as units, unlike the other states. They were campaigning while New South Wales and Tasmania were still ironing out the mechanics of co-operation. While it is not intended to generalise the experience of these states to the whole of the UAP, the basics of campaigning in all states were much the same as outlined here. (Further information on UAP campaigning is contained in Chapters 10 and 11.)

\textsuperscript{21} Knox to Grenfell Price, May 26, 1931, \textit{Grenfell Price Papers}, op. cit.
\textsuperscript{22} Ibid.
\textsuperscript{23} Grenfell Price Rough Notes, op. cit., p.17. J.A. (Joe) Alexander was the political correspondent of the \textit{Melbourne Herald}. He had been expelled from the House of Representatives for publishing secret cables between Fenton and Scullin during the Prime Minister's absence in Britain in the latter part of 1930.
The essence of election preparation in South Australia was the duplication of the Emergency Committee structure throughout the state. The Emergency Committee was organised on a "microcosmic basis" across the state down to the level of each polling booth, with booth workers responsible to the local Emergency Committee. These organising committees reflected where possible the composition of the Emergency Committee, with one representative from each of the five organisations. There was some variation in non-metropolitan districts and sub-divisions where not all of these organisations were represented. The pattern varied through the state, but in general each sub-division had its Emergency Committee with responsibility for organising the polling booth committees. According to Grenfell Price these committees would have done good work had there been an early election:

... But as it was they varied in their efforts as the imminence of the elections faded away.25

The Emergency Committee appointed six country organisers from its constituent bodies, giving them the principal responsibility for sending out the 'how to vote forms' in every important country centre. An attempt was made to use Bagot's skills as a political organiser, and he was offered the job of organising Adelaide while the Liberal Federation organiser William Page, described by Grenfell Price as an "excellent man", took the rest of the state. Bagot, whose pre-selection aspirations had failed, rejected this offer and quit the campaign rather abruptly:

Bagot turned us down and told me that he would work only as supreme director, and he also resigned from the Campaign Committee. This greatly upset Queale and was the mistake of Bagot's life.26

The withdrawal of Bagot disturbed the tranquil tenor of the Emergency Committee, which had focussed on steady organising and educational activity. Bagot had aimed at pre-selection for the Senate, but it had not been possible to accommodate him given the range of interests that had to be satisfied on a three-member ticket. He then refused nomination as the Emergency Committee candidate for the Adelaide seat, which was subsequently won by the UAP. When Bagot's ambition to be the director of the South Australian campaign was frustrated, he remained inactive until Lyons recruited him to assist his own campaign in Wilmot. The only other obstacle to effective co-operation was a dispute with the Country Party over the pooling of wheat.27

The funding of the South Australian campaign was undertaken by a Finance

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24. In some of the city electorates, the Emergency Committee sought to break the polling booth units down even further into street organisations, see correspondence between Grenfell Price and Lyons in Lyons Papers (AA), CP 30/2.
26. Ibid., p.28.
27. Ibid.
Committee comprising one member from each group constituting the Emergency Committee. This committee was backed by a strong advisory committee which included bankers and a senior member of the big Adelaide pastoral house, Elder Smith. Much of the direct fund raising was done by Grenfell Price who proved an adept financier. He was assisted in handling the money by the secretary of St Marks College and the Chairman of the College's Finance Committee. A meeting in the Wool Exchange raised subscriptions of 6-7,000 pounds, part of which was placed on deposit and the balance used for organising and educational work. Funds were distributed among the Emergency Committee members on the basis of 250 pounds a month to the Liberal Federation and the CL, 60 pounds to the Country Party, and 50 pounds to the PRL. Later in the year, these amounts were cut by a third, which created some resentment in the CL, particularly from Bagot. According to Grenfell Price, much of the money that came in was "Liberal" money, but a fairly large part of it was allocated directly to the CL which deserved substantial assistance because, more than any other body, it educated the public and pulled in the floating vote.28 It is not clear whether the National Union directly contributed to the South Australian funds, although it did act as a clearing house, passing on a cheque from General Motors (Australia) Pty Ltd which had South Australian as well as Victorian interests. Late in June, Grenfell Price advised Willis of the National Union that 7-8 thousand pounds had been raised, and this would keep the five organisations of the Emergency Committee working for ten months more.29

On the evidence of South Australia, UAP spokesmen spared no hyperbole in putting pressure on supporters and business interests for campaign funds. Grenfell Price told one meeting of businessmen in Adelaide that a win by the "inflationists" or "repudiationists" would mean the immediate loss of millions, and the ultimate loss of hundreds of millions of pounds:

This will be a death struggle and it will be the end of all our business and personal possessions if the extremists are returned ... are you, the merchants and bankers of Adelaide, prepared to stand by and watch the ruin of your possessions?30 He urged businessmen to strain their resources to place an assurance policy with the movement, drawing on capital or reserves if necessary as business resources were depleted. This sort of rhetoric was echoed by UAP fund raisers across the country, and the blatant appeal to "place an insurance policy with the movement" undoubtedly secured a favourable response.

28. Ibid.
Perhaps the most vexed issue arising from the re-organisation of the non-Labor parties during 1931 was pre-selection. As noted in Chapter 7, it was a major obstacle to the achievement of unity in New South Wales and Tasmania. In South Australia, immense care was taken to draw up a balanced team for both Senate and House of Representatives elections. Not surprisingly in the circumstances the Emergency Committee tickets emphasised safety, although there were some piquant aspects of selection. The Emergency Committee had been formed with the paramount purpose of preventing a split vote among the anti-ALP forces, and the choice of a combined team acceptable to all five groups was the vital factor in the campaign. According to Grenfell Price, the Emergency Committee had about 100 names in hand:

Most of them were old campaigners ... many were quite unsuitable .... One was that of Lum Yow, a Chinese herbalist. The young organisations were most disappointed. They had believed that many new first class people would come forward in such a crisis.31

The tendency to select 'safe' candidates and the absence of high-quality candidates were features of UAP pre-selections across the country. Some capable men did win UAP pre-selection and enter the Parliament at the 1931 elections: John Lawson, Eric Harrison and Frederick Stewart were three NSW examples. For the most part, the candidates were uninspiring. The UAP had particular problems in finding candidates who would appeal to the former ALP element now supporting it. Grenfell Price related how Frederick Stacey, the successful candidate for the industrial seat of Adelaide was recruited:

Queale wrote to Broken Hill for his [Stacey's] record, and he received word that he was ignorant and egotistical enough to do well as a politician in the Adelaide seat .... Ignorant and uneducated as he was, he was just the man for Adelaide, the city of culture .... I was soon certain our choice was a good one. The college gardener said after several meetings, 'I've heard Scullin and I've heard Lyons, but give me Stacey.' The cook said that Mr Stacey had a beautiful face.32

In party terms, the Senate ticket was allocated on conventional lines: two Liberal, one Country Party. Of the House of Representatives nominees, one was an independent who supported Lyons, one was a UAP supporter of Lyons, two were Liberals (one linked to the PRL), one was Country Party, one was CL, and one was claimed by both the Liberals and the CL. In Grenfell Price's assessment, only Hawker was outstanding, although McBride and Cameron had merit. Gabb's position was somewhat anomalous. His inclination was to stand as an independent outside the framework of the Emergency Committee but Grenfell Price persuaded him to stand as an independent with the

32. Ibid., p.26. Grenfell Price was anxious to include "the right type of Catholic, as we had none at the time and Adelaide could reasonably be called a largely Catholic city" (Ibid., p.25).
backing of the Committee. This peculiar arrangement was not concluded without resistance from the Liberals in particular:

As a matter of fact the Liberals had to come around to support him [Gabb] in the end. He had stood loyally by Lyons and the sympathy would have swung to Gabb and [J.L.] Price if there had been a narrow outlook and opposition by the Liberal right wing. 33

Although the South Australian result was satisfactory for the most part, it was not achieved without difficulty. Queale pointed out some of the problems to Lyons:

You have realised that we have to do quite a big thing to get such conservative people as our Liberals to give their whole-hearted support of [sic] Jack Price and Moses Gabb. After all is said and done, we have only a small team for South Australia and it is extremely difficult to represent all interests. 34

Even with the exercise of considerable tact and caution, the Emergency Committee was not able to prevent accidents. Although officially repudiated by the party, a "Country Party" candidate contested the seat of Angas against Hawker, the Emergency Committee candidate. Grenfell Price inferred that this candidature was not discouraged by Archie Cameron, the most influential figure in the South Australian Country Party. 35

It is unwise to over-emphasise the ecumenical nature of the candidates selected by the Emergency Committee. The Liberal Federation was certainly not swamped by an inflow of outstanding Citizens' Movement candidates, as its president, Walter Duncan, acknowledged:

The men supported by the Emergency Committee, which has the backing of some rather influential organisations, are practically the same as would have been selected by the Liberal Federation. 36

Although the Liberals had compromised, this assessment is probably right. The CL had found it difficult to secure suitable candidates, and its failure to secure a place on the Senate ticket was a notable setback, particularly for Bagot. After Bagot rejected the seat of Adelaide, the CL claimed Stacey as its candidate, although he was recruited by the Emergency Committee. Its other candidate was relegated to the difficult industrial seat of Hindmarsh, which he could not have been expected to win, although he polled extremely well.

Apart from some strains with the Country Party, the main tensions in the Emergency Committee were between the Liberal Federation and the CL. This rivalry

33. Ibid., p.24.
34. W.G. Queale to Lyons, November 20, 1931, Lyons Papers (ANL), op. cit., Box 1, Folder 8.
was repressed, but emerged in a number of ways. Grenfell Price records that the central headquarters of the Emergency Committee had to be housed in a separate building because the two parties were too jealous to use the other’s offices.\textsuperscript{37} Part of the problem was the direct links the CL retained with Lyons through Queale and Bagot. Another source of strain was the feeling of Bagot and other senior CL members that the UAP propaganda was too negative and anti-Labor. (As noted above, Bagot strongly favoured the participation of ALP elements in the unity movements, particularly at the state level.) Bagot made frequent appeals to Lyons to tone down the anti-ALP and Socialist rhetoric:

We prefer to be pro something constructive rather than something 'anti' which is merely negative.\textsuperscript{38}

Bagot urged Lyons to emphasise 'unity' or 'united' ideas rather than merely stress the party concept. He pointed out to Lyons that when the CL first supported him he was without a party, and as such "carried a great personal following". With the "party idea" again receiving prominence, people would be inclined to turn back with disgust, saying "the same old game again". He suggested that the press be encouraged to use labels such as "the forces representing unity and progress" rather than "anti-Socialist organisations". In Bagot's view, the greatest enemies were those "who have twice been against progress and have twice opposed Labor, right and wrong, and cannot get away from the idea that only anti-socialist and anti-anything else will win out."\textsuperscript{39} This thrust was aimed primarily at the Liberal Federation and the other Nationalist forces throughout Australia. It reflects the feeling of the citizens' forces that the Nationalist credo was re-emerging to the detriment of "United Australia".

Even with the early start, the Emergency Committee did not feel that it had advanced beyond the preliminary stage of organisation by the beginning of November, when it was on the point of beginning its major recruitment in the country. It was always the view of the Committee that it had been formed to conduct the Federal election campaign, and had no other charter. Accordingly, the full co-operation of the participants would not begin until that election was announced. Largely through the efforts of Grenfell Price, the Emergency Committee had in fact directed one of the most thorough and extensive preparations for an election undertaken by an Australian political party to that time. The preliminary work had enabled it to gauge accurately the feeling of the electorate on the basis of organisers' reports. The mere existence of the Emergency Committee provided a focus for discontent with the Scullin Government.

\textsuperscript{37} Grenfell Price Rough Notes, p.26.
\textsuperscript{38} Bagot to Lyons, October 27, 1931. Lyons Papers (AA), CP 103/19.
\textsuperscript{39} Ibid.
Former ALP supporters who had qualms about a direct approach to one of the Nationalist organisations could contact the Emergency Committee without any compunction:

Old Labor men made secret offers of assistance, provided that their names and connections with the Committee were not published in the press ... These reports more than any other factor convinced me that we were on a winning horse. 40

In Victoria, preparation for the election was much more gradual, but as with South Australia, the UAP benefited from the early consolidation of the anti-Labor forces and the establishment of a campaign structure. (The organisation of the UAM in Victoria is discussed in Chapter 12.) Briefly, the movement was directed by a council made up of five representatives from each of the participating bodies - the UAO, the AFA|L, YNO, AWNL and the National Union. An inner executive comprised one member from each organisation. Although the UAM took independent offices, it relied heavily on the UAO for support, particularly in election preparation. This was based on the belief that it was essential to have a "man of wide formal experience to manage the campaign." 41 Funding was largely in the hands of the National Union, although it was expected that other bodies would raise funds for their own needs. Care was taken to ensure that no subscriber would be approached by more than one organisation. An early decision was taken that only one UAM candidate would run in each seat, except in the case of safe seats. 42

Although the UAO (the old National Party branch) was dominant in the UAM campaign, skilful tactical use was made of the other parts of the movement. In the early phases, the AFA|L was used as the spearhead of the attack, particularly in the industrial seats where, according to Grenfell Price, "they made wonderful progress." 43 Later in the year, all meetings were held under the UAP banner. All platform speakers showed what Grenfell Price described as "absolute loyalty to the co-operating organisation". 44 The UAM was able to utilise the traditional campaigning skills of the AWNL, and give full play to the YNO, which did most of the street meetings in the non-ALP electorates.

At the level of state organisation, the Victorian campaign effort worked smoothly enough. The one sour note was Henderson's resignation from the UAM a few weeks before the election (see above). This did not damage the campaign, although it raised questions of morale, as Queale acknowledged:

42. Ibid.
43. Ibid.
44. Ibid.
I do think in the circumstances he [Henderson] should have held off. We have got to put aside our personal prejudices and desires in order to clean up this awful mess that we are in. There is a tremendous lot to be done, but mighty few of our people realise that we have hardly yet begun.45

The principal failing was the inability of the UAP to establish national campaign machinery in Melbourne, which was the logical centre for an Australia-wide network for funding and communications.46 The state branches suffered from the lack of a publicity unit which could disseminate national publicity material. In its absence, most UAP publicity was prepared and distributed from Lyons' office in Canberra, largely written by his publicity officer, Martin Threlfall. Without organisation and publicity resources at a central office in Melbourne, the Federal UAP faced difficulties in countering crises like the imbroglio over the pre-selection of Lyons and Guy in Tasmania. Much of the response to special policy interests had to be prepared in haste. In the circumstances, it proved impossible to identify weak spots in the UAP's organisation and election preparation, most glaringly in Queensland. This increased the burdens already imposed on Lyons who carried much of the responsibility for national publicity, co-ordination and coping with the inevitable mishaps.

Before briefly discussing the campaign, two other important aspects deserve mention: the influence of British political events on the development of the UAP campaign, and the impact of Lang. During these years of crisis, Australian public policy had been permeated by a remarkable sensitivity and responsiveness to events in Britain, whether it was the reaction of the British bondholders to default, the bad impression Australia would create in Britain if it adopted inflationary policies, or the effect on Britain of the appointment of an Australian Governor General. The emergence of a National Government in Britain under Ramsay MacDonald had a profound influence on Australian politics. The parallel between Lyons and Ramsay MacDonald was not precise. The British Prime Minister had carried elements of his Labour Government into an an alliance with the Liberal and Conservative parties to form a National Government. Lyons had carried a fragment of the governing ALP into parliamentary opposition in an alliance with the principal parliamentary opposition party and a substantial non-parliamentary Citizens' Movement to form a new movement and a new political party. Nonetheless, there was a significant common element and "Ramsay MacDonaldism" was taken up enthusiastically by the Australian press and the UAP journals:

The dramatic simple phrase, 'I did this for England' is singing over the world's

45. Queale to Lyons, November 20, 1931, Lyons Papers (AA), CP 103/19.
46. This failure was due not to lack of funds or enthusiasm but to intransigent problems of communication and co-ordination during a brief and largely unexpected campaign.
cables. It carries with it a message and an example not only to the Empire, but to the whole world. It comes also to Australia as a warning and an inspiration to statesmen ... 'I did this for England. What will you do for Australia?\footnote{47}

Latham sounded this theme for the non-ALP forces when he opened the Annual Conference of the National Party in Melbourne in September:

They were living in difficult times, and the future of Australia would depend largely on the success of the National Government of Great Britain. They should give their goodwill and support to the National Government, which was confronting one of the gravest crisis [sic] that had ever befallen the world. This was no occasion for lack of confidence or apprehension.\footnote{48}

The British election aroused intense interest in Australia. Ramsay MacDonald’s sweeping victory late in October generated tremendous enthusiasm, and was seen as an augury by the UAP:

The interests of Senators was chiefly taken up today by the electors in Britain. All thoughts were on the progress of the polls. As the figures came through showing the great Conservative majority mounting higher and higher, there was great joy. It was recognised as a great day for the Empire. Instead of depression, everybody was in the best of spirits. If in a few cases of patriotic fervour, the best spirits were individual, who can blame them? It was a day to celebrate.\footnote{49}

The rhetoric of the UAP politicians and the editorials suggested that by returning the National Government, the British people had restored the fortunes of the nation. The lessons for Australia were deemed obvious:

... it means that the old land has turned the corner .... The electors of the United Kingdom have blazed a fine, honest trail along which those of Australia in May next, or as soon as the opportunity is offered, may well feel proud to tread. Today, the United Kingdom, in spite of its troubles, can hold its head high. Its people have resolved that there is to be no departure from the paths of sound, sane and honest finance. Australia’s answer when the time comes will doubtless be the same.\footnote{50}

Ramsay MacDonald’s victory and the joyous response to it in Australia was a tremendous boon to Lyons. He congratulated Ramsay MacDonald on behalf of the UAM, and said in a public statement that the election would not fail to have a beneficial effect on Australia. In a rare venture into policy, Lyons spoke at length about the emphasis of the UAP on imperial preference as a solvent for Australia’s problems. He expressed the hope that with a National Government firmly established in Britain, an imperial conference would be able to do something about imperial trade along the lines

\footnote{47. \textit{Australian Statesman}, September, 1931.} \footnote{48. \textit{Examiner}, September 23, 1931.} \footnote{49. Ibid., October 29, 1931.} \footnote{50. Ibid.}
urged by the UAP. 51

The question of economic recovery through imperial trade was very much a preoccupation of both Lyons and Latham at this time. In November, they took the extraordinary action of telegraphing directly to Bruce, the Australian High Commissioner in London, asking him to use his influence to defer any Imperial Conference until after the Australian election. 52 Trade negotiations and the Imperial Trade Conference at Ottawa were principal policy concerns of the UAP Federal Government during 1932 (see Chapter 10).

The victory of the National Government in Britain gave the UAP one splendid campaign theme. Lang provided the other. The Lang bogey built up steadily in UAP rhetoric and the press through the year, originating with the Lang Plan and fuelled by Lang’s frequent inflammatory statements. Derogatory references to Lang and to Sydney as "Langringrad" were commonplace in newspapers such as the Adelaide Advertiser. Not even Lang’s sullen acquiescence in the Premier’s Plan quelled the strong popular image of the NSW Premier as a dangerous mountebank and demagogue. The pressure had gone off Scullin and Theodore to a degree after the adoption of the Premiers’ Plan; in particular, it was difficult to categorise the transparently decent Scullin as an ogre and a revolutionary. Theodore was more vulnerable, but he also receded in the popular perception as the satanic figure of Lang was built up by non-ALP politicians and the press.

The President of the Victorian AFA[L], Ernest Turnbull had described Lang as the outstanding political problem in Australia. 53 Not surprisingly, Lang emerged as the principal target, and the major thrust of the UAP election campaign was directed at him rather than at the Scullin Government. The process of constant denigration implanted an image of Lang as a villain in the consciousness of many Australians. It was many years before references to Lang as "The Napoleon of Marengo, the dictator of the dole men, the Hitler of the iron fist and the tin hare" failed to sway Australian audiences. 54 According to Lonie, the genuine fear of Lang "multiplied everything the hapless NSW Government did into out-and-out Bolshevism." 55

Even though the raison d’être of the UAM and UAP had been to defeat the

51. Ibid. In September, Lyons made a film newsreel of goodwill which was transported to Ramsay MacDonald by the aviator, Kingsford Smith. Melbourne Herald, September 22, 1931.
52. Telegram to Bruce, draft in Lyons Papers (AA CP30/2).
55. Ibid.
Scullin Government, neither organisation was well prepared nationally when the election came. Even in Victoria and South Australia, where preparation for the election was relatively advanced, the timetable pointed to an election around May-June, 1932. In the middle of November, barely ten days before the election was called, Latham wrote to a colleague in London without disclosing any sense of urgency:

I am inclined to think that an election at the present time would pretty well wipe out the Scullin Government, but it is hard to tell what the next few months may have in store. Some issue might be raised which would change the whole outlook, although I personally do not think that is likely.56

Some inkling of the election's imminence seems to have been transmitted through the UAP machinery in the final days before it was called. It is conceivable that the party leadership accurately assessed the likelihood of the Scullin Government's defeat and alerted principal machine figures in all states. There are some hints of a rapid cranking up of the machinery in line with such an alert. On November 23, two days before the Scullin Government was defeated in the House of Representatives, Grenfell Price wrote to Lyons:

In regard to finance, I have called a meeting for Tuesday, and shall probably write to Mr Willis [of the National Union] at once. I have told Mr [J.L.] Price [Secretary of the Federal Parliamentary Party] that we are ready for the election here if you can defeat the government this week.57

The issue on which the combined opposition forces and the Beasley group defeated the Government was not one which the UAP could take to the people. Essentially, it was a minor and parochial matter in a context of grave economic crisis: the way in which men were selected for relief work at the Cookatoo Island dockyards in Sydney. In terms of national policy it was spurious, but for an Opposition bent on defeating the Government it was good enough. Schedvin has summarised the circumstances:

It was a measure of the Opposition’s confidence in their electoral prospects that they supported this flimsy motion despite its obvious paucity of substance. Lyons and Latham evidently reasoned that they could not afford to by-pass an opportunity to defeat the government however miserable the particular issue, for economic recovery might restore some of the lost fortunes of the Labor Party. The ministry was, therefore, subjected to an ignominious defeat by 37 votes to 32, and Parliament was dissolved forthwith.58

With the election due on December 19, the UAP’s national campaign machinery had to be assembled and co-ordinated with some haste. There was a general recognition that its operation during the campaign was far from adequate. Once the campaign was successfully completed, Latham described it bluntly:

57. Grenfell Price to Lyons, November 23, 1931, Box 1, Folder 8. Lyons Papers (ANL), op. cit.
58. Schedvin, op. cit., p.313.
We had a very trying time here organising a rough fight and not very much to do it on.\textsuperscript{59} Another close observer of the national campaign, the journalist Joe Alexander, described the direction of the campaign from the Melbourne headquarters as a "ghastly muddle".\textsuperscript{60}

The greatest possible use of the Lang 'bogey' was made in UAP propaganda, and by its speakers and canvassers. The advice issued to street canvassers in South Australia included this sample text:

Mr Lang could be in league with the communists. His father-in-law, Mr McNamara, is one.\textsuperscript{61}

According to one account, Archdale Parkhill, who was not squeamish about using the boot in election campaigns, fought on three points:

1. Smash the Soviet repudiationists;
2. Tune in with Britain;
3. Smash the Empire wreckers, and dump the Soviet Empire destroyers back in Russia.\textsuperscript{62}

This splendidly conveys the flavour of the UAP's 1931 campaign, with point 2 incorporating the inspirational content. South Australian canvassers were advised to put the positive side of the UAP policy in three brief precepts:

1. Government by expert advice;
2. An attempt to balance budgets;
3. National treaty of self-sacrifice, in which all sections shall share ....\textsuperscript{63}

Lyons' instinct was to open the campaign in his Tasmanian electorate of Wilmot. Describing the campaign as "all Australian" and with a national issue of greatest importance, Lyons accepted the advice of his party that he should deliver the policy speech in Sydney:

The challenge to a general election came from the Federal leader of Labor, Mr Scullin, and Labor claims that its stronghold is in the Sydney metropolitan area.\textsuperscript{64}

"Talkie" film material of Lyons was prepared for showing at meetings which he could

\textsuperscript{59} Latham to Allan MacDonald, December 22, 1931, \textit{Latham Papers}, op. cit., Series 50.
\textsuperscript{60} Grenfell Price Rough Notes, op. cit., p.17.
\textsuperscript{61} Copy in \textit{Grenfell Price Papers}, n.d., op. cit.
\textsuperscript{63} Copy in \textit{Grenfell Price Papers}, op. cit., n.d.
\textsuperscript{64} \textit{Advertiser}, December 1, 1931.
not attend, but the suddenness of the election ruined plans for a much more elaborate film presentation.65

Lyons' policy speech was not cluttered with policy items. In the main, it was a compilation of stock UAP rhetoric of the sort copiously quoted through this thesis. The speech was skilfully prepared, with brilliant use of the slogan "Tune in with Britain". As a means of popular communication, the slogan could scarcely have been improved, as it linked the election of a National Government in Britain, with its connotations of integrity and stability, to the rapidly-growing popularity of wireless broadcasting in Australia. The crucial passage of the policy speech was phrased as follows:

I would 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 a blind eye as they did to proposals for financial tricks .... Resolve to stick to the old sane ways in Government and finance.66

The reiteration by Lyons and Latham of the label "United British Party" was somewhat dishonest as no such party existed. As a means of linking the UAP in Australia to the National Government in Britain, the ploy was immensely skilful.

Striking evidence of anti-Labor unity was provided at the UAP opening by the appearance of Hughes on the platform with Lyons. In response to repeated calls from the crowd Hughes spoke briefly, saying that in the fight ahead there was no division and stressing the importance of action to counter the economic crisis:

Something must be done about unemployment which runs through the vitals of the very body of Australia like a foul cancer.67

In accordance with the campaign theme, extensive use was made of radio broadcasting, particularly in Victoria and South Australia. Grenfell Price used the wireless to a great extent and attributed to broadcasting much of the campaign's success.68 In Victoria, considerable use was made of Latham and Menzies as broadcasters, with Latham carrying much of the attack on ALP links with Communism, a role that was particularly congenial to him:

It is to be regretted that no action has been taken by the Government to suppress communism which is becoming more active and aggressive in Australia. This movement, which is anti-Australian, anti-British, and anti-Socialist, has spread so seriously in NSW that the citizens of that state

65. Lyons' papers contain plans prepared by S.S. Crick, the Managing Director of the Fox Film Corporation (Australia), for a brief talking picture of a Henry Lawson poem designed to create an atmosphere of Australian patriotism and to be released a few days before the election. It was also proposed to film Lyons' entire policy speech and show it at 20 leading country towns on the same night. This project was based on a similar venture in the British election of October 1931. See Correspondence and other material in Lyons Papers (AA), CP 103/2.
66. Advertiser, December 3, 1931.
67. Ibid.
68. Grenfell Price Rough Notes, op. cit., p.29.
have been forced to take drastic steps to check it ... [seemingly an acknowledgement of the creation of the Old and New Guards], it is significant that ALP officials have recommended their followers to give preferences to Communist before UAP candidates at the ballot box.\(^6\)

Although Lyons' policy speech was content to re-state the doctrines of financial orthodoxy and express faith that the Premiers' Plan would ultimately produce economic revival, the campaign was not totally devoid of policy. Much of it was devised hastily in response to specific requests from candidates, organisers and interest groups. The flavour of this sort of exercise was captured by Latham's mildly sardonic response to one such request:

The enclosed statement may be made by any of our candidates as setting out the policy of the UAP on the subject of peanuts.\(^7\)

Some major policy issues did arise, notably tariff reform. The Country Party believed, with justification, that the Unity Agreement which it had reached with the Nationalists and the AFA[L] in Sydney a few weeks before the elections committed the UAP to tariff reform, that is, lower tariffs. Certainly, the references to "scientific tariff revision" were somewhat ambiguous, but on any logical construction, they had to be interpreted as "lower tariffs". Lyons' policy speech was vague on the question of tariff reform, and during the campaign he largely avoided the issue, particularly in industrial electorates. The delicate politics of the situation with the UAP aiming to win a number of industrial seats was appreciated by the Country Party, although Page in his policy speech had proposed a number of reductions and other tariff reforms.\(^7\)

Two days before the elections, Latham issued a statement which indicated that a UAP Government would validate the existing tariff schedule until such time as it could be dealt with by the new parliament:

In a few words, our policy will be to abstain from violent tariff changes by direct Ministerial action and to refer all matters of importance to the Tariff Board for full impartial investigation.\(^7\)

The Country Party did not respond to this provocative statement, although Page said that it had been accepted as a "warning light". The thrust of Latham's statement was that there would be no immediate reduction in tariffs and the longer-term reductions would be few and dependent on extensive investigation.

There are a number of puzzling aspects to the timing of this statement. In a narrow sense, it may have been designed to help Fenton, who was struggling to hold his Melbourne industrial seat of Maribyrnong. It may also have been intended to maximise

\(^7\) Latham to T.W. Glasgow, December 12, 1931, Latham Papers, Series 50.
\(^7\) Page, Truant Surgeon, op. cit., p.215.
the UAP vote in industrial seats throughout the nation. A related factor was that the UAP had to win a number of these seats if it were to govern in its own right, without the need to enter into coalition with the Country Party. It is possible that Latham was setting the groundwork for the subsequent brusque rejection of the Country Party which occurred when the UAP won an absolute majority. Whatever the motivation, the Country Party came to regard Latham's statement as an act of treachery, and it was one of the principal causes of the breakdown in relations between the two parties once the election was over (see Chapter 9).

Although the election campaign was not marred by any major internal disputes, there were some sensitive areas which had to be watched. The problem of pre-selection had worked out well, even in New South Wales where hasty compromises had to be made because of the delay in achieving a workable relationship between the Nationalists and the AFA[L]. The arrangement with the Country Party meant that one Senator had to be displaced from the NSW Senate ticket to accommodate Charles Hardy. Senator Duncan, who had defected to Hughes' Australian Party after the 1929 elections and rejoined the Federal Parliamentary UAP when it was formed in May, missed out. In retaliation, he stood as an independent against Parkhill in the Sydney electorate of Warringah, but was defeated after a bitter campaign. A greater problem was the decision to stand joint UAP candidates in two Sydney seats to accommodate two other former Australian Party members, Hughes and Marks. Hughes was opposed in North Sydney by Norman Cowper, perhaps the most outstanding of the younger candidates chosen by the UAP and one with impeccable Nationalist associations. In Wentworth, Marks was opposed by Eric Harrison, who was the only major AFA[L] figure to win selection. In North Sydney and Wentworth, both candidates were endorsed as UAP candidates and the party did not indicate any official preference. Lyons managed to avoid direct involvement in the political complexities of this situation by not campaigning in either seat, although he strongly defended Hughes privately. Latham faced it squarely, whether through principle or unavoidable necessity it is impossible to say. In response to an almost plaintive series of telegrams from Hughes asking Latham to address a meeting for him, he issued a press statement supporting Hughes in general terms, although he did not campaign in the North Sydney electorate. Latham also appeared at a meeting in Bondi supporting Marks, but rejected a request to appear for a

73. Lyons to Samuel Lazarus, September 30, 1931, Lyons Papers (AA), CP 30/3. Lyons said in part: "Whatever view you may hold regarding the actions of Mr Hughes in the past, there is, I believe, no reason whatever to doubt that he will be a loyal and valuable supporter of the UAP. Moreover, no one would question his outstanding attractiveness as a platform speaker. If there were assurances of general support in his own electorate, he would be in a position to give invaluable assistance to the party as a whole in other parts of the Commonwealth."
"short space" on a platform with Harrison. Latham's justification was impeccably rational:

Mr Lyons and I are asking the electors as between the UAP candidates who are standing to give their preference to the sitting members who joined the party and voted to put the Labor Government out so as to bring about an election.\(^7^4\)

In short, Latham responded to considerations of loyalty and stability in the Federal Parliamentary UAP. Whatever the rights and wrongs of the previous actions of Hughes and Marks, they had been loyal members of the UAP and had played their part in bringing down the Scullin Government. Accordingly, they had to be supported, even against attractive alternatives with strong backing from the party machines in New South Wales (the AFA|L| for Harrison and the National Party for Cowper).

Although no public strains emerged between the AFA|L| and the Nationalists in New South Wales, the old rivalries were not completely stifled. In particular, there was some sensitivity over the collection and and disbursement of election funds. The Chamber of Manufacturers, which had close links with the AFA|L|, collected funds which it designated for the election of UAP candidates "who supported without qualification the policies enunciated by Lyons and Latham:

The committee dealing with the fund is averse to its being handed to the Consultative Council of the National Party. Will you please advise me what other channel is available.\(^7^5\)

Lyons' role in the campaign was directed to the hard slogging of a strenuous rail tour, visiting the three key states of New South Wales, Victoria and South Australia, and appearing briefly in his home state of Tasmania. He carried out his part of the campaign to the satisfaction of the party officials, Grenfell Price in particular extolling his performance as UAP leader:

Lyons showed wonderful grit and pluck. He even went to Port Adelaide [a Labor stronghold] where he had a very hostile meeting for a time.\(^7^6\)

Despite the imperfections of the UAP campaign, notably the lack of co-ordination and thorough preparation in most states, it was carried through with a degree of harmony and consistency which could not have been predicted from the turbulent relationships of the preceding months.

Whatever the defects of UAP tactics, the party had correctly assessed the popular mood. Its fundamental strategy proved triumphantly successful, granted that it was

74. Latham to Eric Harrison Campaign Committee, Latham Papers, n.d., Series 50. Lyons summarised Latham's position in view of his long standing antipathy to Hughes thus: "Mr Latham is prepared to forget certain political antipathies that he has held in order that there may be undivided support of UAP candidates in NSW and elsewhere." See letter to Lazarus, fn 72.

75. Ibid. H. Gordon Bennett to Latham, December 10, 1931.

76. Grenfell Price Rough Notes, op. cit., p.29.
attended by a considerable amount of luck. The master stroke had been the placing of Lyons at the head of the UAM, a strategy for which credit can be attributed in about equal measure to the Melbourne "Group", the Citizens' Movement, Latham, the National Union, the Interstate Conference of the ANF and Lyons himself. Although Lyons' performance had not been flawless, and he had adopted a secondary role to Latham in the Parliament, he had shouldered an arduous burden in sustaining the unity movement. This was linked to the demands of national co-ordination which the National Party traditionally exacted of its federal leader, coupled in Lyons' case with responsibility for the small group of supporters who quit the ALP with him.

There is no doubt that the success of Lyons and the UAP during this period, and during the election campaign in particular, owed an immense amount to a supportive, even subservient, press. Grenfell Price indicated the reliance of the anti-Labor forces on the press rather disingenuously:

Owing to the splendid service of the press, it has been unnecessary for us to do a great deal of publicity work.77

The press bestowed similar riches during the election campaign. In many respects it functioned as an auxiliary of the UAP, a status confirmed in a remarkable exchange of compliments between the newspapers and the party leaders after the successful conclusion of the campaign. Latham whose epistolatory style could be chilling, was almost effusive in his expressions of gratitude:

By the vigorous and loyal fight which they [the Keith Murdoch newspapers] waged from day to day for the maintenance of British traditions of soundness and sincerity in government, your newspapers did much to bring about the result which I believe is full of hope for Australia.78

Latham told the editor of the Argus, Roy Curthoys, that his paper had been a considerable factor in bringing about an unprecedented swing of voters against the ALP, particularly in Victoria.79 Curthoys provided a remarkable reply:

I knew we would win, but there were reasons why I did not expect a landslide.
I hope and believe that we are going to make splendid use of it [author's emphasis].80

There is perhaps no better example of identification of press with party in the documentation of Australian politics.

The dimensions of the landslide to the UAP, and to a lesser extent, the Country

77. Address by Grenfell Price to the Liberal Federation of South Australia, July 16, 1931. Copy in Grenfell Price Papers, op. cit.
78. Latham to Keith Murdoch, December 22, 1931, Latham Papers, Series 50.
79. Ibid. Latham to R.L. Curthoys, December 22, 1931.
80. Ibid. Curthoys to Latham, December 22, 1930. An alternative explanation is that Curthoys was stating a personal empathy with Latham.
Party, were impressive. The Federal ALP under Scullin was reduced from 35 to 14 members; the NSW ALP (the Beasley or Lang group) lost one of its five seats; the UAP increased its numbers from 23 to 40; the Country Party from 11 and to 16; there were two non-Labor independents (Gabb and Littleton Groom, the Member for the Queensland seat of Darling Downs). Six ministers lost their seats in a Labor debacle which was most marked in New South Wales and, to a lesser extent, in Victoria. With the UAP holding 40 of the 75 seats in the House of Representatives, and a clear majority in the Senate, Lyons had the ability to form a UAP Government without reliance on Country Party support. This he proceeded to do after a series of negotiations with the Country Party had proved unable to reach a workable agreement (see Chapter 9).

The only bleak spot for the UAP was Queensland where the Federal ALP won seats. Queensland had been neglected by the UAP leadership and the Melbourne and Sydney-based machines, both in funds and organisation. The result was a setback which pointed the way to the defeat of the CPN Party State Government under Moore. The failure in Queensland produced a series of bitter recriminations among Queensland parliamentarians and defeated UAP candidates. Much of the blame for the lack of success was directed to the unpopularity of the Moore Government, and the poor campaign tactics of the CPN Party which had played down the UAP. These defects were pointed out censoriously by one of the defeated UAP members, Donald Cameron:

The organisation in Queensland better wake up before the State elections. Otherwise Moore and Co will go .... I think if they had not insisted upon all the "how to vote" cards and all other publicity [being] "Country National" and ignoring the UAP altogether, I could have pulled through. I realised as the campaign progressed that it was too much to carry the Moore Government through.81

The cycle from the first stirrings of Lyons' discontent with the Scullin Government to his triumphant elevation to the Prime Ministership is one of the most extraordinary in Australian political history. Its essential features were expressed by Latham in a brief post-election comment:

The formation of the UAP under Mr Lyons' leadership offered, I believe, the one great chance to create a strong Opposition Party and bring defeat to a Labor Government. This result was eventually achieved, and the people of Australia on Saturday last set a definite seal of approval on what was done.82

Stunning as was Lyons' election victory, it did not in itself set the final seal on the UAP as a national political party organised on federal lines throughout Australia. Some of the loose ends were tied up in the succeeding months, but others were never resolved. The final section of this chapter takes the story to the end of 1937 when the UAP reached something of a plateau in terms of organisation.

81. Ibid. Donald Cameron to Latham, December 25, 1931.
The sudden calling of the election had interrupted the melding of the AFA[L] and the Nationalists in New South Wales into one branch of the UAP. (This process had been agreed on by the unity conferences in October 1931, see Chapter 7.) The procedure was cumbersome, but essentially it involved the dissolution of the branches of the two organisations through local meetings called by invitation of the executives of the two parties. For the purposes of these meetings, the metropolitan area was divided into 142 branches. There was a further category of sub-metropolitan branches covering the outer metropolitan area, the Hunter Valley and the Illawarra. The question of country branches and their representation at the convention had not been resolved at the time the election was called. It was hoped that initial meetings would be held on the same night in adjoining branches, and that subsequent meetings would elect branch officers and delegates to the party's first convention which would approve a constitution and elect a council and executive. Until the convention assembled, the party was to be administered by a Management Committee made up of equal numbers from the executives of the two parties. This was empowered to draft the new constitution and supervise the process of dissolution and reconstruction. 83

The initial stages of co-operation went smoothly enough, and on November 13, 1931, the Joint Management Committee issued a statement indicating that an endeavour would be made to hold the convention before the end of the year. This schedule proved too optimistic, and it was decided to hold the first series of meetings before Christmas, the second by January 20, 1932, and the convention not later than the first week in February. Sub-committees had been appointed to consider policy, the constitution, and finance. A smaller committee was formed to supervise the whole process, made up of one senior officer and the secretary of each party [Keysor and Warby of the AFA[L]; S. Walder and Horsfield of the National Party]. 84 At this relatively advanced stage of preparation, the election intervened and plans for the merger were deferred.

When the threads were picked up after the UAP victory, it was decided that the merger should be completed as quickly as possible so as to prepare the NSW Branch of the UAP for a state election campaign. The process was set out in a lengthy memorandum from the head office of the National Party:

Owing to the probability of an early state election, it is essential that steps

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83. Memorandum in Latham Papers, op. cit., Series 51, n.d. Annotated as "received from Mr (H.) Warby, Secretary, AFA[L] after conversation with Mr Harrison MP, Unity negotiations". The reference to "Harrison MP" is puzzling as Harrison was not elected until December 19, and the schedule outlined was approved before the election was announced. The annotation was probably retrospective.

84. Ibid.
should be immediately taken to unite all the forces opposed to Communism and the communistic policy of the Lang Government. To achieve this objective the Executive desires the Branch Executive [sic] of the National Association to take the initiative and, instead of calling the annual general meeting of the branch as would normally be done during the months of January, February or March, to take immediate steps to call a public meeting to which all electors who are opposed to the present Lang Government should be invited to be present and to join the branch of the UAP to be formed at this meeting.\footnote{85} 

This direction to the Nationalist branches went rather further than the initial charter for unity, because the meetings were told to enrol all electors supporting the UAP "regardless of their political affiliations". Branches were informed that the Vice President of the National Party, Lt. Col. the Hon. T.A.J. Playfair, DSO, OBE, MLC, or his substitute would "attend all meetings and address the gathering, explaining the purposes and objectives of the movement.\footnote{86} There was further evidence that the Nationalists had taken the initiative in a direction on how to forward details of the new branches:

As we are controlling the machinery of the UAP, these records will be held until the establishment of the new organisation ....\footnote{87} 

It is not clear whether the "control of the machinery" indicated here was a \textit{fait accompli}, whether it had arisen from the exigencies of the election campaign, or whether it had been conceded by the AFA[L]. Almost as an afterthought, officials were directed to inform officers of local AFA[L] branches of the meetings, and to hold a meeting of each Nationalist branch to finalise its affairs once the UAP branch had been formed\footnote{87} There is little doubt that the Nationalists felt that at this stage of the unity process, they were in firm control.

A number of these meetings were held before the end of January 1932, causing a violent reaction from the League, which claimed that the meetings had breached the agreement, that they were presided over by Nationalists and not jointly, and that there was a preponderance of Nationalists as office bearers and convention delegates. Although the circumstances are not completely clear, there is no doubt that the AFA[L] had been out-maneuvered by the Nationalists. Playfair, who appears to have been the major instigator, justified the moves on the basis that the agreement had been interrupted by the elections, and had not been formally endorsed by either party. This may have been technically correct, but the two parties had begun preparations for unity in the spirit of what was deemed an agreement. Further, Playfair claimed that as the AFA[L] had no funds, indeed was actually in debt, it could not have paid a share of the

\footnote{85}{Ibid. Circular in \textit{Latham Papers}, Series 51, n.d., probably from H.W. Horsfield, Secretary of the National Association.} 
\footnote{86}{Ibid.} 
\footnote{87}{Ibid.}
costs of hiring halls and advertising the meetings. As the Nationalists had to bear the whole cost, they were justified in doing the job. Playfair used the cogent argument that as the political situation in New South Wales was so uncertain, and a state election might be sprung at any time, there was no time for formalities. Besides, previous experience with the League had shown that such processes might drag on indefinitely.88

Bavin as State Parliamentary Leader, was called on to adjudicate:

While privately regretting the tactlessness with which Col. Playfair had acted, and the bad taste in ignoring the gentleman’s agreement, [Bavin] was not prepared to agree to the AFA[L]’s demand to declare bogus all those branches which had already been formed and commence proceedings all over again. He offered, however, to observe the matter of the agreement with regard to the calling of future meetings - an offer which was refused.89

A meeting of the executives of the two parties was called to sort out differences, and after mutual recriminations an agreement to form another Management Committee was reached, and wounds were salved over cocktails at the Nationalist headquarters. The AFA[L] was not able to exert any significant leverage at this time because it lacked money, membership renewals were sparse, and a member of its executive, Eric Harrison, had been elected to the Federal Parliament and was dependent for his seat and career on a united party.90

The process of branch formation was turbulent. According to Dalrymple Hay, who was closely involved as a senior member of the National Party and an intimate of Bavin, the fusion had become one of necessity rather than affinity:

... in most electorates, the new branches, instead of being the united party of their official designation, represented rather its two constituent elements drawn up in battle array to fight one another. The delegates chosen for the conference represented the first trial of strength in each branch between these elements, and those selected as delegates went forward [more] as the champion of the survival of some principle of organisation of the party of origin, than as open-minded patriots determined to build a new or better party.91

In such a conflict the Nationalists had clear advantages of ground, logistics and surprise. Furthermore, a number of them were bent on exacting reprisals on the AFA[L] for the humiliations of the previous year. Once it emerged that the AFA[L] could not hold its membership and that it was strapped for funds, it was in an invidious position. One of the ironies of the pitched battle between the two parties was that at the executive level relations was harmonious, and the Joint Management Committee were able to draft the UAP Constitution without serious problems.

89. Ibid.
90. Ibid.
91. Ibid. The Bondi Branch of the National Party wrote to Lyons asking him to clarify who was the head of the UAP in New South Wales. (Norman Thomas to Lyons, February 17, 1932, Lyons Papers, op. cit., ANL Box 1, Folder 8.)
The position of Bavin had always been one of the major impediments to unity. As noted, he was resented by the AFA[L], although the reasons for its hostility are not clear. The feeling that Bavin had not been forceful enough in opposing Lang whom he had given an easy passage to the Premiership was not confined to the AFA[L]. Important elements in the National Party felt that Bavin lacked the vigour and popular appeal necessary to counter Lang. Much of the party remained fiercely loyal to Bavin, arguing that despite his limitations, he was the best leader available. In its weakened state, it is doubtful whether the AFA[L] could have insisted on the replacement of Bavin as leader of a united party, but Bavin resolved the dilemma by resigning the leadership on the eve of the first UAP convention. His resignation was prompted by the recurrence of a debilitating illness which had interfered with his political career several times before. Although the timing was convenient and prompted much speculation, there is no firm evidence that Bavin was forced out, or that he withdrew voluntarily in the interest of unity. The new leader was Bavin's deputy, Bertram Stevens.92

Although the pre-convention skirmishing had favoured the Nationalists, there were elements in the party that regarded any dealing with the AFA[L] as a retreat from Nationalist principles. In particular, Parkhill stayed aloof from the negotiations and declined to attend the convention, describing the process of unity as misguided and wrong:

I think a perfectly good organisation has been butchered to please a few disgruntled people and I decline to act in close co-operation at this conference with Snow, Gibson and Keysor and others who did their best a few weeks ago to defeat me. The whole thing is wrong and has been rottenly mismanaged by a set of political tyros, encouraged by people who should have known better.93

Even Parkhill was not totally pessimistic about the outcome, and he conceded that in three years things might be a little better, when the foolishness of the present managers might be apparent and could be remedied.

The convention opened calmly enough, but the tension between the merging parties was vented in some pointed exchanges. In a convention speech which was generally exhortatory, Lyons traced the course of the unity movement from its origins in South Australia, its spread through every state, culminating in the setting aside of differences in New South Wales where there were obligations that did not exist in other states:

He wanted to see this organisation not a conservative one (applause), not a class one (applause), but representative of all sections ....94

92. Ibid.
94. UAR, April 1931.
Gibson responded that the middle class people had always saved the nation in time of stress, and that the UAP was a middle-class party:

They must, however, endeavour to bring into their fold those many men and women for whose rights Mr Lyons had so long stood.\textsuperscript{95}

This was hardly a ringing endorsement of Lyons' conception of a broadly representative party, despite the grudging concession that some moderate Labor people had to be included. Bruce, who had been re-elected to the Federal Parliament at the December election, avoided controversy by describing the UAP as standing for what was best in the national life of Australia, opposing all forms of extremism. Its greatest task was to hold the nation steady for another year or two.\textsuperscript{96} Bavin described the party as a new organisation enlisting all the best elements in an effort to raise standards of public life, improve political direction, attracting better men into politics, and promote a more dignified, stable and efficient system of government:

You are not here to organise for the defence of the privilege of any one class, nor to resist the notion of new political ideas, nor to fight against the changes which will bring a larger measure of stability into our social and industrial system.\textsuperscript{97}

Bavin's exposition of the rationale of the UAP leaned more towards Lyons than to Gibson and the AFA[L]. Stevens, who was facing a ballot for the leadership of the NSW Parliamentary Party, did not attend the conference, shrewd judgment in the circumstances.

The tensions between the leaders of the merging parties were multiplied many times in the subterranean processes of the Convention. Dalrymple Hay, who was a delegate, described it as a gathering which seethed with hate and prejudices, determined to take all it could win, and concede nothing:

The new constitution ... fell into this assembly like a bone to be fought over to the death, as clause by clause was snatched to victory by first one side or the other .... It ended in a fierce struggle for office. There was no chairman able to exert the slightest influence over the turbulent elements that raged around the chair. Some of the better elements of both sides withdrew disgusted .... Others stayed and made despairing efforts to reconcile the apparently irreconcilable elements of the sardonically titled United Australian [sic] Party.\textsuperscript{98}

She attributed the general tenor of the convention to the removal of Bavin's guiding hand. Bavin did speak briefly, but he played no role in the manoeuvres and machinations. With the parliamentary leadership in abeyance there was a lack of political guidance, but even if Stevens had been present as leader it is doubtful whether

\textsuperscript{95} Ibid.  
\textsuperscript{96} Ibid.  
\textsuperscript{97} Ibid.  
\textsuperscript{98} Dalrymple Hay, op. cit., pp.429-33.
he could have exerted any decisive influence. In these circumstances, the "old gang" of
the National Party was able to dominate proceedings, ensuring that all offices at the
disposal of the Convention were filled by ex-Nationalists and excluding AFA[L] representa-
tives from influence:

The 'success' of the ticket went beyond the intentions of its originators and
there was an uncomfortable silence when the results of the election were read
out - broken at last by the indignant protests of many Nationalists, unaware of
what had been going on, and the vociferous resentment of the AFA[L]. The
AFA[L] was decisively defeated and lost any chance that it might exert any substantial
influence for its principles in the UAP. The AFA[L] strand did not wither away
completely. John McCarthy has argued convincingly that subsequent disputes within
the NSW Branch of the UAP reflected AFA[L] principles, particularly on
pre-selection. Former members of the AFA[L] remained prominent in the state
machine and the federal and state parliamentary parties, but in total this did not
amount to much. For all effective purposes, the AFA[L] was buried by the merger and
the old Nationalist forces emerged predominant.

The effective working of the Joint Management Committee, particularly in drafting the
constitution, had aroused hopes on both sides that an harmonious accommodation might
be reached. According to Dalrymple Hay, the running of the "ticket" destroyed the
good feeling and sowed seeds of disturbance which it took long to eradicate. The
AFA[L] was decisively defeated and lost any chance that it might exert any substantial
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amount to much. For all effective purposes, the AFA[L] was buried by the merger and
the old Nationalist forces emerged predominant.

The final step in the formation of the UAP in New South Wales was the
organisation and conduct of its first state election campaign. This followed hard on the
heels of the Unity Convention at the end of March and the accession by Stevens to the
leadership of the State Parliamentary Party. The newly-elected Lyons Government
moved quickly to demonstrate its commitment to the Premiers' Plan, holding a
Premiers' Conference in January 1932, at which Lyons insisted that much more needed
to be done to achieve balanced budgets and reduce costs. At the same time, Lyons
and Latham prepared to move decisively against Lang. The opportunity came at the
end of January when Lang defaulted on interest commitments in London and New York.
Lang had defaulted previously in April 1931, but the Scullin Government paid the
outstanding debt, and sought to recover by legal action. On this occasion, the
Commonwealth waited for almost three weeks before paying, in effect throwing New

99. Ibid., p.433.
100. Ibid., p.434.

As far as NSW politics is concerned, the importance of the AFA[L] lies in its contribu-
tion of members of the UAP .... It also infused into the party certain ideas and attitudes
and was a factor in the removal of Mr Bavin as leader of the [NSW] UAP.
102. Schedvin, Australia and the Great Depression, op. cit., p.316.
South Wales into default and itself defaulting technically. According to Schedvin, this was a shrewd move which succeeded in destroying the Lang Government. The Federal Government sought to recover the debt payments from New South Wales by legislative measures, and a complex political battle ensued:

There followed one of the most unedifying inter-governmental struggles in Australian history, which could be likened to a comic opera if its implications were less serious.

The Commonwealth tactics in this death grapple were conceived skilfully by Latham and implemented rigorously by Lyons. The UAP in New South Wales was far from optimistic about the outcome. At the end of March, Marr described popular feeling as most bitter, and daily becoming worse:

I cannot see any escape from Langism, except through bloodshed and ... (the latter) appears more likely every day. The New Guard and the bashers and the Police have already had several clashes, the result being several hospital cases. One really has to be in NSW and Sydney in particular to realise the class hatred and bitter feeling existing.

According to Marr, Bavin's resignation was a good thing for practical reasons, although it was a distinct loss to the party. Although Marr was vehemently opposed to Lang and apprehensive about the violence from the "basher gangs", he acknowledged that not all of the fault was on Lang's side:

... on the other side we [the UAP] also have desperate people who likewise are ready and anxious for extreme methods ....

In April, the Federal Government used its new powers to take over the NSW revenues and deprive Lang of banking facilities. When the High Court upheld the validity of the legislation, Lang introduced a tax on mortgages, and instructed public servants not to pay money into the Federal Treasury as required by law. He refused to withdraw this direction and the NSW Governor, Philip Game, dismissed him on the grounds of illegality. Game installed Stevens as Premier, and the UAP fought the subsequent election campaign with the advantages of office.

In his brief period of Opposition leadership, Stevens sought to distance himself from Bavin and to present the UAP as a new political entity. He described the main plank of his policy as "the fair name of the party - the 'United Australia'". Stevens went on to elaborate this concept as the "unity of all right thinking Australians".

103. Ibid., p.352.
104. Ibid., p.353.
106. Ibid., April 6, 1932.
107. Ibid., April 28, 1932.
Stevens' attempts to dissociate himself from the previous leadership presented some
difficulties because he had been an important figure in the Bavin Government and a
prominent member of the Nationalist Opposition. In effect, he faced the tactical
problem of how to ignore his past and yet boast of it at the same time. He tackled it by
such references as "When I was Treasurer" and "in the administration with which I was
associated, I did this or that":

In such manner, he was able to refer to his past achievements with a generous
appreciation of them he did not extend to the author of his political being
[Bavin].

Lyons commented several times on the emphasis given by Stevens to the new party and
the omission of any reference to the previous leadership. Although Bavin attended two
major meetings in the Sydney Town Hall, he was effectively frozen out of the
organisation and conduct of the campaign. Stevens' efforts to camouflage the origins of
the UAP were largely successful, although it was achieved at the expense of much
bitterness from Bavin's supporters:

Mr Stevens, with a head made for lower latitudes, became giddy with the
heights to which he had climbed on another man's shoulders, and it was not
long before he gained the corpulence of spirit which matched his physical
rotundities.

Stevens' opening speech for the campaign was delivered in the Sydney Town Hall under
a banner which encapsulated the main elements of the campaign:

Through Honesty Happiness
United Australia Party
Prestige, Honour, Work and Liberty.

Apart from the bitterness of the Bavin supporters, there were other elements of the
party that considered Stevens had got a bit above himself. According to Senator
Duncan Hughes, Stevens had promised more in the policy speech than he would be able
to perform:

NSW is a worrying factor ... the general idea seemed to be that Lang could be
pushed out, 'all would be well'. Confidence would then be fully restored and
capital would flow back! (from Victoria particularly!). Now that they've
finished killing Kruger with their mouth they will find it not so simple as all
that.

The UAP election campaign was successful in organisational terms, drawing on the
machinery which had been established for the federal campaign six months before and
co-operating successfully with the UCP. The campaign was dominated by a reprise of

110. Ibid., pp.421-22. Stevens was popularly known as "Tubby".
111. UAR, May 1932.
the themes of unity, national integrity, and sound finance, with a heavy exploitation of
the evils of the Lang bogey in election propaganda:

Don’t let the Mad Mullah of Australian politics lead you to Moscow! Vote 1,
UAP and save the state.\textsuperscript{113}

According to Bruce, the "Lang fight gave us some anxious hours but thank God it went
alright."\textsuperscript{114} Stevens best captured the post-election mood of relief and deliverance:

You can go to bed now for the country is safe.\textsuperscript{115}

The relationship between the UAP and UCP in New South Wales had been
simplified by the dissolution of the PAC after the federal elections. James Kidd, the
chairman of the PAC, wrote to Lyons on December 29, 1931, advising that the Council
had finished its work and was about to dissolve:

In its valedictory message it is happy to send you congratulations and express
the hope that, in Cabinet making, you and Mr Latham will give full
consideration to the position which the primary producers occupy in the
economic fabric.\textsuperscript{116}

Lyons and Latham studiously ignored this advice to represent country interests in the
UAP Cabinet. Lyons in particular had reason to be grateful to the PAC, both for the
stimulus it gave to the nascent citizens' movement, and for its contribution to the unity
agreement in New South Wales.

The amalgamation of the branches of the NSW Country Party with the country
movement was achieved with some discomfort to both sides. The merged branches
became sub-groups of the UCM, and the rather clumsy organisation of the Country
Party was perpetuated, with Graziers' Association and Farmers' and Settlers'
Association branches still able to send delegates to electorate council meetings of the
new organisation. The UCM was more 'New Statist' than the old Country Party, some
of whose members were not convinced of the merits of partition, even under Lang.
Many felt that the Country Party should give the principal emphasis to saving Australia
from disaster and favoured closer links with Lyons and his new party, rather than the
re-grouping which produced the UCM and UCP. According to one Country Party
member, advocating new states in the context of early 1932 was a bit like discussing
what colour to paint a burning house. There was also a degree of sympathy in the
Graziers' Association particularly to the New Guard, but because of lack of funds, the

\textsuperscript{113} UAP Election pamphlet, UAP election material file ML, Sydney.
\textsuperscript{114} Bruce to Latham, June 1932, Latham Papers, Series I.
\textsuperscript{115} SMH, June 13, 1932.
\textsuperscript{116} SMH, December 29, 1931. Kidd to Lyons, December 29, 1931, Lyons Papers, ANL, op.
cit., Box 1, Folder 8. There is a copy of this letter in Graziers' Association Papers, op. cit.,
E256/250.
association did not contribute directly to that body. Once the NSW State Election was won, the UCM and the UCP settled down into a fruitful coalition with the UAP at the state level.\textsuperscript{117}

The relationship of the UAP and the New Guard is obscure, but there do not seem to have been any substantial links. The leader of the New Guard, Eric Campbell, claimed in his autobiography that he had established direct contact with Lyons and had arranged protective surveillance of Lyons' first big Sydney rally.\textsuperscript{118} There is no evidence to substantiate this claim by Campbell, or to show any substantive connection between either the AFA[L] or the NSW National Party and the New Guard. It is more likely that the AFA[L] and the NSW Nationalists had links with the Old Guard which was more subtle in its organisation and operation. As Prime Minister, Lyons firmly repudiated offers of support from the New Guard. At the height of the confrontation with Lang in April 1932, Campbell telegraphed Lyons offering that the entire resources of the New Guard without reservation be under the control of the Commonwealth Government:

Any number of thoroughly trustworthy reputable men highly organised in units under known commanders will be ready at two hours notice day or night.\textsuperscript{119}

Lyons responded with an unequivocal rejection:

Whilst we welcome at all times co-operation of all sections of the community in maintaining law and order we deprecate the suggestion that any emergency is likely to arise \textit{[such] as will require intervention by the Commonwealth or the use of organised force to this end.}\textsuperscript{120}

It is most unlikely that there was ever any functional liaison between the New Guard and elements of the UAP.

The process of formal establishment of the UAP was much less turbulent in the other states, although there were important structural changes. The Victorian Branch of the AFA[L] met on January 20 and decided to withdraw from politics, "for the time being at least". It withdrew its affiliation with the UAO and retired into a condition of "suspended animation".\textsuperscript{121} The League's State Council insisted that it was not disbanding, but would remain ready to assert itself again should the need arise. In future it would be a helpful critic, exercising a careful vigilance on legislative and political events which might be detrimental to the interests of the Australian people. According to Turnbull, the League had done its part in the Unity Movement, and there

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\textsuperscript{117} Based on material in Graziers' Association of NSW Papers, op. cit., files E256/250 and 295. See particularly R.E. Lane (New Guard Treasurer) to Tout, December 19, 1931.

\textsuperscript{118} Campbell, The Rallying Point, op. cit., pp.140-45.

\textsuperscript{119} Campbell to Lyons, telegram, April 6, Lyons Papers (ANL), op. cit., Box 1, Folder 9.

\textsuperscript{120} Ibid. Lyons to Campbell, telegram, April 7, 1932.

\textsuperscript{121} Argus, January 21, 1931.
was nothing more it could do at that time. It would not participate in the state election, or in any other aspect of state politics:

Our immediate function, it seems to me, is to stand aloof from party politics and to keep a watchful and independent eye on what is happening .... While representatives whom we have been instrumental in electing remain true to the principles on which they were elected, there will be no occasion for us to interfere. But immediately any suggestion is made to violate these principles, I hope that we shall find a virile AFA[L] in the thick of the fighting. Despite these challenging words, the League was never called on to re-establish its physical presence or to re-invoke its principles. It disappeared even more completely than in New South Wales, where in a formal sense it endured as part of the state branch of the UAP. The abrupt liquidation of the AFA[L] in Victoria ensured the survival virtually intact of the old Nationalist branch. The only change was the replacement of the National Party by the UAP, and the National Federation by the UAO. The differences between the two party organisations were virtually indiscernible.

In South Australia, the Emergency Committee wound up with similar celerity. From its inception, the leadership of the committee had stressed that it had been formed only for the federal elections and that it would not take part in the next state election campaign or organise for any other political purpose. Grenfell Price described the rationale for its demise in this way:

In February 1932 [we] disbanded. We had promised the public that we were purely a temporary body binding our candidate to no views. Efforts were made to keep us in existence, but it was thought better to go out with the tide. There were suggestions that the Political Reform League might merge with the YNO in Victoria, but this did not eventuate.

The departure of the Emergency Committee was followed by one event of considerable significance, the merger of the Liberal Federation and the Country Party in the Liberal and Country League (LCL). This highly successful union was not solely a consequence of the Emergency Committee. Negotiations between the two parties to establish a united organisation had been conducted in a desultory way since 1925. The parties had co-operated in mutual support of candidates and a common policy at both federal and state election campaigns. Although a basis had been set for a closer relationship, their successful participation in the Emergency Committee was undoubtely the catalyst for the union:

The work of the Emergency Committee in the Federal elections had again shown what could be done by united action, and after the successful conclusion

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122. Ibid.
of the campaign, a sub-committee of four was appointed by the Federation to confer once more with the Country Party with a view to amalgamation.\(^{125}\)

After meetings on March 5 and 17, 1932, a proposal for amalgamation was referred to a special meeting of delegates from both parties. One of the principal spurs to union was the need for more adequate representation of country interests in the State Parliament during the Great Depression. Another factor in the completion of successful negotiations for amalgamation was the inability of the two parties to prevent their candidates from standing against each other in elections. The joint meeting decided that a new organisation should be formed to be known as the Liberal and Country League, and agreement was reached on its objectives and constitution. All members of both parties automatically became members of the new League. Its rules and regulations were agreed at a subsequent meeting, and special provision was made for country members to formulate and promote policy on agricultural matters. A further meeting of the two parties was held on June 9, approving the arrangements that had been made, and the LCL came into existence.\(^{126}\)

The dissolution of the Emergency Committee and the creation of the LCL effectively eliminated the UAP from the conduct of state politics in South Australia. In federal elections, South Australian candidates stood as LCL candidates with the freedom to attend the party room of either the UAP or the Country Party in Canberra. This fluidity produced some strains but no real problems. One prominent South Australian member, Archie Cameron, was able to participate in both federal parties and still remain within the limits of the LCL. The LCL was to prove one of the most successful and enduring co-operative ventures in Australian political history. In part, it was a consequence of the failure of the Country Party to build up a significant following in South Australia during the 1920s, a failure which was aggravated by the success of the Emergency Committee's country organisation. In Lonie's view, the Emergency Committee had been the graveyard of the Country Party autocracy, and had allowed the Liberals to out-maneuuvre a potential breakaway neo-populist movement in the CL.\(^{127}\)

Through Bagot and Queale, the CL maintained contacts with Lyons, but it was a spent political force, although it lingered on as a nominal organisation until the mid-1930s. As with the winding up of the AFA[L] in Victoria, the dissolution of the

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\(^{125}\) Origins of the Liberal and Country League of South Australia, Adelaide, 1957, p.17. (Published by the LCL.) The creation of the LCL created some concern in the federal leadership of the UAP. Lyons feared that the merger would replicate the Queensland position where a UAP had not been formed and the CPN Party Government had been defeated (Lyons to Latham, July 21, 1932, Latham Papers, Series 51.)

\(^{126}\) Ibid. See also U.E. Ellis, "Notes on the History of the South Australian Country Party", Ellis Papers, op. cit. (These and other notes on State Country Parties contained in Ellis' papers formed the basis for his subsequent history of the Country Party.)

\(^{127}\) Lonie Thesis, op. cit., p.274.
Emergency Committee marked the end of the Citizens' Movement in South Australia. The LCL was overwhelmingly successful at the 1933 elections, after the ALP Government of Hill had split apart over the Premier's Plan. Under R.L. Butler and Thomas Playford, it governed South Australia for more than 30 years, but its subsequent organisation and development is beyond the scope of this thesis.

In Tasmania, the failure of the non-Labor forces to co-operate effectively during the federal election campaign was masked by the success of the UAP in winning all five Tasmanian seats. In the following months, an attempt was made to form a state-wide permanent organisation on the basis of the AFA[r], taking over the finances of that body, but the venture towards some sort of unity council did not succeed. The funding of the federal campaign was largely underwritten by the National Union, which found it difficult to maintain funding through 1932 because of the resources absorbed by the federal election, and the Victorian state election in May 1932. Accordingly, the subsequent co-ordination of the non-Labor forces in Tasmania was dominated by financial considerations. Apparently at the instigation of Lyons, a United Australia Financial Council was formed consisting of representatives of the anti-Labor organisations, designed to control the finances of all of the Nationalist organisations, together with any money designated for Tasmania from mainland sources, principally the National Union. There were complaints that funds were lacking for necessary organising work, both at federal and state level, and that previous allocations had been placed at the disposal of private individuals rather than organisations.128 Replying to one complaint about funding problems in July 1933, Lyons observed that there was no reason why funds should not be controlled by a Tasmanian organisation in Tasmania, "especially as there now appears to be no doubt that unity will be achieved in Tasmania."129 It seems surprising that Lyons felt that satisfactory arrangements for unity had not been achieved more than 18 months after the federal elections.

The UAP did not acquire a distinctive identity in Tasmania, and the anti-Labor forces remained a loose confederation, still divided organisationally between the north and south. The AWNL remained the most effective part of the organisation, but the YNO did not emerge as a major influence and the Reform League quickly faded away. (The YNO was abolished by the State Branch in 1937.) After the traumas of October-December 1931, the Nationalists accepted Lyons and Guy, and there were no further problems over pre-selection. Although the councils formed to conduct election campaigns were described as "United Australia" and the Federal Party was referred to

128. Tasman Shields to E.H. Willis, April 13, 1931. Willis to Shields, April 19, 1931. D.S. Shadforth to Lyons, June 19, 1931. All in Lyons Papers (ANL), op. cit., Box 1, Folder 8.
129. Ibid. Lyons to Shadforth, July 13, 1933.
as the UAP, at the state level the party remained resolutely "Nationalist" in the eyes of its members. There was some threat to the party in 1934 when the Australian Country Party sought to establish a branch in Tasmania, largely funded by the Graziers' Association of NSW. The attempt was abandoned after Country Party candidates performed poorly in the 1934 federal election. In June 1936, the United Australia and Nationalist organisations in Bass and Wilmot were consolidated through the formation of divisional councils.130

In West Australia, the creation of the UAP had no impact on the organisation of the National Party which retained its identity at the state level while serving federally as the West Australian branch of the UAP. The arrangement worked well enough. In 1930, a coalition government of National and Country Parties had been formed with the Nationalist Leader, Mitchell, as Premier. This was defeated in April 1933, and for the remainder of the period covered by this thesis the ALP governed West Australia. The National and Country Parties co-operated in the conduct of the state opposition and in federal election campaigns.131

In Queensland Moore's CPN Government was defeated in 1932, and the party performed badly in the State Elections of 1935. These results confirmed the organisational problems that had emerged during the federal campaign of 1931. The Country Party element of the party became increasingly disenchanted at what it regarded as the domination of the party machinery by Brisbane. In particular, the two members of the CPN Party who sat as Country Party members in the Federal Parliament, James Hunter (Maranoa) and Bernard Corser (Wide Bay), contended that there was no organisation behind them but the weight of public opinion. Hunter affirmed his link with the Australian [Federal] Country Party by membership of the NSW Branch, a dubious arrangement.132 In the view of one discontented member of the CPN Party "the policy and platform for the past 12 years has been dished out to us, like it or not, from Brisbane."133

On June 11, 1935, a branch of the Australian Country Party was formed by a meeting at Stanthorpe. Hunter who was then a Minister in the Lyons Government was the instrumental figure. The main objection to the CPN Party was the domination of "Nationalist" interests and the feeling that if present policies were continued, the party would be crushed at the next federal elections, just as it had been at the 1935 state polls.

133. Ibid.
According to J.J. McDonald, who had been the organiser of the CPN Party in North Queensland, the country element had been loyal, but had been "ruthlessly and shockingly betrayed on many occasions at state and federal elections". McDonald said that the State Conference of the CPN Party (presumably in 1935) had been told that members were at liberty to form branches of the Country Party. If this claim is correct, then it is possible that the CPN Party conceded the inevitability of the partition into "Country" and "Nationalist" wings. When the formation of the Queensland branch of the Australian Country Party was completed in March 1936, it took the bulk of the state members of the former CPN Party. The rump was organised as the Queensland Parliamentary UAP, with the old CPN organisation as its state machine. Efforts were made to expand the UAP membership, to establish youth and women's organisations, and to extend the organisation outside of Brisbane, but the belated UAP branch was never effective. The Country Party quickly emerged as the principal non-Labor force in Queensland.

Some anomalies remained in the Federal Parliamentary UAP. Gabb had stood under the umbrella of the Emergency Committee but remained a Parliamentary independent. Groom was also re-elected as an independent at the 1931 elections. A former Nationalist minister, Groom had been Speaker when the Bruce-Page Government was defeated in the Parliament (see Chapter 2). He rejected an invitation from Lyons in January 1932 to join the UAP, although he mostly voted with it in the Parliament. In August 1933, Lyons renewed the invitation and this time Groom accepted, justifying his return by the good performance of the Prime Minister and his government. Groom became an enthusiastic supporter of Lyons, who opened his successful campaign for re-election in 1934. The return of Groom was rich in symbolism, for it marked the end of the cycle which had begun with the defeat of the Bruce-Page Government four years before.

This ends the account of the emergence of the UAP as the dominant force in Australian politics, federal and State. The party had begun as the political arm of a broad movement which aimed to put the country straight by processes largely outside party politics. The movement was subsequently captured by the conventional political forces which it sought to displace. It is pertinent to ask just what was the UAP at the completion of the complex process outlined above. Most importantly, it was a powerful federal parliamentary party which was the party of government from December 1931 to

135. Ibid.
136. Correspondence between Groom and Lyons, January 1932, August-September 1933. Groom Papers (ANL MS 236).
August 1934, and thereafter the dominant partner in a coalition government with the Country Party. Its stature as a federal political party transcended anomalies and weaknesses in its state and grass roots organisation. In New South Wales the UAP was also a powerful parliamentary party supported by a well-organised machine. Through the 1930s, the NSW UAP governed the state in coalition with the Country Party, a partnership that was mostly harmonious and productive until its final years. The UAP was the party of government in Victoria from May 1932 to April 1935, supported by a state branch whose organisation was less integrated than that of New South Wales, but had considerable strengths. Finally, the UAP was a collection of miscellaneous elements: an ineffectual rump in Queensland after the partition of the CPN Party in 1935-36, a group of autonomous state branches which had no federal organisation, and a political phantasmagoria which materialised for federal election purposes in South Australia, West Australia and Tasmania.
CHAPTER 9
THE UAP AND THE COUNTRY PARTY

... Foll says the Country Party are like copulating cats, getting all they want and crying out all the time.

J.A. Lyons.¹

The Country Party was the most vulnerable of all the political elements involved in the re-shuffling of the deck during 1931. Federally, it was much weaker than the the National Party, both in parliamentary numbers and political organisation. The Australian Country Party (the federal organisation) was feeble even by comparison with the ANF. According to one party historian, it was never more than a council formed by the affiliated state bodies which formulated and maintained its constitution and policies.² The party’s influence was strongest in West Australia, where it participated in a coalition government with Mitchell’s Nationalists, holding the Deputy Premiership and an equal number of Cabinet portfolios. In Tasmania, the party had withered away during the 1920s and it never recovered, although a vain bid was made in 1934 to re-establish a state Branch. In Queensland, Country Party elements were merged in the CPN Party, and in South Australia the LCL was formed in 1932. The party was influential in Victoria, but its effectiveness was diminished by the factionalism which had marred its development through the 1920s and was to break out again in the 1930s. In New South Wales, the party was strong in several regions, particularly in the north and centre, but it was not dominant across the non-urban sectors of the state; powerful pockets of Nationalist and ALP influence persisted, and the party organisation was often rudimentary.³

In the Federal Parliament, the Country Party representation held up relatively

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¹ Lyons to Enid Lyons, n.d., Enid Lyons Papers, ANL MS 4852, Box 28. Hattil Spencer (Hec) Foll was a UAP Senator and a junior minister in Lyons’ third Cabinet.
³ The best guide to the Country Party development through the 1920s and 1930s is Ellis’ history, op. cit. Ellis’ manuscript notes on the Country Party in his collected papers, op. cit., also contain a variegated body of material. Much of it formed the basis for the history cited above, but part was either not included or incorporated in a different form.
well in the 1929 landslide to the ALP. It lost three seats while the Nationalists lost 15 and in relative terms its ten seats in the House of Representatives compared favourably with the Nationalists’ 14 (or 11 and 17 if their relative dissidents are counted). In terms of prestige, the Country Party and Page suffered from the debacle of 1929. The relationship between the two opposition parties was strained, aggravated by the emergence of the AFA[L] with its links to manufacturing interests and high tariff policies. The appearance of the country movements in New South Wales produced a direct threat to the Country Party. The fluidity of political forces also provided opportunity during these months, and the Country Party had some hopes:

The feeling here [Queensland] is that Lyons will be the next Prime Minister. If he could be caught into our [Country] Party ... it would bring great kudos to our party. 

Whatever affinity Lyons might have had with it, circumstances placed him in the Nationalist camp and not in the Country Party. With these hopes dashed, there were grounds for pessimism about the party’s future, expressed by a senior member, Jim Hunter:

There is a decided move to crush us out.

The Country Party was extremely suspicious of the unity movement which evolved in the early part of 1931, realistically equating “unity” with “amalgamation”. (Its rejection of the proposal to join with the Nationalists and the ALP defectors under Lyons’ leadership in the Federal Parliament was described in Chapter 5.) The decision to retain an independent identity was supported by a majority of the party, although there were important elements, particularly in New South Wales, which felt that the Country Party should have got behind Lyons. The party played its cards well through the extended unity negotiations of 1931 in New South Wales, emerging with its independence intact and with apparent acceptance of its tariff, marketing and constitutional policies by the UAP. In Victoria, the Country Party branch had been involved in the discussions which produced the UAM, but had decided not to participate in the movement. The relationship between the two parties had always been tense in Victoria. Grenfell Price described it thus on the eve of the UAM’s formation:

One other point impressed me strongly in Melbourne and that was the friction between the Country Party and the Nationalists .... I found that Lyons and the Nationalist leaders felt that the Country Party would have to be opposed, while the Country Party in Victoria was by no means prepared to move towards co-operation with the Nationalists. The best I could get [from the Country Party] was an assurance that they would not oppose the Nationalists.

5. Ibid.
in the federal sphere.\textsuperscript{6} Much of the animosity between the two parties was based on personal factors which are difficult to trace. It is impossible, for example, to find the origins of the legendary hostility between Page and Menzies, although it can be traced back at least to 1934 and may have started even earlier:

Menzies is emphatic that he would accept Paterson as No. 2, Page - No! He agrees that there will be great trouble and I cannot go to his official position - I doubt that he has one. He certainly believes the best interests of the country lie in fighting the Country Party, but why I cannot make out. ... all of his arguments are concentrated upon the disabilities of Page as No. 2.\textsuperscript{7}

The friction between the two parties partly hinged on personal factors, with Gullett the Country Party's principal target:

Sir Henry Gullett has been a political mischief maker all his political life. He is inordinately ambitious, temperamental, erratic and unbalanced in his judgements, and perhaps therefore not responsible for what he says and does. But he gets results all the same, probably owing to his connection with powerful press and other interests in the south.\textsuperscript{8}

Gullett was one source of the distrust that had built up between the two parties, but Parkhill and Latham were also strongly antipathetic to the Country Party and its leaders, and so was Enid Lyons.\textsuperscript{9} The attitude of Lyons is not easy to ascertain. He had no personal animus to that party or to Page, and his debt to Tout and the PAC was noted in Chapter 8. His attitudes to issues such as the tariff, arbitration and new states were ambiguous, with traditional ALP instincts muted if not totally repressed. Lacking strong feelings, Lyons was influenced on the Country Party by close associates such as Menzies, Gullett and Latham, and by his wife.

The relationship between the two parties and their negotiations for a coalition revolved around tariff policy. According to Page, the tariff issue dominated the political landscape and commanded what he and the Country Party did for two and a half years following the 1931 elections.\textsuperscript{10} The nub of the issue was put to Lyons in June 1931 by Norman Kater, a grazier and Country Party politician:

\begin{itemize}
\item 6. Grenfell Price, Rough Notes, op. cit., p.18.
\item 7. Keith Murdoch to Lyons, n.d., letter in Enid Lyons Papers, op. cit. It is not clear from the context whether the reference is to the formation of the Lyons Cabinet after the 1934 or the 1931 elections. 1934 seems more likely, although Menzies expressed a different attitude on Country Party participation to Charles Hawker; see footnote 51 below. It does show that Menzies was strongly opposed to Page before they ever sat in Cabinet together.
\item 8. Statement by Hunter annotated "sent to my country papers", contained in Ellis Papers, op. cit., 1006/22, possibly a response to an article in the Brisbane Telegraph, June 2, 1933. Smith's Weekly (April 25, 1931) described Gullett as having fitful qualities, and the patron saint of his political tactics was St. Vitus.
\item 9. According to Enid Lyons she and Menzies discussed their personal opposition to the Country Party while dancing together at a reception in 1931. Clark Tapes, op. cit.
\item 10. Page, Truant Surgeon, op. cit., p.221.
\end{itemize}
There is a growing feeling in this state [NSW] that the producing interests cannot survive unless the tariff is very much modified, particularly in respect of the agricultural industry and this question will be made a considerable feature in the next federal election.\footnote{11. Norman Kater to Lyons, June 2, 1931, AA CP30/2.}

Tariff policies were complicated in 1932 by the questions of imperial preference and reciprocity which were negotiated at the Ottawa Conference on Trade in 1932, and in 1936-37 by Gullett's trade diversion policies (see Chapter 10). Given the delicate balance of political forces involved in tariff policy, the Country Party's apprehension when Latham modified UAP tariff policy two days before the 1931 election was fully justified (see Chapter 8).

On the basis of the agreement which had been hammered out in October 1931, the Country Party was confident that it would enter a coalition government with the UAP once the election was won. Its leaders believed that the procedures which had governed the establishment of the Bruce-Page Federal Government and the Mitchell-(C.S.) Latham Government in West Australia would apply. The party leaders, acting as managers on behalf of their respective parties, would meet after the elections and agree on policy and the portfolios to be allocated to each party. The Country Party ministers would be chosen by its leader, subject to an over-riding veto by the Prime Minister who would also allocate portfolios. The Country Party Leader would be Deputy Leader of the Government, and the Country Party would be represented on the panel of presiding officers and government whips.\footnote{12. Page outlined the procedures that had applied to the formation of the Bruce-Page Government and contrasted them unfavourably with Lyons' peremptory attitude in a draft statement, n.d., Ellis Papers, op. cit., 1006/22.} The political climate in Melbourne where Lyons compiled his Cabinet list was totally at odds with Page's conception of how a coalition government should be formed.

A close observer of the seething political cauldron in Melbourne at this time was Page's secretary, Ulrich Ellis, who tapped accurate sources of political intelligence and told his leader what was happening:

The UAP men here [Melbourne] seem over-elated with the victory to a degree almost comparable with the Scullin-ites in 1929. They appear to be a little arrogant, and over-confident about the future and are inclined to regard the party of spare parts [the UAP] as a very substantial organisation which could do without the existence of the Country Party.\footnote{13. Ellis to Page, December 26, 1931, Ellis Papers, op. cit.} The former Australian Party members Maxwell and Hughes, supported by Gullett, were opposed to any negotiations with the Country Party because it had refused to sink its identity in the UAP. The UAP election platform had been carried by the people with a
large majority, and so it was entitled to form a government. This viewpoint found some support in the Country Party. When Page sought an expression of opinion from his parliamentary members, Senator Paddy Carroll expressed opposition to coalitions unless either side was unable to stand alone. Carroll helpfully suggested that because of the unfavourable reputation of the Bruce-Page government, both of its former leaders should stay out of the new government.\(^{14}\) The prevalent feeling in the party was that Page's presence would strengthen the Cabinet and facilitate opportunities for the enactment of party policy.\(^{15}\)

According to Ellis, the UAP Leaders and Willis of the National Union had been heavily influenced by the situation in Victoria where the UAP and the Country Party had gone into the elections without any agreement, and the UAP had won what should have been Country Party strongholds:

Many of the UAP are of the impression that much the same state of affairs existed elsewhere. They have all endeavoured to create the impression that the Country Party is an insignificant minority which has, however, one or two men who would be useful in the Cabinet room .... You [Page] and Bruce are to be kept in the background to keep Labor support .... It is not to be a coalition government, just a conglomeration of experienced men. It is not be a Lyons-Page ministry to denote a union of parties for national good. It is to be a Lyons-Latham Government to denote a union of five Labor men with a large party of 40 Nationalists [sic] ... Apparently there are no conditions; no agreement on policy. The UAP has the numbers. If the Country Party likes to acquiesce in whatever they do, they can have a couple of portfolios.\(^{16}\)

Lyons' actual offer provided for three Country Party ministers in his Cabinet: Page as Postmaster General, Paterson as Minister for Markets, and J.H. Prowse from West Australia as honorary minister. According to Page, Lyons requested acceptance or rejection immediately, "as if he were proffering a Christmas Box which it would be impolitic to refuse.\(^{17}\) Page, who had not been expecting an approach from Lyons until the New Year, hastily called his party together. Faced with a virtual *fait accompli*, there was little the Country Party could do except stand on its dignity:

It was the unanimous opinion of this meeting that the Country Party was less concerned with office or place than with the adoption of a definite policy which would solve Australia's difficulties and behind which the united parties could range themselves.\(^{18}\)

The UAP had failed to play by the rules and let Page negotiate on policy and

\(^{14}\) Carroll to Page, December 30, 1931. Telegram in *Ellis Papers*, op. cit. 1006/22. Carroll wrote to Page in similar terms on October 11, 1932. See also SMH, January 1, 1932.

\(^{15}\) Ibid. See Senator R.D. Elliott to Page, telegram, December 30, 1931.

\(^{16}\) Ellis to Page, December 16, 1931, op. cit.

\(^{17}\) Page, *Truant Surgeon*, op. cit., p.216.

\(^{18}\) Ibid. There is a copy of Page's statement in *Lyons Papers*, ANL, op. cit., Box 1, Folder 9.
portfolios. Page sought to maintain a beachhead by suggesting that he should remain in the ministry as an honorary minister, liaising with the Country Party and ensuring that the Government was stable. This argument was based on the dubious premise that the main threat to stability came from within the UAP through the presence of old-stagers such as Bruce, Hughes and William Holman (a former ALP and Nationalist Premier of New South Wales.) Lyons rejected these arguments after referring Page's proposal to his party, and the Country Party did not participate in the first Lyons Government. 19

One of the problems in the negotiations had been Page's insistence that the Customs portfolio should go to the Country Party, giving it considerable control over tariff policy. Such a request was unacceptable to Lyons and his party because of their need to placate manufacturing interests. According to Page, this was a tactical ploy, and there was trepidation in the Country Party that Lyons might accept. As Customs Minister, Page said he would have been in the position of taking the "butter out of the dog's mouth" [sic], and described it as a rotten job which would have been disastrous for himself and his party. 20 While it would have been immensely advantageous for the Country Party to have controlled customs policy, even for a short period, Lyons could not have conceded the portfolio because of the high-tariff pressures in the UAP. The portfolio went to Gullett, a further irritant to Country Party sensibilities.

Page put a brave public face on what was a major political defeat, saying that the Country Party could best help the nation from outside the Parliament, and declining to attack Lyons. According to Page, Lyons had agreed to tariff revision before the elections but this was not not understood in Victoria where Lyons' strength was concentrated. Once the elections were over, the Chamber of Manufacturers "got at" Lyons who agreed not to make too big a reduction. 21 It was a plausible explanation from an experienced politician familiar with political reality. Page claimed that he did not say "one word of pique" once the government was formed, and from the public record this seems correct. In his private comments he acknowledged the problems the Country Party faced as a sectoral party:

> We have confined ourselves too much to our electorates where it [Country Party policy] is fairly well understood, but the city looks on me as the Saracen kids were taught to look upon Richard Couer de Lion [sic] ... The more I think, the more it seems to me that we have no future as a minority party. We must demand support from all Australia, or else our opportunity for good will shrivel and die, and rightly so. 22

22. Page to Gibson, op. cit.; Page to Paterson, February 1, 1932, Ellis Papers, op. cit., 1006/22.
His Country Party colleagues were more bitter. Hunter assailed Lyons at the Maranoa (Queensland) declaration of the polls, saying that the UAP Leader had missed the opportunity of a lifetime and would disappear into oblivion in a few short months. He compared Lyons unfavourably with Bruce and Ramsay MacDonald:

The country had been promised unity and a definite program, but drunk with success, the Nationalist leader [sic] could see no further than place and power and pay for his own supporters.23

(Such rancour seems to have been partly feigned for Hunter's constituency, as he subsequently wrote to Lyons expressing regret and undertaking to make no further public criticisms.)

Not all of the advice to Lyons advocated exclusion of the Country Party. A regular correspondent, Arthur Cocks, advised him to put some representatives of the Country Party in the ministry: "as a third party they are a curse unless they accept responsibility in Government."24 Within the UAP there was some support for Country Party participation, particularly from Hawker who supported tariff reduction; at the declaration of the polls in his South Australian seat he predicted that the Lyons Government would make extensive tariff cuts. Hawker offered to relinquish his own Cabinet place to make way for a Country Party representative:

Tom Paterson [Page's deputy] sent me wires of congratulation. There are too many others on both sides ready for a brawl. I have told Cabinet that as far as I am concerned I deeply regret any estrangement and my place is not only available but gladly available to make room for Country Party reproachment [sic].25

The Country Party consoled itself that it would benefit from maintaining its identity and policy and that it would enjoy a period of critical reflection, enabling it to be ready when the UAP got into difficulties. The fact remained that it had been out-maneuvered by the UAP. In the circumstances, it could make itself a nuisance in the Parliament, which it did, and it could engage in acrimonious controversy with the UAP, which it also did. In particular, the two parties engaged in a protracted wrangle over the agreement of October 1931. Against the evidence, the UAP tried hard to show that no agreement had been reached.26

With regard to policy, Lyons made some attempt at an investigation of possible new states, but the matter quickly dropped out of sight. (New states suffered a similar fate under the Stevens-Bruxner Government which pigeon-holed a report it had

23. SMH, January 1, 1932.
25. Hawker to J.G. Duncan Hughes, January 10, 1932, Hawker Papers, op. cit.
commissioned on the subject.) On the tariff, the Country Party's worst fears were realised. The basis for tariff revision was taken as the higher levels established by the Scullin Government and not the Bruce-Page schedule. Some reductions were made but these were outnumbered several times over by increased duties. The Country Party had some success in the Parliament in getting up to ten UAP members to vote with it on tariff resolutions, but with the protectionist ALP supporting the Government, this caused only temporary embarrassment. Latham made a vigorous attempt to suppress the Communist Party, but this fell short of the deportations sought by the Country Party and was impeded by constitutional restraints. On arbitration, another matter emphasised in the pre-election agreement, the Government was extremely sensitive, with Latham curtly dismissing calls for action by reference to the fate of the 1929 legislation.27

In the parliamentary battles fought over duties on fencing wire and galvanised iron, the Country Party lacked the numbers and its strategy options were limited. The party pinned its hopes on early failure of the UAP Government or the deposition of Lyons, perhaps by Bruce, its old ally. Certainly, the Government's policies were unexciting and there was some disenchantment with its performance. Even so, its popularity remained high, and committed as it was to few specifics, it was a reasonably competent administration. The Government's role in Lang's defeat earned it much credit, particularly in the non-urban areas of New South Wales. An alternative approach for the Country Party was suggested by Ellis: that it should go into formal opposition rather than sit on the cross benches. In this way, it could prepare either for the next election, or the next breakaway from the Government, and it would get a better run in the metropolitan press, one of the Country Party's perpetual sources of complaint:

> There will be a convenient receptacle for those who are found to find the Lyons policy irksome after a while. There will be a haven ready for them .... I think it is our great opportunity to jump into prominence and make ourselves ready to jump into the breach when the next smash comes. I think the official Opposition is worth 10 portfolios in the Lyons Government with the Treasury thrown in.28

Ellis' proposal raised the possibility that a Country Party Government might be formed with ALP support should the UAP lose its absolute majority at a future election. (This happened in Victoria in 1935, see below.) Ellis' plan was too radical for the federal politics of the early 1930s, and the Country Party remained in relative impotence.

Its frustrations were vented in making the Parliament difficult for Lyons and by

27. Latham to C. White, February 24, 1932, Latham Papers, op. cit., Series I.
28. Ellis to Page, op. cit.
intermittent press criticism of the UAP Government. Lyons felt this pin-pricking keenly, although he confined irritation to his private correspondence:

Just now, there appears to be some danger for us over the pensions’ relief and Page is making the position difficult. I wish they would defeat us and we’d be out of our misery and get a little happiness. 29

Lyons also resented public criticism of his government by prominent Country Party members, Aubrey Abbott and Victor Thorby. Thorby’s criticisms were particularly galling because the UAP had supported him as a "Unity" candidate in the 1931 elections. 30

A particular problem faced by the Country Party was that the UAP had claims to represent rural Australia, as its non-urban representation exceeded that of the Country Party. There was some ambivalence about the status of South Australia’s Country Party representation because it had participated in the Emergency Committee. In Queensland, the position was also clouded because Country Party and Nationalist elements were joined in the CPN Party. In New South Wales, there had been cross party support in rural electorates, with the UAP supporting Thorby in Calare, and the Country Party endorsing UAP candidates in Macquarie and Robertson. Even in Victoria, where the party rivalry had been most intense, there had been agreement on the Senate ticket; indeed in all states except Tasmania Senate teams reflected Country Party interests. The two parties had co-operated in West Australia during the campaign, and even in Tasmania there were claims that the five UAP members had been elected with joint Country Party support. 31 The UAP leaders, particularly Latham, had carefully assessed the composition of the Federal Parliamentary Country Party when the decision was taken not to form a coalition government, and it was concluded that several Country Party members would not vote against the UAP should a matter of confidence arise. 32

If the Country Party was often critical of the Government in the press, it was berated in turn by UAP publications, particularly the *Australian Statesman* which accused it of threatening the Lyons ministry with disaster after working side by side with the UAP during the elections:

The recent action of the Country Party has added a sordid page to Australian history .... Does the Country Party realise that people are tired of sectoral claims in a time of crisis? Except for the fortunate pre-selection agreement in NSW it is doubtful whether they would have 10 members in the new Parliament .... After all there are far more country members than city

31. SMH, January 1, 1931. This claim was not substantiated, and it is not easy to justify.
More salt was rubbed into Country Party wounds when a successful coalition was accomplished between the UAP and the Country Party in New South Wales after the defeat of Lang at the NSW State elections in May 1932. In his policy speech, Stevens had stressed the alliance with the Country Party:

We will not fight the UCP. They are blood brothers and we ask them to join us in the fight to save our state - not only sections of it, and make it safe for our people.\(^{34}\)

After the elections, Stevens conducted his negotiations for a coalition on the Bruce-Page lines, and the Stevens-Bruxner Coalition Government was a successful one.

An opportunity for rapprochement emerged in October 1932 when Lyons re-cast his Cabinet after the resignations of Hawker and Fenton. Lyons wrote to Page on October 10 offering three portfolios on the basis that the loyalty of the ministers should be to the UAP Government, the Country Party members would attend government party meetings on matters which Lyons regarded as major issues, and government policy would be that stated in Lyons' 1931 policy speech. This would include acceptance of the agreement reached at the Imperial Economic Conference in Ottawa.\(^{35}\) Lyons' proposal was rejected by a meeting of Federal Country Party members. Rather disingenuously, the party considered Lyons' letter as an invitation to treat, and appointed Page and Paterson as its negotiators:

... The Australian Country Party always has been and is still willing to co-operate with your party to secure stable government for Australia. We therefore regard your letter as an invitation to discussion as to the best means whereby such an end can be secured.\(^{36}\)

Lyons' quickly made it plain that he did not want any general discussion on policy and coalition arrangements. He had made a precise proposal for co-operation which had been authorised by the UAP. In effect, Lyons' tack was the same as December 1931: an unconditional offer of portfolios which, if accepted, would bring a small group of Country Party ministers into a UAP Government without a coalition. In some ways, the proposal of October 1932 was worse for the Country Party because it insisted on acceptance of the Ottawa Agreement. Lyons' reply was not without a certain dryness:

I express my appreciation of the fact that the Country Party has in certain

34. *UAR*, May 1932.
35. The correspondence between Lyons and Page at this time is preserved in *Ellis Papers*, op. cit. File on 1932 *Negotiations with Lyons*, 1006/23, and in *Lyons Papers*, op. cit., Box 1, Folder 5. Ellis also wrote a manuscript account of the negotiations which is included in his papers, referred to hereafter as Ellis manuscript.
36. Ibid. Page to Lyons, October 12, 1932.
matters co-operated with the Country Party. 37
Apart from formal coalition arrangements between the two parties, the main stumbling
block was policy. Page conceded Lyons' first two points, primary loyalty of ministers to
Cabinet and joint party meetings on major issues, saying that these principles had
always been accepted by the Country Party. Page pointed to resignations from the
Lyons Cabinet over policy differences, and asked what was the status of the joint
agreement of October 1931 when it had been largely disregarded by the UAP. He also
stressed that the Country Party should select its ministers, and that there should be
preliminary discussion and definition:

The Country Party is prepared to co-operate in the business of government
subject to definite and clear understanding about policy and satisfactory
safeguards for its continued existence. 38

In reply, Lyons stressed that he had referred specifically to his policy speech so as to
avoid misunderstanding, implicitly repudiating the continued relevance of the October
1931 agreement. He reiterated that he should control portfolio allocation, noting that
Page had rejected the desirability of unity between the parties and had effectively sought
an assurance against unity in the future. In total, Page's letter was construed by Lyons
as a refusal, and he proposed to go ahead with ministerial appointments from the UAP.
Another exchange of letters between the two leaders made no progress, and Lyons
terminated the correspondence. The inter-change between Page and Lyons had its
humorous side; it was carried out solely by correspondence, with messengers ferrying
letters between the offices of the two leaders which were in close proximity in
Parliament House. 39

A possible reason for the Government's failure to negotiate on a personal basis
emerged on the following day, when the Ottawa Tariff Schedule was introduced into the
Parliament, with 440 increases ranging from two per cent to 17.5 per cent and only 26
reductions. Lyons' offer had included acceptance of this schedule on a sight unseen
basis. If the Country Party had given its consent to the schedule on this basis, the
consequences in its rural constituency would have been staggering. Page assessed them
in this way:

The Lyons Government introduced its main tariff schedules on 13 October,
1932 - the day on which the UAP terminated negotiations with the Country
Party .... Had I led my cohorts into the Government camp that morning, I
should have been forced to lead them out again by sunset. 40

37. Ibid. Lyons to Page, October 12, 1932.
38. Ibid. Page to Lyons, October 13, 1932.
39. Ellis manuscript, Ellis Papers, op. cit.
Lyons' highly conditional offer to the Country Party in October 1932 was possibly a bait to obtain its support for the new tariff schedule.

Over the next 18 months, the relationship between the two parties gradually improved despite persistent resentments and some squabbling. Lyons' support late in 1933 for partial restoration of parliamentary salaries secured him considerable goodwill among Country Party members. In Lyons' view, this initiative was solely responsible for gaining him an early parliamentary recess which the Country Party had intimated it might resist:

All parties think I am the real hero to see them thro' it - there is now no doubt that we shall go into recess. Apart from those who appreciate what I have done and will see us thro' the others will not risk an election so soon after the [salary] rise.41

The resignation of Gullett from the Customs Portfolio because of ill-health softened the Country Party's objections to tariff administration. Both parties had to tread with care because of the risk of endangering the NSW coalition. The attitude of the Government to rapprochment with the Country Party was set out by Latham at a meeting with representatives of the Consultative Council in July 1933:

I said to those present that your [Lyons] idea was that we should not take part in any vague "Unity Conferences" with people who had neither political responsibility nor power, but that as we were the government in office, engaged in carrying out our policy, onus should rest with the Country Party to make definite proposals for consideration before the readjustment of our relations. This attitude was cordially endorsed by those present.42

This approach was also approved by the UAP Executive in New South Wales, the state where the tensions were greatest. The NSW Executive also decided to push ahead with vigorous organisation in all federal electorates in the state, but this was deferred pending discussions with Stevens.43

In the early months of 1934, attempts were made by a private negotiator, Dr McKillop, to bring the two parties together. This resulted in meetings between Lyons and Page establishing the basis for an electoral pact between the two parties. With the federal elections approaching this was a matter of importance, and the UAP had already endorsed a candidate for the Calare seat held by Thorby, a senior member of the Country Party. On both sides there were fears of an all-out brawl opening the way for an ALP Government. Page and Lyons exchanged further letters in June, with Page offering an electoral truce in New South Wales provided the UAP accepted a joint Senate team and satisfactory arrangements on important policy. Page emphasised that the preservation of the NSW coalition was of overriding importance:

41. Lyons to Enid Lyons, n.d., probably October 1933, Enid Lyons Papers, op. cit.
42. Latham to Lyons, July 7, 1933, Latham Papers, op. cit., Series 51.
43. Ibid.
The UCP of NSW is particularly ready to give this assistance because the Stevens-Bruxner Government in NSW typifies the form of Government the people of Australia expect and under which the Australian Country Party has always been willing to work. 44

In reply, Lyons revealed the extent of the UAP's aspirations which went beyond the dimensions of a temporary election arrangement:

The UAP considers that the only permanent and satisfactory solution is a complete union of the two parties and organisations throughout the Commonwealth. 45

According to Lyons, Page's pact would provide agreement in New South Wales while maintaining conflict in the other states. He pointed to the disproportionate strengths of the two parties, with the UAP holding 19 country seats in its total representation of 38 members, and the Country Party only 16:

It can, therefore, hardly be maintained that the Country Party by any means alone represents country thought and interests. Election arrangements of a temporary kind too frequently produce compromises on policy which are satisfactory to no section. 46

In Lyons' view, complete unity would obviate these problems and enable a comprehensive policy based on the interests of the whole community to be presented. 47

Page reaffirmed that the Country Party was not prepared to discuss amalgamation, but had made a definite offer to refrain from contesting UAP seats to prevent friction within the Stevens-Bruxner Government. It sought common understanding on major policy and joint Senate teams in each state; otherwise the ALP could easily control the Senate. 48

Despite differences, an agreement was reached which provided for joint Senate teams in all states except Victoria and Tasmania. Three-cornered contests were sanctioned for the House of Representatives with reciprocal exchange of preferences. Agreement was reached on one policy item, a scheme for rural rehabilitation. According to Ellis, the two parties agreed to work out other policy matters on the floor of the Parliament in the light of electoral mandates. 49

The federal election on September 15, 1934, produced a swing to the ALP which, though small in its overall dimensions, was sufficient to deprive the UAP of its absolute majority. The UAP lost six seats and the Country Party one, and this subtly changed

44. On the McKillop negotiations, see Page, Truant Surgeon, op. cit., p.227. On the negotiations with Lyons, see Ellis, MS on 1934 negotiations, op. cit., p.8.
45. Lyons to Page, June 2, 1934. Quoted in Ellis manuscript, op. cit.
46. Ibid.
47. Ibid.
48. Ibid.
49. Ibid.
the relationship between the two parties. According to one analysis of the election figures, the UAP lost 75,000 votes, or 5.5 per cent of its 1931 vote, and 16 per cent of its seats. The Country Party increased its vote by 72,887, or 17 per cent, and lost only one seat. According to Abbott, the result was extremely favourable to the Country Party:

Perhaps that will make the UAP think if such a thing is possible.50

Latham who had always been a strong supporter of a "solo government" had retired from Parliament, but remained influential in the formation of Lyons' second Cabinet:

Keith Murdoch with whom I had lunch today told me that Latham was again and for the third time behind the scenes stiffening up Joe's (Lyons') opposition to our [Country Party] proposals.51

Menzies, who was elected in Latham's seat of Kooyong, had abandoned his previous resistance to the Country Party:

The [election] result all round was most satisfactory, though the business of Cabinet making appears to be making its own difficulties. You [Hawker] will of course be pleased that Lyons has made an approach to the Country Party - an approach which I may say fits in with my own views so long as there is a reasonably careful selection of personnel.52

There is no evidence that Gullett, who was seeking Cabinet re-instatement, resisted an arrangement with the Country Party. With fewer pressures for exclusion, Lyons was conciliatory in his third approach to the Country Party. He cabled Page on September 28, offering the Country Party two portfolios and one assistant ministership. After consulting Hawker and members of his own party, Page met Lyons in Melbourne and for two days discussed a possible arrangement. After the discussions, Lyons offered three portfolios, one of which might be the Vice President of the Executive Council. Further, the Country Party could nominate its ministers subject to veto by the Prime Minister. The offer also included the post of either Speaker or Chairman of Committees in the House of Representatives, and a post of Assistant Government Whip for the Country Party.53

This offer was an immense improvement on what Lyons had proposed previously, but although he was prepared to make some partial concessions on the tariff, it came to grief over what Page described as "fiscal action as far as Empire and foreign trade is concerned."54 Another obstacle was the Country Party's insistence that its leader

50. Abbott to Page, October 18, 1934, Ellis Papers, op. cit., 1006/24. According to Abbott, the figures he quoted had been compiled by the UAP.
51. Ibid. Tom Paterson to Page, October 11, 1934.
should be Deputy Prime Minister, a principle that Lyons was not prepared to concede. Although the divergence between the two parties had narrowed considerably, and despite Lyons' acceptance of preliminary discussions and that the Country Party should nominate its ministers, the negotiations foundered, and on October 11 a ministry composed solely of UAP members was formed. This ministry lasted less than a month, and on November 8, a coalition ministry was announced by Lyons.

The reasons for the sudden capitulation by Lyons and the UAP hinged on that party's difficult situation in the House of Representatives where it was in a minority. According to Page, Lyons sought a special adjournment of the Parliament so that members could attend the Melbourne Cup. Page announced that the Country Party would oppose any adjournment:

This brought home to Lyons the fact that he could not control the House without close Country Party support and he immediately offered terms for the formation of a composite [coalition] government.55

Page became Deputy Prime Minister and Minister for Commerce; in another concession, Lyons agreed that Page could act as Prime Minister in his absence overseas. The Country Party's Deputy Leader, Paterson, became Minister for the Interior, and Thorby and Hunter were appointed assistant ministers. Thorby had been a persistent critic of Lyons and his government and the Prime Minister accepted him with some reluctance. The tariff issue remained unresolved, but with the gradual easing of the Great Depression and partial recovery in prices for agricultural products, it became less pressing. Frictions over the tariff were gradually eased by cuts in the schedule which eventually removed it as a major source of contention.

Many years later, Bertram Stevens described the Lyons-Page coalition as possessing all the seeds of quick dissolution in the varying outlooks of its components.56 Perhaps the Stevens-Bruxner coalition was the more successful of the two coalitions, but both depended for their durability on the tact and management skills of the UAP leader. For Lyons, the installation of the federal coalition brought considerable benefits, largely through the presence of Page. Although the relationship between the two had often been strained during the preceding years, they proved extremely compatible as leaders of a joint government:

Page who entered the Government as the Prime Minister's most severe critic became his most loyal ally, wept when he died and threw his own political

55. Ibid.
career into jeopardy for his final defence.\(^{57}\)

Lyons may have had more empathy with his Country Party colleagues than he did with many members of his own party. Certainly, he saw the Country Party as a counter-poise to discordant elements within the UAP:

Matters political are going fairly well but there is a lot of unhappiness still in the party and a bit of disloyalty too. The Country Party will be our salvation and Page and his mates are playing the game to the letter so far as I am concerned.\(^{58}\)

Lyons could also disparage the Country Party, although generally in a jocular fashion, as in the headnote to this chapter. The addition of the Country Party to a government that was already a conglomeration of diverse and divergent elements brought additional strains for Lyons' leadership. As a Prime Minister who had spent most of his political career in the ALP, his Cabinet included several former Nationalists, four Country Party members, and Hughes who had led the ALP, the Nationalists and the short-lived Australian Party. It was an explosive mixture, and although it was subject to increasing tensions, Lyons was able to direct it as a reasonably cohesive group. This Cabinet saw the reconciliation of Page and Hughes, two of the great antagonists of Australian political history. Its stability and endurance owed much to Page who, once committed to Lyons, supported the Prime Minister as strongly as he had backed Bruce.

The Country Party made some headway with its policies by joining the Government. Although tariff burdens were relieved by factors largely outside its influence, it secured changes in marketing of agricultural products, and the creation of an Australian Agricultural Council. Some strains arose over the Government's attempt to divert Australian trade, particularly to the British market. This trade diversion policy was hastily conceived by Gullett and introduced while Page was overseas. As the affected countries, particularly Japan, took retaliatory action against Australian exports, the Country Party encountered constituency pressures, particularly from woolgrowers. A serious deterioration in relations was averted when the Government concluded a trade treaty with Japan before the end of 1936.\(^{59}\)

Despite the apparent harmony, Ellis felt that relations between the two parties were less cordial than they had been under Bruce and Page. In particular, the Country Party was suspicious of Lyons' ALP antecedents and it distrusted the protectionism of many of his supporters:

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\(^{57}\) Ellis, *A History of the Australian Country Party*, op. cit., p.211. The latter reference is to a ferocious onslaught by Page on Menzies after Lyons died in April 1939.

\(^{58}\) Lyons to Enid Lyons, December 7, 1934, *Enid Lyons Papers*, op. cit.

\(^{59}\) Ellis, op. cit., p.217. Material on trade during the 1930s and the trade diversion policy is contained in *Lyons Papers*, ANL, op. cit., Box 2, Folders 10 and 11.
Several times the alliance came close to break down, but the alternative of a Labor Government in which Lang might be influential, and which would certainly be even more strongly protectionist, kept the Country Party in the Cabinet. It was in truth a marriage of convenience.60

The differences between the two parties were kept mostly within the Cabinet, but occasional hints of serious ruptures filtered out. One of the most serious was a dispute over the way in which Paterson as Minister for the Interior had handled the case of Mrs Freer, the holder of a British passport who had been refused entry to Australia, allegedly on the grounds of immorality. The Freer case became a cause celebre, and a number of politicians, including Butler, the South Australian Premier, and some federal UAP back-benchers, were extremely critical of Paterson. When criticisms were made in Cabinet, particularly by Menzies and Hughes, the Country Party ministers resisted moves to replace or discipline Paterson to the point of threatening to take the party out of the coalition. From the meagre details that emerged from these Cabinet deliberations, it seems that Lyons may have supported Paterson and the Country Party on this issue. There were barely concealed tensions over the Darling Downs by-election late in 1936, which the Country Party won from the UAP, and the marketing referendum in 1937.61

Differences between the parties at the state level also impinged on the coalition relationship. The most notable tensions occurred in Victoria where in 1935 the Country Party withdrew from the coalition with Argyle after a dispute over portfolio distribution. With ALP support, allegedly engineered by the financier John Wren, the Country Party established a successful government under Albert Dunstan.62 Dunstan's Government eroded the UAP, both in the Parliament and at the organisational level. Hawker's "conservative" friends in Victoria's Western District told him they were losing all their UAP and AWNL branches to the Country Party, "because of Dunstan's fireworks".63 A senior member of the Victorian party, Wilfred Kent Hughes, said that the UAP was in no hurry to return to the Treasury benches so long as the Dunstan Government continued to put into operation a policy that was 95 per cent UAP.64 The State Parliamentary UAP was weakened by pro-Dunstan "caves". Differences between

60. Ellis, MS Paper, the Country Party, n.d., Ellis Papers, op. cit., File 8. Ellis closely observed both governments as an assistant to Page and a publicity officer for the Country Party.


62. On the formation of the Dunstan Government, see Frederick Eggleston, Confidential Notes, unpublished MS, Menzies Library, ANU, p.16.


64. Quoted in Ellis Papers, op. cit., 1006/12.
the federal and state parties emerged in 1936-37, and for a time two Country Parties functioned in Victoria. In an attempt to heal the divisions, Page was forced into nominal acceptance of the unrealistic proposal that any future federal coalition should reserve half of the portfolios for the Country Party, on the basis that half the responsibility should accompany half of the power.65

The situation was more stable in the other states, although there were some frictions. The bifurcation of the CPN Party of Queensland in 1936 produced a strong Country Party and a weak UAP, to the ultimate benefit of the Federal Parliamentary Country Party. In New South Wales, the Stevens-Bruxner coalition exerted a check on both parties and ensured that relationships in the electorate were mostly harmonious. Despite the creation of the LCL in South Australia, there were lingering problems with independent Country Party elements. In West Australia, the Country Party formed the principal state opposition party after the defeat of the Mitchell-Latham coalition in 1933, and there were frictions with the Nationalists over tariff policy and the firm resistance of the Lyons Government to the local secessionist movement. Two Country Party federal members, Prowse and Gregory, criticised the tariff policies of the Lyons Government, and participated in the secession movement.66

Initially, Lyons had sought to woo both the Country Party and the country movement in New South Wales, with the aim of bringing them into the UAM. Once the UAP was established, his tactics were aimed at absorbing the Country Party within the UAP, much as the AFA had been absorbed. In pursuing this aim, he was supported by much of the press, which maintained that the UAP and the Country Party were essentially the same body and should amalgamate. The Country Party resisted all calls for unity as tantamount to amalgamation or absorption, an interpretation that was certainly correct. In asserting independence, the Country Party was hampered by marked variations in its strength and organisation from state to state. By standing out against the UAP between 1932 and 1934, the Country Party was able to enter the Federal Government on favourable terms, and to implement part of its policies. Much of its success was due to the stature and ability of Page; by comparison, the other senior members of the Federal Parliamentary Party (Paterson, Thorby, Hunter), were not of high calibre. Parkhill in particular was contemptuous of the Country Party Ministers:

I see in the SMH that a request will be made for another Country Party minister. I suppose the idea is to add another in order to make up one competent minister in the Cabinet.67

65. Ibid.
66. Ibid.
67. Parkhill to Lyons, December 30 1936, op. cit.
The UAP gained little long-term benefit from keeping the Country Party out of government for three years. Even with a divided ALP, and despite Lyons' electoral appeal, the UAP could not sustain its absolute majority after the 1934 election. It should have foreseen this result and reached an earlier accommodation with the Country Party. Lyons lacked senior colleagues once Latham, Bruce and Massy Greene departed and the coalition gave him Page, a happy result for a Prime Minister who depended on experienced and loyal colleagues. The close relationship with Page was essential for Lyons' political survival and the presence of the Country Party in the Government did not constrain his Prime Ministership. The 1934 elections brought Lyons a congenial coalition partner, but it also brought Menzies whose advent increased Lyons' problems within the UAP.
CHAPTER 10
THE ORGANISATION OF THE FEDERAL UAP

Federal Institutions

The federal framework of the National Party was described in Chapter 2 - a federation of six state branches with a federal platform and rules, an Interstate Conference of six representatives from each state meeting every two years, a smaller executive which was supposed to meet more frequently, and a federal secretary. This structure was weak in practice, although the conference met regularly through the 1920s and was instrumental in the establishment of the Federal Parliamentary UAP. Whatever its shortcomings, there was a discernible federal structure, one that was quite lacking in the UAP which had no federal platform, rules, conference, executive or secretary. It was not a federation in the way that the National Party was a federation, and this makes the UAP difficult to categorise.

There is no ready explanation as to why the UAP did not persist with the federal structure that it inherited from the Nationalists. The existing institutions seem to have just lapsed. There is nothing in the surviving records or the press to indicate that any formal decision was ever taken to terminate the constitution, dissolve the official organs of the ANF, or to amend them in accordance with changed circumstances. In theory, the framework of the National Party remained in existence and could have been invoked at any time. State organisations of varying strength supplied the UAP with its membership, electoral organisation, policy, and justification for existence.

The absence of federal institutions did not go unnoticed by the party membership. In February 1933, the Secretary of the West Australian National Party (which functioned as the UAP for federal purposes), Allan Macdonald, wrote to Gullett expressing the hope that they would meet again at the next Interstate Conference: "I am assuming that there will be another conference some time." Gullett replied that he trusted that such conferences would continue to be held and that there would not be a long delay in convening one. Despite these expectations, the Interstate Conferences were not resumed. A meeting of what was described as the "Interstate Committee" of

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UAP organisations was held in Sydney in July 1934, attended by representatives from four states. According to press reports, this meeting was devoted largely to preparations for the 1934 election campaign, but there was also some discussion of the party's relationship with the Country Party. Occasional resolutions were put to party conventions that there should be some sort of federal conference.

That, realising the growing importance of the Commonwealth Parliament, this [NSW] conference is of the opinion that there should be held annually a federal conference of the UAP, comprising delegates elected by state councils, in order to deal with those subjects appertaining to federal politics, and at the same time to give consideration to strengthening the UAP as an organisation of national character.

In general, the absence of federal machinery was not a preoccupation of the UAP membership or the state organisations.

Some attempt was made by Lyons to establish a federal body which embraced policy and publicity functions. An elaborate proposal for the establishment of federal machinery was made by Richard Casey, who was a member of the Federal Parliamentary UAP and subsequently a minister in Lyons' Cabinet. Casey's proposal was supported by Bruce and Latham, and formed the basis of the proposal pursued by Lyons. Casey suggested a Research and Publicity Bureau which would undertake "long-range thinking" on future anti-socialistic policy, and assist the leaders of the anti-socialist forces in the day-to-day work of government:

The burden of government today is such that Cabinet has but little time for forward thinking. All its time and energy is absorbed in the business of the day. There is a great need of a small "thinking machine" to which the government can put its problems involving future policy and have them worked up to the stage at which Cabinet can consider them. Unless we have some such organisation we are liable in certain circumstances to be caught unprepared.

According to Casey, such a body could investigate current government business, correlating the advice of departments and getting the views and reactions of extra-parliamentary bodies on government proposals. Cabinet had to do this as best it could, and under the pressure of parliamentary work, ill-considered legislation was sometimes brought forward. Casey estimated that a Research and Publicity Bureau could be established for 3,500 pounds a year. Bruce warmly endorsed the proposal, recollecting that his own efforts at policy development had been inhibited by lack of

2. West Australian, July 17, 1934.
4. R.G. Casey to Bruce, May 5, 1932, copy in Latham Papers, op. cit., Series 51. The proposal was in some respects similar to the structure suggested by Grenfell Price for the 1931 election campaign, although Casey was more concerned with longer-term government policy.
5. Ibid.
support: ministers could not work out all of the ramifications of policy because of the overwhelming amount of administrative and parliamentary work, and public servants were unable to do it because of their specified duties. Both agreed that party publicity had not been very effective because it had been hampered by lack of funds and proper organisation. According to Casey, publicity campaigns had been hastily organised on the eve of elections, and publicity ("I hesitate to use the word, propaganda") had been neglected between elections. In terms of UAP spending on election campaigns, the outlay suggested by Casey was modest, and Lyons proposed such a body to the two major financial sponsors of the UAP, the National Union and the Consultative Council, on at least two occasions, but the Research and Publicity Bureau was never formed.

With no federal secretariat or other support structure, the UAP had no federal structure in any formal sense. Hart suggests that the federal organisation, if such it can be called, comprised the Leader and Deputy Leader of the Federal Parliamentary Party, senior members of that party in the confidence of the leader, together with the National Union and the Consultative Council. Otherwise, the strength and efficiency of the federal "organisation" depended on the effectiveness of the state branches and the role of Lyons as federal co-ordinator. Hart does not suggest that the loose grouping he nominates existed in any constitutional sense, and the ad hoc organisation he describes was largely an extension of Lyons' role as federal leader. In real terms, Lyons as federal leader was the federal organisation of the party, assisted by a few senior colleagues such as Latham and Pearce, and by his small personal staff, particularly his publicity officer, Martyn Threlfall, and in later years his press secretary, Irvine Douglas. Apart from his parliamentary and executive duties, Lyons had to rely on his own resources for the enormous task of co-ordinating a federal political party and making it function effectively.

**Lyons as Co-ordinator**

In this task of federal co-ordination, the relationship with the sponsors and the state organisations was of prime importance. Hart has described its character thus:

Lyons was not only the main link between the federal government and the National Union and the Consultative Council, but also the main link with the state organisations; he was therefore the single most important element in the party structure. And to a large extent, he alone was also the federal

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7. Ibid.
8. Lyons to Grenfell Price, op. cit. See also Hart, op. cit., p.134: "In the early 1930s there were some attempts made to form a federal organisation by Lyons and other federal parliamentarians working with the National Union, but these all failed."
Lyons took his role as link with and co-ordinator of the various organisations and finance committees seriously and devoted considerable time to making them work as effectively as possible.

The nature of the financial sponsors of the National Party was described briefly in Chapter 2. Information about the functioning of sponsor bodies in the 1930s is extremely meagre:

The shadowy finance committees in the various states were known to exist and occasionally appeared publicly, or reference was made to their existence, but little is known, even today, about their activities.11

The principal sponsors remained the National Union in Victoria and the Consultative Council in New South Wales. Finance committees were largely defunct in the other states, although one functioned briefly in West Australia in 1932 and the West Australian National Union was re-formed in 1936.12 The National Union was affiliated with the UAP in Victoria and was represented on its formal bodies although never formally identified in the UAO Constitution13 (see Chapter 12). The Consultative Council was not officially recognised by the NSW Branch, whose officials either denied its existence or asserted that it had no connection with the UAP:

The Consultative Council is a body quite apart. It has no voice in the party’s policy or in the activities of the UAP.14

Despite these disclaimers, the Consultative Council collected all of the NSW branch’s funds, excluding membership fees, although the state constitution provided for a party financial committee and two honorary treasurers (see Chapter 11).15 In terms of national influence, the National Union was the stronger body, funding activities in Queensland and Tasmania, and transmitting funds from donors with Melbourne headquarters to other state branches. (General Motors which had important works in Adelaide was one company which supplied funds for inter-state distribution to the National Union.) The National Union met regularly with the Consultative Council and may even have exercised some discreet surveillance of it. Certainly the members of the National Union saw themselves as having sovereign responsibility for the welfare of the UAP, as Knox indicated to Lyons:

We who are responsible for the successful running of the organisation must play

10. Ibid., p.174.
12. Ibid., p.71.
13. Ibid.
15. Watson, op. cit., pp.74-75.
our part in these difficult times.  

The two sponsors met jointly with Lyons and senior party officials, although it is impossible to say how regularly these meetings occurred. In April 1934, Snow, the President of the NSW branch of the UAP, organised a meeting attended by Lyons and Stevens (the federal and state parliamentary leaders), Knox and Willis (the senior officers of the National Union), and Telford Simpson (the chairman of the Consultative Council). Such meetings were ad hoc and cannot be seen as some sort of national management committee. Knox who visited Sydney regularly spoke to Lyons about spending some time with the executive of "our organisation" there and "getting closer" to the NSW machine. These activities of the National Union in Sydney required a certain diplomacy and it does not appear to have asserted any hegemony:

The party position in Sydney requires constant attention by way of friendly inquiry. Mr R.W. Knox discussed it with me, and something has been done, but it doesn’t appear possible to find the executive officer required.  

The Consultative Council confined its activities to New South Wales, where it exerted considerable influence on party policy and administration. In July 1933, Latham urged Lyons to meet the Consultative Council and discuss with it the Country Party and tariff policy. He warned Lyons to watch "some of them", referring to one member, an F. McMahon in particular. One of the purposes of this exercise was to check Tout who, according to Latham, "seems to have been working against us in several directions." He also urged the Prime Minister to consult with Willis (of the National Union) before seeing the Consultative Council. On another occasion, Latham reported to Lyons on a meeting in Sydney with a small group which comprised representatives of the Consultative Council and the state branch of the UAP. The meeting discussed effective presentation of federal government policy on public expenditure, special propaganda on banking nationalisation and Communism, relations with the Country Party, and Casey’s research and propaganda proposal. Telford Simpson, the Chairman of the Consultative Council, was extremely close to both Lyons and Stevens.

These two major sponsors facilitated Lyons’ work as federal leader and

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17. Hart, op. cit., p.158.  
18. Knox to Lyons, op. cit.  
20. Ibid. Latham to Lyons, July 2, 1933. McMahon does not seem to have been a prominent figure in the UAP machine, and the basis of Latham’s distrust is unclear.  
22. See correspondence in E. Telford Simpson Papers, ML MSS 498/7, Mitchell Library, Sydney. A letter from Telford Simpson was found on Lyons’ person when he died in April 1939. Stevens corresponded with Telford Simpson while he was overseas in 1937, at one point suggesting that Bruxner should take over as NSW Premier.
co-ordinator of the UAP. On what is known, they did not constitute even informally a network for federal co-ordination. Certainly, the National Union resisted attempts to establish any sort of national framework, as the LCL of South Australia discovered when it suggested that a national finance committee should be set up. It was advised by Knox and Willis that no organisation for the collection of funds was required. Such coolness is a possible explanation for the failure to establish Casey’s Research and Publicity Bureau. The two major sponsors concentrated their spending and under-writing on election campaigns, and were reluctant to fund organisational work of any kind.

Lyons and the Sponsor Bodies

If the sponsors were content to work largely through Lyons, what influence did they have on the Prime Minister? Hart made an exhaustive examination of the surviving records of Lyons’ contacts with business interests, including the National Union, and concluded that although Lyons took note of such advice, and on occasions incorporated it into policy, he was not unduly influenced nor did it restrict his independence or impair his integrity. While Hart’s analysis is convincing, some material that has since come to light suggests that the influence on Lyons of the National Union in particular was greater than he concluded. For example, Lyons was encouraged to proceed with partial restoration of parliamentary salaries late in 1933 by National Union concurrence:

I found out that Willis and our friends favoured it ... The National Union also undertook some services for Lyons and may have provided some favours, albeit of a relatively trivial kind:

Willis says they are all hoping [you] and I will take a holiday somewhere and they want to make it possible for us - pretty good aren’t they? (There is no evidence that Lyons ever took up this or any other offer from the National Union.)

Willis told me that all the business done for us while [we were] away would be without charge so we have saved something.

More importantly, the National Union may have had the ultimate disposal of Lyons’ leadership, although the evidence is not conclusive. After the 1934 elections, Lyons discussed the leadership at some length with Willis:

27. Ibid. Lyons to Enid Lyons, n.d., probably late 1936.
I have had quite a talk with Willis about my position and I told him that as we
induced Menzies to come in in expectation that he would succeed me I was
quite prepared to stay out or go in according to their wish. Before I finished he
[Willis] interrupted to say, "I know what you are going to say and I want to
tell you our people are unanimously of the opinion that Menzies is not ready for
the job and that you have got to remain to lead us at the next election. He
was very definite about it and added that not only did they blame Bob for the
loss of seats to the Country Party in Victoria, but that he is held responsible
for the loss of Allan Guy and Hutchins [in Tasmania] by his antagonism of the
crowd through using his cleverness at their expense. ... Anyway apparently
Victoria is very emphatic in its support for me."

Lyons’ apparent willingness to stand down for Menzies if that was the will of the
National Union throws an interesting sidelight on the role of that body, which had been
closely associated with Menzies. It may have been intended that Menzies should succeed
Lyons much earlier than has been commonly supposed. It may also explain something of
the gradual deterioration in the relationship between Menzies and Lyons. Although the
evidence is meagre, the National Union possibly exerted a greater influence over Lyons
than Hart’s analysis suggests. Much of Lyons’ association with the National Union was
directed to meeting small groups of businessmen at what Knox described as “intimate
gatherings”. Such liaison was certainly for fund-raising purposes, and it did not go
beyond the limits of what has always been a legitimate part of a political leader’s
activities.

Lyons and Leadership

The nature of Lyons’ contacts as Federal Opposition Leader with the state
organisations, influential figures such as Grenfell Price, and the Citizens’ Movement
leaders was described in Chapter 8. As Prime Minister, these contacts were maintained,
despite the extinction of the Citizens’ Movement. Part of the responsibility was fulfilled
by regular attendance at party conventions and conferences. Even apart from election
campaigns, Lyons engaged in a gruelling sequence of provincial visits:

Though not by any means recovered from the eye strain from which he has
been suffering, the Prime Minister, accompanied by Mrs Lyons, set out from
Canberra on June 13 to fulfil a heavy program of engagements on the South
Coast ... fallen trees across the road held up the car for an hour, and then later
a large mob of cattle blocked a long bridge .... The program for the next day

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28. Ibid. From its placement and textual references, this letter appears to have been written in
the months after the 1934 elections. Hart who located a similar text in a miscellaneous folder of
correspondence in Lyons’ ANL Papers attributed the conversation with Willis to the period after
the 1937 elections. If this is correct then the conversation has to be treated in rather a different
light. Enid Lyons arranged the papers in this set of correspondence and by placing it in a context
of letters written in late 1934-35, there is an implication that it was also written then. Further­
more, the references to Menzies’ part in the defeat of Guy and Hutchins refers specifically to the
1934 elections. An unquoted section of the letter refers to a conversation between Lyons and Guy
in which Guy criticises Menzies’ campaigning in Tasmania in the context of his defeat.
was a very heavy one ... the Prime Minister spoke no less than 11 times during the day ....²⁹

Such visitations had civic elements but were also firmly focussed on UAP branches and the party faithful, for whom Lyons was the manifestation of the federal party.

The burden of leading the Federal Parliamentary Party and co-ordinating the federal activities of the UAP imposed tremendous strains on Lyons and affected his leadership. These pressures showed up mainly in his correspondence with his wife:

I'm beginning to care not a damn what happens to S92 or the Government or anything else.³⁰

On other occasions, they were clearly apparent to his colleagues:

The only visitor [to Adelaide on the 1937 referendum campaign] was Joe [Lyons] ... He struck hot weather and a bad hearing in the Town hall, and it was just after Ogilvie's [the Tasmanian ALP leader] win in the Tasmanian election, so he had a good deal to fret about. He appeared to have wasted none of the opportunity for despondency. When he left for England he had only part recovered.³¹

Early in the tenure of the UAP Government, Bruce noted that Lyons was frequently exhausted in the Parliament.³² Solicitude was partly responsible for the proprietorial attitude that Bruce and Latham adopted towards Lyons, but there was also a patronising element. The two elder statesmen of the party decided that it was necessary for them to guide Lyons:

Good as the Prime Minister is it would not be fair to leave him without either you or me when Parliament was sitting.³³

In retrospect, Bruce was disparaging about Lyons' qualities and tended to overstate his own role in guiding him:

He was a man of great personal charm and decency but hopeless at running the government. However he would listen to advice - I held his hand for the first months he was the (Prime) Minister. Then Latham took over. Latham's defect was that he could not see that handholding needs to be done in private. He could not resist making it evident to the outsider that he was really in charge; he could not resist being publicly the leader. In some ways Menzies had the same fault later on.³⁴

Hawker described Lyons and Fenton as having a doglike devotion to Latham, "really something more than our discriminatory loyalty."³⁵

Despite these impressions, Lyons was fully aware of the pretensions of Latham and

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²⁹. *UAR*, July 1934.
³³. Ibid.
Bruce, and seems to have tolerated them with a degree of private amusement.36 His approach to Latham was not without a patronising edge of its own:

It is strange but I feel more capable of handling the job when poor old Latham is not here - he fidgets and worries himself into ill health and we'll just have to manage when he is gone altogether ...37

Despite the subtleties of these relationships, Lyons in his first term of office leaned heavily on the experience of Latham, Bruce and Massy Greene. All three had left his Cabinet by the end of 1934, and the gap was not filled by Menzies, although Lyons drew heavily on the support of Page (see Chapter 9). Despite the fits of despondency observed by Hawker, Lyons evolved his own populist style of leadership. Hawker acutely defined the essence of Lyons' conservatism:

Disraeli was a conservative of tradition and romance, Lord Salisbury of the land, Bonar Law of successful industry. This man [Lyons] is a conservative of the man with small savings, a home of their own. It is in his bones and is genuine but independent of isms and dogmas and als and ives.38

In practical terms, Lyons' style of leadership has been captured best by Ulrich Ellis:

He [Lyons] was not a statesman but a good chairman who did not inspire his ministers as another might have done, but smoothed out their mutual antagonisms, co-ordinated their efforts, and for seven years maintained a pattern of united effort in what was virtually a national crisis government.39

Others were disposed to be less sympathetic to Lyons' style of leadership. According to the newspaper proprietor, Keith Murdoch, who had enthusiastically supported his accession to the UAP leadership, Lyons was a "conciliator, a peace man, and, of course, a born rail sitter."40 Another critic emphasised the Prime Minister's undeniably pedestrian qualities:

He [Lyons] has given Australians humdrum politics. They have not been uplifted by his leadership. For he hasn't cheered them in his struggles to make the best of things. Mr Lyons has been a plodding patriot and sterling though his very ordinary gifts may be, he has neither the lilt nor the brisk tempo that sets the nation marching gaily forwards.41

Even a staunch supporter like Pearce felt that by 1936 Lyons was prone to uncertainty and too frequent compromise, that he was too much influenced by the press and people outside the government, too disposed to indecision.42 By this time, there were frequent "whispers" that Lyons would retire from politics to accept the chairmanship of the

36. Enid Lyons, Clark Tapes, op. cit.
37. Lyons to Enid Lyons, n.d., Enid Lyons Papers, Box 28, op. cit.
38. Hawker to Duncan-Hughes, January 10, 1932, Hawker Papers, op. cit.
41. Smiths Weekly, July 30, 1934.
42. Peter Heydon, Quiet Decision, a Study of George Foster Pearce (Melbourne, 1965), p.119.
Interstate Commission or the High Commissionership in London. He was compelled on a number of occasions to deny these rumours. Whatever the shortcomings of Lyons' leadership, he was unchallenged between his assumption of leadership in April 1931 and the formation of his third ministry after the 1937 election.

Despite the often mundane qualities of his leadership and political style, Lyons also possessed an ability to lift his performance, on occasions transforming it into inspiring leadership. This was demonstrated most consistently in the Parliament, but it also emerged on other occasions. Menzies, who tended to patronise Lyons as did Bruce and Latham, was effusive in his praise of Lyons' performance in the United Kingdom in 1935:

... Lyons makes most admirable speech [at an official luncheon at the Dorchester Hotel]. He is doing famously and I may be well content to be in the background while he does as he is now doing.

After a reception given by the King at St James Palace for dominion representatives, Menzies recorded that Lyons' speech was excellent and he was the only dominion minister not to read.

Lyons' ability to transform his performance was demonstrated most consistently during election campaigns, as acknowledged by Bruce, who in his later years tended to belittle Lyons:

Lyons had one brilliant and indisputable gift as PM - he could win elections. In many ways, Lyons was the most remarkable winner of elections in the history of federal politics in Australia. There is no achievement comparable to his feat in winning three successive elections convincingly. Certainly, Lyons was favoured in 1931 by the disintegration of the Scullin Government and the looming crisis with Lang. In 1934, Lang was till a potent threat and the ALP was still badly divided. It is arguable that in these circumstances a leader of less popular appeal, such as Latham, could have won well. There can be no such reservation about Lyons' victory in 1937, achieved in circumstances of popular disenchantment with the UAP which faced a re-united ALP.

The political context of 1937 was described by Murdoch:

Politically things are not at all clear. Labor opinion is strong in the country. The people do not particularly want any reform, but they feel that the youths of the country are having a hard time. They are beginning to dislike the Lyons Government most heartily. Certainly there has been a great and distressing

43. Australian Statesman, June 1936.
44. R.G. Menzies Diary, 1935 Visit to England, Volume A, p.79, Menzies Papers, ANL MS 4936. Some of Menzies' comments later in the tour were less flattering: "Lyons too long and should avoid figures - he is getting tired." (Diary C, p.217).
45. Ibid.
46. Edwards manuscript, Edwards Papers, op. cit.
drift in political leadership. The Federal Government had been plagued by the loss of a crucial by-election (Gwydir in New South Wales) to the ALP, by the defeat of a marketing referendum, and by a number of examples of administrative ineptitude, particularly the Freer Case. The old cries of "sane finance", "inflation" and "repudiation" had lost much of their magic with the waning of the Depression. Even Lang had shed much of the diabolical quality which had brought an automatic response at the polls in the early 1930s. Lyons had been despondent and dispirited, and he had been absent for several months in Europe. In July, Hawker found everyone in Sydney "moaning" about the certainty of an ALP Government, except the former Nationalist Premier, Tom Bavin. In such an unfavourable atmosphere, Lyons returned from Europe and, campaigning on the dual themes of defence preparedness and imperial co-operation, won an impressive electoral victory.

Lyons' achievement as an election winner was all the greater because of the lack of a federal electoral machinery. Election campaigns demonstrated conclusively that the federal administration was vested in Lyons with only limited assistance from the party. For example, in 1934 he was assisted with the policy speech by Latham, Parkhill, Pearce and Menzies. As the senior parliamentarian, Parkhill was attached to the NSW branch for the campaign, and he co-ordinated Lyons' NSW campaign and made some other arrangements for him. Otherwise, Lyons was largely dependent for organisational support on his private office, and the efforts of the state parties. There was no national campaign in the contemporary understanding of the term. While other areas of Lyons' performance are open to criticism, it is difficult to fault him on the hustings, an area where he was reliant on his own skills and energies. The extent of his logistical achievements during elections surprised even Lyons, who attributed them partly to improved travel:

I am a little surprised at times that I keep going. Without the modern assistance of air travel I would not have been able to cover so much ground or to have kept so fit. In many ways, Lyons was the ideal leader for a party whose limited federal organisation was dominated by election campaigning.

Lyons and the Press

49. *West Australian*, June 8, 1934.
Handling the press occupied a lot of Lyons' time and he regarded this function as one of his main problems. Lyons' correspondence has many instances of the co-operation he received from the press, particularly from editors. His relationships followed a pattern of contacts at the three levels of proprietor, editor and reporter which all Australian Prime Ministers have applied with different levels of emphasis. Lyons' relationships with press proprietors are usually conceived in terms of his friendship with Keith Murdoch who supported him vigorously from the time he first challenged the ALP Caucus in 1930. The association between Murdoch and Lyons has given rise to a good deal of myth, particularly to the suggestion that Murdoch dominated Lyons and gave him his instructions on behalf of Melbourne business interests. The reality is much less picturesque. Lyons visited Murdoch on occasions at his *Melbourne Herald* offices or at his home for the reason that it gave Murdoch pleasure and it did not inconvenience Lyons. Despite Murdoch's support and the regular contacts between the two, Murdoch's influence was not decisive in Lyons' rise to Prime Minister; in every respect he was less important than the "Group", the National Union, and Latham and his colleagues in the Federal Parliamentary National Party. Rather than subservient, Lyons could be dismissive in his response to Murdoch. On one occasion, Murdoch telegraphed Lyons pointing out that evening newspapers would appreciate any forecast that could be given of the budget. Lyons' reply was curt:

Cabinet decision is that no prior information be disclosed until budget speech is delivered in Parliament .... That is deal that has always been observed and its maintenance is considered to be only fair in the interests of both morning and evening press.  

Little is known about Lyons' relationship with the other proprietors, but they seem to have reflected the preferences of Warwick Fairfax, of the *Sydney Morning Herald*:

We have always felt that our contacts with leaders of the state and Commonwealth of whatever party they may be, will be of greater mutual benefit if they are made privately.  

As noted in Chapter 8, Lyons' relationships with newspaper editors were close and the crucial part of his press relationships was conducted at this level. The close identification of editors such as Curthoys of the *Argus* and Broinowski of the *Brisbane Telegraph* and their frequent use of "we" when referring to the UAP has been noted. With an almost symbiotic relationship between party and several editors, Lyons was able to provide them with advance information of Cabinet decisions, brief them on government policy and rebut criticisms before they could do damage. According to Hart, Lyons' publicity officers wrote favourable articles for the press which were misleadingly attributed to "correspondents":

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52. Ibid.  
Newspapers also assisted the government either by not publishing the attacks of its critics, or by so censoring them that their impact was lost, and by heeding Lyons' requests for favourable reporting and, occasionally, for silence on contentious issues.  

Reporters were inclined to be more sceptical although generally approving of Lyons' modus operandi:

Joe always used to get along extremely well [with reporters] - perhaps because he was always cheerful, affable, talking about things ... he might tell you something one day and it would turn out quite wrong the following day, but it would not matter.  

On a formal basis, Lyons held two press conferences a day, one for morning press representatives and the other for the evening press. According to Hart, this created friendly relations and mutual trust with most parliamentary reporters who believed that Lyons took them into his confidence, despite occasional kite-flying. Lyons also broadcast weekly summaries of government policies and encouraged his ministers and the party branches to use radio frequently.

Notwithstanding the general willingness of most newspapers to assist the UAP, there were some criticisms. Party leaks from the Cabinet and party meetings embarrassed Lyons and disrupted his political planning; an example was the leaking of his intention to hold an early election in 1937. Premature disclosure caused such discontent among his parliamentary supporters that Lyons was forced to abandon his plans. Lyons had to ask ministers to stop unauthorised and misleading disclosures of only partly-decided policy:

... Lyons warned that "statements of policy are the prerogative solely of the Prime Minister, and even so I would not consider making any statement on behalf of the Government without first being certain of the views of the Cabinet".

Some newspapers resisted the attempts of Lyons and his colleagues to draw them into the ranks of UAP "claque". In particular, the Age consistently criticised the UAP in Victoria and was often unenthusiastic about Lyons' Government, describing it in July 1935 as an "uninspiring conservative administration. Few governments have derived so

55. Edwards manuscript, Edwards Papers, op. cit. According to Jay P. Moffatt, the U.S. Consul in Sydney, Lyons had as many problems with the press as the average American official, maybe more...  

The different Sydney papers have been announcing what purports to be the government policy - or what they would like it to be - and these reports have provoked a series of denials from Canberra (Jay P. Moffatt, Australian Diary, ANL Microfilm, 7251, p.14).  
57. Ibid., p.179.  
much self-satisfaction from doing so little. Lyons was sensitive to press criticism, although he kept his feelings largely to his private correspondence. In particular, he resented what he interpreted as an attempt by the SMH to displace him with Bruce:

The SMH continues its campaign ostensibly for Bruce but in fact against me but all the people who are worth while stick to me including the party and Cabinet. They are only afraid that I might be influenced by the press stuff and resign and they would then be in a hole. They are now pulling all sorts of things to stop the Herald. It must be a blow to them [SMH] today to publish Bruce's resignation when yesterday they demanded his return .... Anyway Cabinet is a very happy family ...

Lyons and Cabinet

The picture of Lyons' Cabinet as a "happy family" is somewhat belied by the press leaks and other suggestions of ministerial dissidence discussed above. It its early months the Cabinet was united by the resolute action it engineered, largely through Latham's legal and tactical skills, to bring down Lang. Once this unifying cause was removed, dissensions emerged in the Cabinet despite frequent public protestations of harmony, as in this attestation by Parkhill:

Mr Lyons had endeared himself to every member of the Government. Since Mr Lyons had been Prime Minister there has not been the slightest dissension in the Cabinet. He was a man of transparent honesty of purpose and showed outstanding ability in carrying out the administration of the nation's affairs.

At much the same time [late 1933], Lyons was giving privately a rather different account of Cabinet proceedings:

Yesterday at the close of the House, Latham said he was pretty well worn out and the week had been the worst ever experienced. He added that he thought we had never been nearer to breakdown of the Cabinet .... We will have to have Cabinet when the House rises but not for long.

From the early months there were threats of ministerial resignation, particularly from Fenton:

I understand that Fenton actually resigned because of the alterations to the [broadcasting] Bill rendered necessary by party discussions. Fortunately the press did not get hold of it but I am afraid old Jim [Fenton] will do the resigning act once too often one of these days.

Fenton did resign later that year because he felt tariffs were too low. Gullett and Stewart were two other ministers prone to resignation threats. Of greater significance to the development of government policy and administration was the resignation of Hawker

60. Lyons to Enid Lyons, probably October 1933, Enid Lyons Papers, op. cit., Box 28.
61. West Australian, August 10, 1933.
to honour an electoral pledge that he would oppose any increase in parliamentary salaries. Despite repeated rumours and requests by other ministers Lyons did not restore Hawker to the Cabinet, one of the few occasions where his actions were motivated by personal dislike and distrust.

Lyons observed the constitutional principles of Cabinet practice closely, on occasions turning them to his own ends, as when he used the argument of Cabinet responsibility to engineer the withdrawal of Bruce who had been absent for some months conducting the re-negotiation of Australian loans in Britain.64 Lyons also forced the resignation of Hughes from Cabinet in 1935 after the septuagenarian published a book on foreign policy which was interpreted as conflicting with government policy, particularly on economic sanctions against Italy.65 More important was the early attenuation of the group of capable ministers on whom the Government largely relied. Apart from Hawker and Bruce, Gullett left the Cabinet after completing the Ottawa negotiations because of ill health. (He re-joined the Cabinet in 1934 but resigned again in 1937 over the trade-diversion row - see below.) Latham left at the end of the Government's first term of office because of the need to restore his personal finances. Massy Greene resigned after a brief period of useful service to concentrate on private business interests. Pearce was defeated at the 1937 Senate elections. Even with the presence of Menzies and Page, these losses were difficult to fill and it took time for Lyons to develop competent younger ministers. There were inevitable rivalries and jealousies over Lyons' choice of ministers, particularly about state representation and efforts to represent conservative and liberal groupings in the Cabinet. (Parkhill was popularly identified as the leader of the conservatives and, after 1934, Menzies of the liberals.) Lyons' insistence in the early years of representing his small group of former ALP colleagues, first Fenton and then Guy, also caused resentments. Lyons may also have sought to provide some representation to former AFA[L] elements through his advancement of Eric Harrison.

Lyons' Cabinet was fundamentally an administrative body and not a policy-formulator. This was partly due to the Government's lack of interest in policy development (see below), but it also reflected the contemporary practice that Cabinet was largely responsible for co-ordinating and supervising federal government administration. Much of the work of the Cabinet was devoted to administrative minutiae: appointments, payment of salaries and compensations, minister's transport and entitlements, minor payments and subsidies. An extraordinary range of

64. Lyons to Bruce, October 13, 1933, Lyons Papers, ANL, op. cit.
administrative matters was brought to Cabinet: the suggested visit of the Grenadier Guards Band, creation of two new clerical posts because of tariff revision, breakages at Parliament House, whether militia units should wear the kilt, a request for assistance from the Tenterfield Literary Institute, Zane Grey’s visit to Australia. Important policy questions such as the emergency defence of Darwin, the Imperial Economic (Ottawa) Conference, and the Sino-Japan dispute were often sandwiched between trivial items. Occasionally, an issue of importance such as state disabilities would be given a full Cabinet meeting. Formulation of the budget usually involved at least one full meeting and a number of partial meetings. Even this crucial item of government business was treated in an ad hoc way. Lyons gave this account of one Budget Cabinet:

A very great compliment was paid to you [Enid Lyons] at the final Cabinet on the Budget. We wanted a very good phrase to stress the beginning of better things indicated by the concessions [in the budget] and everyone had a shot, including [Martyn] Threlfall [Lyons’ publicity officer] but we seemed stuck. Then Geo. Pearce said "is Mrs Lyons in Canberra - she’ll do it." What do you think of that?

Some improvements were made in the functioning of Cabinet under Lyons. For the first time, Cabinet meetings were held in the outlying states, an innovation which allowed party politicking as well as Cabinet deliberation, and was welcomed by the local party organisations and the press. In October 1935, Menzies proposed that an inner Cabinet should be created to deal solely with policy, leaving purely administrative work to other ministers. The proposal attracted considerable interest among parliamentarians, but the opinion of most ministers was that the time was not yet ripe for such a major change. Lyons revealed a plan to expedite Cabinet through eliminating the reading of Cabinet memoranda by the responsible ministers:

In future, Cabinet practice will be reformed and memoranda will be circulated beforehand to members of the Cabinet who will thus be acquainted with the details of all proposals before they enter the Cabinet Room. Another departure from established procedure will be that ministers will be asked to deal separately with matters of minor importance and thus save the time of Cabinet.

These changes were the most significant reforms in Cabinet procedure since Bruce formalised the system in the early 1920s by establishing Cabinet Agenda and insisting on the preparation of Cabinet memoranda. (Menzies’ proposal for an inner ministry was introduced by Lyons in 1938, leading to the resignation of one minister, T.W. (Tom) White who was aggrieved at exclusion from the inner body.)

Lyons sought to assist this process in 1935 by giving Casey the Treasury portfolio

68. West Australian, October 2, 1935.
which he had held since 1932. This made him the first Prime Minister since 1910 not to hold another portfolio. Lyons argued that this would allow him to concentrate on policy free from the burden of fiscal administration. In practice, Lyons had relied on his Assistant Treasurers, particularly Massy Greene and Casey, to handle much of the formulation of financial and economic policy, reserving for himself only the ratification of major decisions. In general, Lyons' was not an interventionist Prime Minister, preferring that his ministers should make their own administrative decisions and encouraging them to devise new policies. He conceived his Prime Ministerial role as requiring him to chair Cabinet and act as its spokesman. On occasions, administrative matters were brought directly to his attention and he made decisions rather than refer them to the responsible ministers. He instigated the disciplining of an army officer who tried to form a paramilitary unit on the lines of the New Guard, ordered the banning of an allegedly immoral book, and during a visit to England in 1937 arranged for more overseas ships to visit Hobart during the tourist season. For the most part, he was content to delegate and conciliate, allowing ministers to make decisions and trying to ensure that major administrative and policy matters were discussed in Cabinet as fully as possible. He sought to obtain consensus decisions, even if this meant deferring matters before Cabinet:

We postponed all the difficult matters before Cabinet for consideration when we should have the benefit of your [Latham's] opinion upon them. No doubt they will take much longer to decide but I am sure the decisions will be much sounder as a consequence.

Despite the underlying tensions and strains, the Lyons Cabinet worked well enough between 1932 and 1937, and the signs of public disarray were rare. One exception was the abrupt decision of Gullett to resign in March 1937 after walking out of a heated Cabinet argument over trade negotiations with Canada. According to Gullett the task of Minister for Trade Treaties was one in which a definite policy had to be followed, or the "whole show fell to pieces":

I had rather an awful two and a half years because of the fact that after my illness I joined in a junior capacity, and yet was called upon to handle so much important work. You know how popular one is in these circumstances.

The embarrassment to the Lyons Government over trade diversion was alluded to in

69. Hart, J.A. Lyons, op. cit., p.244.
70. Ibid.
71. Ibid., p.246.
72. Hawker to Latham, July 13, 1932, Latham Papers, op. cit., Series 1. Moffatt recorded in 1936 that the main faults of Lyons' handling of cabinet were lack of broad policy directives and Lyons' conception of his Prime Ministerial duty as to "back up the individual minister rather than to unify and co-ordinate policy" (Moffatt Diary, op. cit., p.755).
Chapter 9. It was the most conspicuous failure of Lyons' system of Cabinet leadership and political disaster was only narrowly averted. The major cause of error was that Gullett was allowed to have his head on a policy whose implications Cabinet failed to think through. Hart described the trade diversion episode as Lyons' greatest failure as chairman of Cabinet: "only his strength as a vote-getter prevented an open call for his removal from Sydney newspapers and businessmen." Trade diversion was the most glaring, but it was not the only failure of Lyons' direction of Cabinet as the Freer case shows (see Chapter 9). At least until the end of 1937, Lyons' handling of Cabinet held up and differences between ministers were mostly contained within the Cabinet.

Lyons and the Parliamentary UAP

Much the same pattern of surface harmony with some major explosions occurred in the UAP party room under Lyons' leadership. Lyons' relationship with the party was based on a combination of directness and conveying as much information as possible, without allowing extended opportunity for discussion and analysis within the party room:

I got a fine welcome today from the crowd at the party rooms ... I took Latham's advice - no apologies to anyone but expressed pride in what had been done. It was all splendidly received.75

According to Hawker, party meetings were "quite informative but of course there was no time for discussion." Ministers reported at length on current policy and administration as the following account reveals:

Lyons explained in brief outline the financial loan conversion, ships, butter and secession, pensions and unemployment. The budget is running about even. ... Latham dealt with employment figures ... and announced the publication of a UAP handbook on current politics and expenditure, and explained that the attitude to the eastern troubles was to keep out of further possible dispute with either side. He also referred to the unfair Country Party propaganda in known lies and steps taken to combat it .... Pearce was brief but enthrallingly interesting on the immediate dangers and how better defence was needed and also on the air proposals.77

On defence and foreign policy, the UAP party room through the 1930s was better informed than the Parliament, press or public.

Where it was not practicable for Lyons to meet his parliamentarians at formal party meetings, as when he was preparing to leave for overseas, he tried to see them in small groups or individually:

75. Lyons to Dame Enid Lyons, September 14, 1933, Enid Lyons Papers, op. cit.
76. Hawker to Duncan-Hughes, March 8, 1933, Hawker Papers, op. cit.
77. Ibid. Pearce was Minister for Defence.
I would be glad of an opportunity of seeing all the members of the party prior to my departure from Australia in order that I might have the opportunity of chatting further with them on the purpose of my visit and discussing with them subjects of general interest to the party and the Government .... Subject, therefore to it fully meeting your personal convenience, I would be grateful if you would give me an opportunity of seeing you in Sydney at my office .... I am writing a similar letter to each member of the parliamentary party in Queensland and NSW.78

These informal meetings proved immensely valuable to Lyons when he decided to support the partial restoration of parliamentary salaries late in 1933 (see above). Lyons summoned members of his party to his Prime Ministerial offices late at night while the Parliament was still sitting, leaving the Opposition members to provide the quorum. Members of the ministry were absent, and Lyons told his supporters that if they agreed, the Financial Relief Bill then before the House would be amended to incorporate the higher salaries. The meeting ended inconclusively after discussing the political implications of such action for more than an hour. Somewhere after dawn the amendment was brought in restoring the salaries and, according to one press report, the members passed singing and cheering into the lobbies.79 This informal meeting without ministers present allowed Lyons to assess his party members’ support for a salary increase without neglecting the political problems. The tone of the meeting confirmed to Lyons that his back benchers were prepared to accept the risks and armed with this knowledge he pushed ahead with the pay rise.

Lyons did not always get his own way in the party room. He was forced to bow to party resistance over the 1937 election date. On occasions he was criticised, as in November 1932 when he resisted a party room proposal for an export bounty on wheat; Lyons felt that government assistance should go to necessitous farmers. On this occasion, the party meeting decided the broad principles to be applied, leaving it to the Cabinet to adjust matters of detail.80 (Lyons largely carried his point as subsequent legislation for relief to wheat growers included grants to necessitous growers financed by a tax on flour.) More dramatically, Lyons had to threaten the resignation of the Government in the party room to curb defections in the House over tariff measures.

79. West Australian, October 21, 1933. See also Lyons to Enid Lyons, October 1933, op. cit.
80. West Australian, November 18, 1932.
particularly those related to the Ottawa Agreement. Caves of resistance to Lyons and his policies formed in the party, notably the small welfare group headed by Frederick Stewart (see below). In 1937, Hawker and a South Australian colleague, Philip McBride, stopped going to party meetings after informing Lyons that such abstention should not be regarded as antagonistic to his leadership:

I want to avoid public controversy (or controversy which leaks from the party room) and at the same time remain free to criticise later if I find it cannot be consciously avoided. In the party room I should have to join the critics or hold the balance (neither of which would be helpful) or else tie myself for the future. Although I am hopeful the future will not bring serious difficulties, policies might develop badly. Hawker's actions indicated the development of tensions and disputation within the party room as Lyons' second government moved to the end of its second term, but little of this discontent was made public.

Lyons and Parliament

Although Lyons was acknowledged as a fine parliamentarian, the management of parliamentary business during his period of national leadership was undistinguished. His accomplishments in the Parliament have been extolled by his successor, Menzies:

At Question Time or in debate, he preserved with the greatest simplicity the personal friendship of his opponents. He had great humility and no malice. He could, of course, speak and speak very well, but other aspects of parliamentary life and government administration attracted him more, for he was above all a great humanist. There was much to learn from him.

Despite Lyons' qualities in the chamber, the Parliament did not function competently under his leadership. There were frequent complaints in the press about the hasty disposal of bills, badly prepared legislation, confusion in committee stages. Members with previous experience in State Parliaments found the procedures and practice in Canberra slipshod by comparison. Some critics felt that the decline in parliamentary standards was mirrored in other administrative problems arising from the move of the Federal Parliament to Canberra:

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81. Moffatt, op. cit., p.302. On another occasion, 16 members threatened to oppose a pensions bill when it was put to the party room. Lyons told them that if they made the Government go to the country "the blood would be on their heads". Lyons eventually accepted the proposals of five rebels who held their ground. According to one of them, A.W. Lane, members had little say on measures before they were on the table of the House. On another occasion, Lyons suffered the "indignity" of pulling a broadcasting bill out entirely because of the threat of a party room crisis. (Report of address by A.W. Lane to UAP Speakers' Association, n.d., Lyons Papers, ANL, op. cit., Box 2, Folder 11.)

82. Hawker to Gullett, August 28, 1936, Gullett Papers, op. cit., Series 3.

The whole procedure [passage of the Financial Emergency Bill] strengthened the conviction that as a seat of legislature Canberra is functioning very badly. The same may be said of its unsuitability to ministerial activity. It is impossible for ministers to be in their offices excepting very occasionally. It is beyond question that it means government of the country by the civil servants to a most undesirable extent.  

Latham also felt that the establishment of Canberra had gone far to destroy the contact which members always had when the Parliament was in Melbourne:

Leading men from the smaller states frequently visited Melbourne, and we were always in touch with them. They very seldom come to Canberra.

Lyons could hardly be blamed for the lingering problems from moving the Parliament to Canberra. Despite his own gifts as a parliamentarian, he was at least partly responsible for the defects which impeded the smooth operation of the Parliament. The isolation of Canberra through the 1930s may partly explain (or rationalise) why Lyons and his party did not maintain or re-build the federal machinery of the Nationalists whose interstate conferences met either in Sydney or Melbourne, and Parkhill as federal secretary worked out of Sydney.

**Lyons and Policy**

Any comprehensive account of the public policy of the UAP is beyond the scope of this brief examination of the party's federal functioning, but it is an important aspect of Lyons' leadership and a few points should be made. Policy guidelines for Lyons and his government were few; there was no federal platform and Lyons' policy speeches were vague. Much of its economic policy was pre-determined by the Premiers' Plan which Scullin had introduced. MacLaurin has described its financial and economic policies thus:

Mr Lyons declared for a policy of non-interference with private enterprise, the government so far as possible to allow the natural forces of reconstruction to work themselves out in Australia. Public finance was to be kept well in control by strict adherence to the Premiers' Plan. In other spheres responsibility was to be left with experts.

Lyons adhered to this formula faithfully, although in the State sphere Stevens was more adventurous in economic and financial policy. Lyons tried to encourage a psychological climate of expansion which was not based on government stimulatory action:

What we need now is not to button up our waistcoats tight but to be in a mood of expansion, of activity ... to do things, to buy things, to make things. Activity of one kind or another is the only means of making the wheels of

84. *West Australian*, December 6, 1932.
economic progress and all the production of wealth go round again.\textsuperscript{87}
Lyons was not inclined to do much else to assist the unemployed, taking the view that
Australia had already done very well by them through sustenance allowances and
private charity.\textsuperscript{88} There is evidence that this espousal of \textit{laissez faire} attitudes which
were shared by most of his UAP colleagues was at variance with his actual feelings
about welfare policy. His attitudes were influenced by his wife who once observed that if
the UAP forgot the poorer section of the community, then the UAP would deserve to be
forgotten.\textsuperscript{89} Lyons felt that the Government should be active in welfare policy, and
during the 1934 election campaign he pledged that large sums of money would be raised
for more employment from reproductive development works such as the unification of
railway gauges, advances through State Governments for water and sewerage schemes,
and the initiation of housing and reafforestation schemes.\textsuperscript{90} This ambitious program
was partly a revival of the development ethos of the Bruce-Page Government (Lyons
encouraged proposals to develop Northern Australia through chartered companies), but
its dimensions were innovatory. The implications of Lyons' proposals were that federal
government would work closely with state and local government in major developmental
and welfare projects. This was too much for the pervasively conservative spirit of the
UAP to stomach, and Lyons' plans were effectively stifled.

According to Enid Lyons, Menzies played a major role in convincing Lyons that
federal housing programs were unconstitutional. With other social reformers of the
1930s Lyons felt that bad housing was the source of social problems and diseases such as
tuberculosis, and this stimulated his eagerness to develop housing policy:

Bob Menzies said that it [federal housing] was unconstitutional, ... and Joe,
respecting his opinion as a constitutional lawyer didn’t go further with it. And
of course, don’t forget he’d probably be the only one in the Cabinet with that
view.\textsuperscript{91}

Lyons' contribution to public policy can be conceived in negative terms: that he
managed to prevent the implementation of the harsher and more conservative
suggestions of his colleagues, remaining in Hazlehurst's phrase, "a subdued-radical".\textsuperscript{92}
With Lyons' default, the sole representative in the Cabinet of progressive welfare policy
was Frederick Stewart, a wealthy Sydney businessman and one of the foremost
philanthropists of the period. Stewart had something of Hawker's quixotic spirit.
Although he was well up in Cabinet rank, he resigned in 1934 to facilitate Lyons'
accommodation of the Country Party, serving thereafter as Parliamentary Secretary for Unemployment, an unofficial position but attached to the Cabinet. Stewart attended the International Labor Organisation in Geneva for some months and produced a report on health, pensions and unemployment but he lacked political skills and his report was not taken up by Cabinet. From 1937, Stewart formed a "cave" in the UAP which espoused "liberal" welfare policies and was a constant irritant to the Government. The UAP's major venture into public policy was a national insurance scheme which was foreshadowed in 1936 and put to the people in the 1937 election campaign, but did not have a major impact on the government and the party until 1938-39. National insurance was as much an economic measure as it was a welfare measure; its Cabinet sponsors, particularly Casey, saw a contributory scheme as removing the substantial impact of pensions on federal budgets in a depressed economy. After Page joined the Government in 1934, he and Lyons supported several administrative measures which gave an impression of concern but cost little; for example, the formation of a National Health Research Council and an Advisory Council on Nutrition.

Defence and foreign policy issues built up only slowly through the period of the first two Lyons Governments (1932-37). The Government did not encourage parliamentary debate on matters such as the Singapore Naval Base, sanctions against Italy for its imperialism in Africa, or the outbreak of the Spanish civil war. Through these years, Lyons' standard response to questions on defence and foreign policies went along these lines:

My colleague, the Minister for Defence, has been giving the resolutions careful consideration in conjunction with his technical advisers .... The Cabinet is in constant touch with the Government of the UK on matters of international affairs connected with defence policy.94

The rationale of the party's public policy, at least until the end of 1937, was containment, with Menzies a principal influence. Lyons appears to have accepted this strategy with some reluctance, but apart from Stewart's persistent advocacy of welfare policy and some disgruntlement over defence, it was never seriously challenged within the federal party. The style of Lyons' first administration has been conveyed by Sayers:

That ministry accomplished little but little was expected of it beyond pursuing

93. The attitude of many UAP parliamentarians to Stewart was expressed by Menzies: "Why oh why does my Prime Minister give a knighthood to a man like F.H. Stewart! I do wish he would learn to say No.", Menzies Papers, op. cit., Diary C, 1935, p.222.

94. Lyons to Edmund Herring, August 13, 1938, Herring Papers, Latrobe Library, Melbourne. Herring was a barrister and prominent member of the YNO. Although written after the period covered by this thesis, Lyons' letter includes an account of defence policy from 1932.
a negative policy under a canopy of sane finance.\textsuperscript{95}

Lyons' second ministry was only slightly more adventurous. In 1937, Hawker described the government as "floundering about in front of odd gusts of fickle public fancy ...".\textsuperscript{96} In his diagnosis, popular sentiment was similar to that of the "deceptive quicksands of 1928. Lots of desperation about want of leadership, etc."\textsuperscript{97} Lyons' rallying of the party and his great election victory in 1937 to some extent restored the morale and fortunes of the party, but the strategy of containment had become increasingly untenable in the face of international turbulence and domestic discontent.

To summarise this brief picture, the UAP existed federally as a Federal Parliamentary Party whose functioning and organisation was dictated by the rules and conventions of the Parliament. In an administrative sense, there was no federal party. Responsibility for the national co-ordination of the bodies which supported the UAP fell largely on Lyons as the Federal Parliamentary Leader. To an extent greater than the Nationalists under Hughes and Bruce, or the later Liberal Party under Menzies, the UAP was a leadership party, with its leader assuming an awesome burden of federal duties and responsibilities.

\textsuperscript{95} Sayers, Keith Murdoch, op. cit., p.527.
\textsuperscript{96} Hawker to Duncan-Hughes, April 20, 1937, Hawker Papers, op. cit.
\textsuperscript{97} Ibid., June 8, 1937.
CHAPTER 11
UAP STATE ORGANISATION - THE NSW BRANCH

The Pattern of the States

The complexity of the UAP structure emerged in the preceding account of its formation. To recapitulate briefly, the UAP existed as a separate entity in Queensland only after March 1936 as the remnant of the CPN Party following a division which greatly favoured the Country Party. Following the absorption of the AFA[L] in New South Wales, the UAP functioned as an "umbrella" party with a range of party elements working under the broad direction of a central co-ordinating machinery. In Victoria, the party structure was largely autonomous, with three party units (the UAO, AWNL and YNO) working with only the most nominal central control and co-ordination. In South Australia, the Liberal Federation which was the state branch of the National Party merged with the Country Party in 1932 as the LCL which did not consider itself as affiliated with the Federal UAP. In Tasmania and West Australia, the party structure of the State National Parties was retained, although both parties adjusted their titles to denote representation of the federal UAP. Hancock observed that from the political philogy of Australia a good deal of political history might be quarried.1 This observation is particularly apposite to the UAP.

With such a variety of components, there is difficulty in finding any uniform pattern in the structure of the UAP. It is even arguable whether the Tasmanian and West Australian parties were state branches of the UAP, although they were affiliated with it for federal purposes. In strict terms, each remained a State National Party even though the federal compact of that party had been dissolved. South Australia clearly was not a state branch of the UAP, although it preserved links with Lyons and the federal party, and permitted its elected members to join either the federal UAP or the federal Country Party. A similar situation applied in Queensland until 1936, after which the state UAP was a poorly organised rump. The lack of consistency between these elements makes it impossible to look at party structure and institutions across the span of the six states because there is no basis for comparison. For practical purposes, the UAP at the state level existed only in New South Wales and Victoria, and the

1. W.K. Hancock, Australia (Melbourne, 1930), p.189.
analysis of the state structures is confined to these major branches whose legitimacy as part of the UAP is beyond question. This chapter describes the NSW Branch of the UAP and Chapter 12 the Victorian Branch.

Membership

In the absence of party records for the NSW branches of the National Party and the UAP, only a notional assessment can be made of the party membership. The re-organisation of forces in the first half of 1932 increased the number of branches and total membership, but it is doubtful whether these gains were held beyond 1935, or even as long. The main guide to branch activity is the regular account in the *UAR* under the rubric, "Advance of the UAP". This shows occasional figures for party branches and, more importantly, indicates the spread of branches through the state. UAP branches ranged in size from 20 members to more than a thousand. The active membership was much less than this peak figure would indicate: attendance of 40 members at a branch meeting was accounted as successful. Branch membership was strongest in the traditional NSW heartland of the non-Labor parties - the suburbs north of the harbour in Sydney, the eastern suburbs, the older suburbs along Parramatta Road and the Bankstown railway line, established provincial cities such as Albury, Orange and Bathurst, the South Coast and the Southern Highlands.

Some of the figures claimed for party membership verge on the incredible. At the end of 1932, the Gordon Electorate Conference claimed a total membership of 5,500, the largest State Electorate Conference in the party. (At the 1932 state election, there were 19,500 electors enrolled for Gordon.) Year after year, the Turramurra Branch claimed a paid-up membership of 1,100. There is no disputing the strength of the UAP on the northern side of Sydney harbour, but it would be misleading to project such membership figures across other electoral divisions through the state. Earlwood, a traditional branch in a lower middle class part of Sydney, claimed 252 members in 1934. The Redfern Branch which was formed in 1932 in one of Sydney’s strongest working class residential districts had a membership of 51 in that year. Provincial branches claimed impressive memberships: more than 500 subscribing members for Albury in July 1934, over 700 later in the year; 200 for the small township of Tumbarumba in the Albury Electorate; 80 for Blayney in the Central West of New South Wales.²

Branches were loosely grouped together in State and Federal Electorate

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² For membership of the Gordon State Electorate Conference, see *UAR*, December 1932, for the Turramurra branch, *UAR*, March 1936. The following account of the NSW UAP draws extensively on material compiled from the *UAR* between January 1932 and 1937, particularly branch notes and a regular section on the "Advance of the UAP".
Conferences based on respective electoral boundaries, and from these it is possible to gain some idea of the number of branches. Electoral records for 1935 show that Sydney electorates mostly comprised four to six branches. At the other end of the scale, the sprawling federal electorate of Eden-Monaro in the south east of the State included 16 branches.  

With the existence of parallel women's branches in some districts and a burgeoning Younger Set Movement, the best estimate that can be made is that the UAP at its peak probably numbered somewhere between 400 and 450 individual branches. This is a highly qualified estimate; the surviving figures are much too scanty to admit of any confident assessment. Some projections would give different figures; if each federal electorate had 16 branches, an estimate that is almost certainly too high, a figure of around 400 branches is feasible. Add in the women's and junior branches and a peak of 500 is a possibility. At the other extreme, a projection of five branches per State electorate would give a total below 400. According to the UAR, whose figures were inclined to the enthusiastic rather than the scientific, about 350 branches were represented at the first annual convention in 1932. Allowing for the growth of the Younger Set Movement, and discounting for wastage offset to some extent by creation of new branches, it is unlikely that the total number of branches in New South Wales at any stage exceeded 450.

Any estimate of total branch membership is bedevilled by similar difficulties in calculation. On the basis of 450 branches with 50 subscribing members, the notional figure is around 22,500. Despite the evidence of high concentrations of UAP members in areas like the Sydney North Shore, and accepting that branches with 100-200 subscribing members were not uncommon, this figure is probably too high. Many UAP branches had less than 100 subscribing members, and the country branches outside the provincial strongholds of the party were mostly below 50. It is unlikely that the peak subscribing membership of the UAP ever exceeded 20,000. Again, this is a very notional estimate subject to revision if detailed information on the branches ever comes to light. The active membership was much smaller - certainly less than half and possibly as low as 25 per cent. Allowing for the incorporation of the AFA[L] and the problems of the state branch of the ALP, the overall membership of the UAP was well below its potential.

Branches

As noted earlier, the greatest problem facing the Citizens' Movement was

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sustaining the interest of a mass membership. Political parties also faced this problem, and much of the administrative ingenuity of the UAP was directed to this task. In New South Wales, the party had the advantage of inheriting the most vigorous and successful of the non-Labor political machines in Australia. The great growth of political activity in 1931-32 took the party by surprise, and there was virtually no preparation or planning to cope with it. Certainly, the new branches were not the product of a deliberate organisational effort by the central machine, but flowed from the spontaneous formation of branches without external prompting. Such a transformation at the grassroots gave tremendous opportunities to the UAP. It also raised the traditional problems of sustaining interest and enthusiasm once the initial impetus had waned. The party had to find enough for its membership to do.

These problems were particularly acute in the smaller country branches which were remote from the Sydney-based machine and often had only infrequent contact with politicians, even local members. The spirit of the UAP burned brightly in these small branches in the early days:

The wintry conditions which still prevail on the southern tablelands did not deter members of the local [Belmont Forest] branch from meeting in conditions far from pleasant. The place of meeting was the open verandah of a shop, with only a swinging hurricane lamp to provide the light. Ladies present wrapped rugs around themselves; the men lacked even the convenience of seats but their enthusiasm disregarded this handicap ... 4

This was in 1932. Two years later the evangelistic fervour had faded:

A peculiar turn was given to the annual meeting of the [Nowra] branch ... by two members suggesting that the branch should be disbanded as the electorate was a safe one and did not necessitate supporters taking a keen interest in organisation. 5

UAP organisers in country electorates found similar evidence of waning enthusiasm and decay of branch organisation and activity. The organisers’ report for the Eden-Monaro electorate after the 1934 federal election noted that branch activity was sluggish and largely dependent on the efforts of a few senior officers. At one centre a greater level of interest was attributed to Country Party pressure because the Federal Country Party member for Wide Bay in Queensland lived there. Other branches had burned their fingers with previous fund raising activities and were not anxious to accept any financial burden:

... Members of the branch who are reluctant to incur liabilities, seek funds or sacrifice any time to work, being (as they said) "fed up" [sic] ... political thought in this area [Eden] is very dead, and little enthusiasm is evident. 6

4. UAR, October 1932.
5. UAR, April 1934.
This organiser emphasised the deterioration of branch activity because many centres were too small to maintain a branch; no good purpose was served by forming such unviable branches:

Shortly after formation they lapse from active meetings from the want of business to keep them functioning. The seriousness of this position cannot be stressed strongly enough and calls for an immediate plan to stimulate activity.\textsuperscript{7}

He urged the formation of sub-divisional branches made up of delegates elected by party groups formed in all of the small centres through each sub-division:

To my mind this appears a much sounder method of uniting present party supporters and attracting new ones. In this way, keen supporters of the UAP may be kept together at either monthly or quarterly meetings of the sub-divisional branch with an agenda paper offering something of interest and some concrete business to be carried out. The delegates in turn would thus be in a position to hold their respective groups together and keep the interest in the party maintained in an organised manner.\textsuperscript{8}

Whatever the merits of this proposal, it was not pursued.

The problems of maintaining branch interest were not confined to the country. There were frequent complaints from city branches of difficulties in sustaining interest because of the intrinsically barren nature of much political activity at branch level. The problem was stated precisely by a metropolitan branch officer:

We often hear the complaint: "What's the use of calling a meeting? There's nothing for the members to do!" The answer is to give the members something to do. Make them feel that they can have a direct influence in the governmental control of the State and Commonwealth, and that collectively they can effectively exercise their influence.\textsuperscript{9}

The suggestion of an influential policy role was a rather impractical one, given the nature of the UAP and the venerable 'Liberal' tradition of non-interference with parliamentary parties. The party organisation and its membership had little other than an advisory influence on their parliamentary parties, and this was largely insignificant. The remoteness of the branch membership from policy was a perpetual problem for any semblance of meaningful activity at the branch level. Political inputs were largely confined to "routine business", the processing of correspondence from the central office and from members, the dissemination of circulars and propaganda, the adjudication of mostly petty internal disputes, debates on the rules and constitution of the party. In such an environment, it is little wonder that election campaigns were a godsend to hard-pressed branch organisations seeking to maintain relevant political activity.

In the absence of any direct input into policy and overall direction of the party

\textsuperscript{7} Ibid.
\textsuperscript{8} Ibid.
\textsuperscript{9} R.T. Minchin, North Burwood Branch of the UAP, quoted in \textit{UAR}, February 1934.
effort, the UAP branches were political debating societies in an era when debating was an immensely popular entertainment. The ritualised debate, often in the form of a moot court or mock parliament, was seized on by branches to give a political flavour. The popularity of debating was taken up by the central organisation which sponsored state-wide debating competitions:

The huge debating competition conducted by the UAP organisation in the metropolitan area during last year [1933] proved an excellent means of stimulating interest in public speaking amongst its followers, of revealing hitherto unknown talent, and of creating friendly rivalry between branches ...10

In the final of this debating competition, hailed as the largest ever held in the southern hemisphere, the Darlinghurst women’s team headed by Miss Oriel Mullarky ("truly a modern Portia"), was no match for the forensic skills deployed by E. Howard Popp and his team from the Hurlstone Park branch.11

The UAP did not participate directly in shire and municipal politics, but branches engaged in considerable discussion of parochial issues, often on the basis of correspondence with ministers and their departments. Other branch activities were directed to welfare services, particularly assistance to the unemployed, and the placing of party members and supporters in jobs. These activities at branch level were linked to the operation of an employment branch in the central organisation of the party. In some branches this welfare function was merged with social activity:

The [Darlinghurst UAP Social] Club had concentrated its activity on the problem of unemployment and a number of permanent and temporary positions had been found. So successful had the club’s methods proved that Burwood, Manly, Bondi and Concord had begun similar clubs and were doing well.12

Unemployment was the main preoccupation of the serious side of branch activity; the dimensions of the problem and the practicality of relief works were frequently discussed at branch meetings. The grassroots showed a much greater concern with unemployment and its consequences than did their parliamentary representatives.

Routine business, debating, discussion of parochial issues and welfare activities were useful for giving UAP branches political credibility. The main adhesive in binding the basic units of the party together, in keeping the branches going, and in providing a continuity of membership was social activity. This was not a new element; the "Liberal" parties had always emphasised the lighter side, and the UAP used it to preserve part of the wave of enthusiasm and vitality which swept through the party in 1931-32. Executive committees quickly learnt that a full schedule of social activities was essential if new branches were to survive the waning of initial enthusiasm:

10. UAR, February 1934.
11. Ibid.
12. UAR, February 1935.
The committee has met, and feeling that the monthly meetings should be made more attractive, intend catering for the social side more than formerly. Every alternate meeting will conclude with music and refreshments, whilst the other nights will be filled in with debates, lectures, addresses, etc. The monthly meeting on April 4 was entertained by a Concert party.

The functions of the branches were often described as "political and social", not always with the principal stress on politics:

The annual report showed that the past year has been one of both social and political activity; the members showed great interest in the two spheres.

The range of branch social activities was redolent of the mores and entertainment of "middle class" Australia in the inter-war period. Some indication of their diversity is given by this report from the Balmain branch:

A "pound" night and social was held after the business had been disposed of at the meeting in the Temperance Hall last month. There was a large attendance of members and friends. The concert party brought by Mr McArthur (group organiser) entertained the guests during a respite from dancing, and Mr Corry of Croydon gave a brief but interesting address on Great Britain and her influence among the nations of the world for peace, progress and stability. After refreshments a "horse" was sold, the donor being Miss A. Edwards, the daughter of the President.

Other functions included conversaziones, euchre parties, motor drives, tennis afternoons, receptions and dances. The reliance of the branches on lectures served both didactic and entertainment purposes. Some were overtly political and educational; others were on subjects such as numerology ("Life and Vibrations"), phrenology and astrology which were not immediately related to politics. The craze for bridge which swept through Australian society in the 1930s had an important impact on UAP activity, despite the strictures of Enid Lyons who castigated it as a time-wasting distraction. The central organisation of the party catered for the bridge-playing predilections of its women members by establishing a Bridge Club which held weekly parties:

For the modest sum of one shilling any woman member of the Party may enjoy the amenities of this social function, which is growing in popularity from week to week.

The central organisation of the party also filled an entrepreneurial role by organising major social functions such as patriotic concerts and "monster" fairs in the Sydney Town Hall:

The huge audience of nearly 4,000 that filled the Town Hall on June 19 at the Concert tendered by the Premier and the Executive Committee of the organisation was a unique demonstration of the cameraderie that binds the

13. UAR, April 1934.
14. Ibid.
15. UAR, March 1934.
16. UAR, April 1935.
units of the great United Australia movement and makes that entity such a powerful force in the electoral field.\textsuperscript{17}

Reference was made above to the role of UAP Clubs in promoting assistance to the unemployed. The Mortdale UAP Club described its objectives as follows:

1. To foster and further the interests of the UAP.
2. To encourage and create social activities among members of the Mortdale UAP.
3. To create an information and labour bureau.
4. To obtain employment for unemployed members.\textsuperscript{18}

Branches with affiliate clubs elected management committees, and furnished club rooms which served as meeting rooms, housed the employment bureau services, and provided facilities for social functions:

The present rooms are to be retained and they are to be fitted up and furnished respectively as card room, reading room and general club room. Daily and weekly papers have been provided and a library is being installed. Euchre parties, socials, etc., will figure largely in the activities and any member of the UAP may become a member and enjoy the full advantages and privileges. The annual subscription is 1/- ... If you want a job, if you want to meet your friends, if you want information, if you want the parcels or the baby minded, if you want anything, even if you want to leave home, call at the UAP Club Room.\textsuperscript{19}

At important regional centres, club rooms were linked to the divisional offices of the UAP. At Bathurst, these office facilities were made available to a Country Party member who had been elected on a Unity ticket in the state elections of 1932. Some branches were able to afford clerical assistance for their activities additional to the organising staff provided by the party's central machine. Co-ordination of branches was effected on the basis of State Electorate Conference boundaries. Much of this activity was directed to the meetings of the conferences, but co-ordination committees designed for conference purposes also organised public meetings and occasional functions.

\textbf{Women's Organisation}

Women's branches with significant membership often co-existed with substantial mixed branches. The origins of this organisational practice are not clear, although the National Party ran a differentiated branch structure on the same lines. The women's branches mingled political, educational and social activities in much the same way as the

\textsuperscript{17} UAR, April 1933.
\textsuperscript{18} UAR, June 1933.
\textsuperscript{19} Ibid.
mixed branches, emphasising social activities appropriate for women's gatherings in the spirit of the time; community singing, bridge, tennis, amateur theatricals, musical items.

Apart from the women's branches, there were other outlets for women in the party. The UAP Women's Club was a direct inheritance from the National Party. Strictly speaking, it was part of the central machinery and it operated clubrooms for women members and other facilities at the UAP headquarters in Sydney. The club's report for 1934 discloses a familiar range of activities:

The report presented revealed an increase in membership and showed that the past year had been one of progress and usefulness. Addresses during the year included those on political, philanthropic, and social subjects. The musical and dramatic entertainments held proved varied and interesting and the bridge circle which meets each Wednesday has been well attended.20

Another part of the central machinery was the Women's Debating Club which was the broad equivalent of the male Speakers' Group. Its regular meetings mingled formal debates, impromptu addresses and discussion led by visiting speakers on subjects such as "applied psychology". A more innovatory part of the women's activities was the Women's Educational Circle which held classes twice a month at the rooms of the Women's Club. The political content of the Women's Educational Circle was higher than most other elements of the UAP. In 1932, its activities included addresses on financial problems, the employment problem, the Upper House Reform Bill, the status of women and women's work with the League of Nations. A special study was made of the Douglas Credit proposals, "so that members could understand and combat such fallacies."

Membership of these women's groups and branches is also difficult to estimate precisely. The Women's Circle attracted an attendance of 150 when Lyons and his wife addressed it on the eve of his departure for Europe in February 1935. The Redfern women's branch in the heart of a strong Labor electorate had a membership of 50 in March 1934, much the same strength as the mixed branch. The women's branches were aggressive recruiters for the UAP:

Haberfield is one of our best organised branches, as the committee members each take captaincy of a block and with persistent calls and delivery of notices these captains have been responsible for enhancing the membership and keeping up a strong interest in branch affairs.21

There were occasions when women's branches converted their organisation into a mixed branch "in order that the menfolk might become associated with it. This accounted for the splendid attendance of men at what ordinarily would have been a

ladies' meeting".22

Despite the didactic flavour of women's activities within the UAP, the lingering impression is one of intense social activity, perhaps best captured in the social jottings that filled the party journal:

The [Neutral Bay] meeting then resolved itself into a social. Mrs Dewez played a violin solo delightfully, and songs were charmingly rendered by Miss Gwen Smith and Mrs F. Kenna. Afternoon tea was served.23

Most UAP meetings resolved themselves into a social of one sort or another. This account of a social and dance in honour of Lyons and his wife, organised by the ladies' committee of the Manly Branch is even more imbued with the flavour of UAP social activity:

The guests were intrigued by a novelty butterfly on the official table. Snowy white, it emerged from a dark brown crysallis, symbolising Australia emerging from its troubles to prosperity. With the butterfly was a doll dressed as a rose, and labelled "New Era" - holding in its hand a scroll containing a message for Mrs Lyons .... The attendance was representative of all phases of public and social life.24

There was little rationale to the organisation of women's activities within the UAP, and it soon became apparent that a better structure was necessary to eliminate overlapping and to make more effective use of women as voluntary workers. Rather than re-cast the whole structure, perhaps along the lines of the AWNL, the organisation adopted a Women's Co-ordinating Council to bring the loosely-linked women's groups together and represent them in the formal organisation of the party. Its constitution included the following objectives:

* To collect and communicate information of mutual interest respecting the status of women in the Party, within the State, and upon the political situation generally;

* To consult together on questions of policy and methods of action;

* To organise a campaign through the women's branches with the object of attaining equal constitutional rights for women members of the party.25

The first conference of the Co-ordinating Council was held in September 1935 before the annual convention; it considered resolutions sent by women's branches and women members of the mixed branches, and discussed policy issues under the guidance of "well known experts". The constitution and procedures of the new council were approved by the Annual Convention of 1935, and the Council organised its first conversazionie to entertain delegates to the convention:

22. UAR, February 1935.
23. UAR, March 1934.
24. UAR, September 1933.
25. UAR, November 1934.
The women of the organisation were urged to "consider closely the questions affecting women and children so that they will be able to take advantage of this great opportunity for free discussion." 26

The women’s Co-ordinating Council was a representative and not a mass organisation. It was constituted by presidents, secretaries and treasurers of women’s branches, or substitute delegates who had to be executive members of branches. Representation was provided to women members of the mixed branches provided such branch members held separate meetings to elect delegates and to arrange affiliation with the Council. (The position of the mixed branches had created some confusion among members of the State Council, and this was clarified by provision for equal representation with the women’s branches.) The Women’s Educational Circle, the UAP Women’s Club and the Women’s Debating Club were affiliated to the Council and each was entitled to send one representative to its meetings.

The NSW UAP was heavily dependent on the services of its women members for basic political work, as Archdale Parkhill made clear:

The Party had no more energetic and substantial supporters than its women who did a great deal of the organising and house to house canvassing before the elections. 27

It is clear from the statements of women members that this irksome burden was accepted by them, although not completely without questioning:

Very few of the outside public and even of the men within the UAP are aware of the magnitude of the part played by women in the tedious work of organisation in the electorate. Men are to a great extent prevented from joining in this work by business, professional or wage-earning preoccupation. Even if this were not so, however, much of it, particularly canvassing, would not be work to their taste and they should be eternally grateful to the women of the UAP for their self-sacrificing work in this field. It may be said that the women workers till the ground and the men sow the crop and monopolise the harvesting. 28

One of the objects of the Women’s Co-ordinating Council was to achieve equality of constitutional rights within the movement, yet women do not seem to have pressed this aspiration in any effective way or to have challenged the dominance of the party by men. Feminism was largely discounted by UAP women who espoused a philosophy of national unity and development similar to the men, an approach described by Mrs E.W. Laverty of the UAP Women’s Club:

Feminism by itself is but an insistence on women’s rights. The women’s movement in the UAP goes much further and deeper than this, and envisages a whole-hearted co-operation between all sections of the movement in marching

27. UAR, March 1933.
28. UAR, February 1933.
forward to the goal of a united, prosperous and progressive Australia.\textsuperscript{29}

In general, the UAP maintained the access for women to its formal institutions which had been a hallmark of its predecessors. By incorporating the Women's Co-ordinating Council into its structure, it provided the framework for a more influential women's movement, perhaps even an autonomous one on the lines of the AWNL. The party made immense organisational demands on its women. That the women of the UAP did not assert a greater role for themselves is largely a reflection of the political subservience that characterised even the vigorously independent AWNL. The women of the NSW UAP did not feel that the institutional basis of the party was incommensurate with their aspirations:

In the activities of the UAP Women's Club, the Educational Circle, the Women's Debating Club, and the various women's branches, the UAP provides the organs which can give full expression to the woman's viewpoint. If it is not expressed articulately or with clarity - well - "the fault is not in the stars but in ourselves."\textsuperscript{30}

**Younger Sets**

The constitution of the party provided for the formation of junior branches, and the UAP inherited a Younger Set Movement which was already well established and starting to thrive. The movement had been fostered by the central organisation of the National Party under the tutelage of a party stalwart, Matron Attenborough, who established several of the early branches and acted as counsellor and chaperone. After the creation of the UAP, the Younger Set Movement spread considerably in conjunction with the overall expansion of the branch structure. Rules for the guidance and control of the Younger Sets were drawn up by the central organisation in accordance with the party constitution, and the movement had its own organiser. The metropolitan area was divided into five divisions for the purposes of organising the Younger Set. Each division contained a number of state electorates, and was governed by a Younger Set Divisional Council, composed of delegates from the branches in its area. The Central Management Committee was made up of delegates elected by the divisional councils.

The elaborate structure was closely controlled by the central organisation, and in practice the Younger Set Movement had little autonomy. An annual convention of the movement was held over two days, usually before the Annual Convention, the Women's Convention, and the Country Convention. A total of 46 motions was received for the 1934 convention which was presided over by Bavin. Younger Set presidents met before

\textsuperscript{29} Ibid.

\textsuperscript{30} *UAR*, May 1934.
the convention at party headquarters to formulate the agenda, and convention attendance was usually about 140 delegates. By the middle of 1933, there were more than 70 Younger Sets active in the metropolitan area, many with permanent club rooms and publishing their own news sheets. The movement was less significant in country areas where it was not intensively organised but successful branches operated in important provincial centres such as Goulburn, Orange and Bathurst.

The Younger Set movement pursued politics in a rather desultory way, with lectures, debates and the conduct of routine branch meetings. The age of its membership ranged from 17 to the mid-20's. The great majority of members were single, although "young marrieds" were not unknown. Chaperoning at functions and camps was commonplace:

On the last weekend of March a camp was held at Berowra and a number of members enjoyed themselves immensely. Needless to say, we were well chaperoned, Mr and Mrs Jackman carrying out that job with tact.\textsuperscript{31}

The chaperoning of the movement was not confined to social activities, but was applied by the central organisation in the degree of surveillance it directed to the Younger Sets. Attitudes to the "sets" were somewhat patronising, based on the belief that the "sets" would benefit the party in ten years time when their members matured; in the meantime they should not be given too much latitude.

With a much younger membership, the range of social activities "indulged in" by the sets was much more varied though perhaps only slightly more frivolous than the fully fledged branches. There was a greater emphasis on sport and outdoor activities: tennis, vigoro, cricket, bushwalking. Other forms of social activity were more innovative than the rather staid "socials" of the senior branches, ranging over mock weddings and trials, amateur dramatics, ("Betty's last Bet" was a particular favourite), dances with novelties such as "Monte Carlos", "sparkler" waltzes (... "dancers held fireworks aloft to the strains of an old fashioned waltz. Then the room was darkened and a very pleasing effect was obtained"), "garbage" nights, revels and moonlight excursions.\textsuperscript{32} During elections, the "sets" gave some assistance and undertook minor fund-raising activities.

The party made a piquant attempt to extend the scope of youth activity by experimenting with branches of Junior Young Australians, designed to provide for the political involvement of "young UAP supporters from 10-16". The foundation meeting of this sub-movement recorded proceedings as follows:

The motion that this meeting form itself into an organisation to be called the "Junior United Australians" was moved by Master W. Watson, seconded by

\textsuperscript{31. UAR, June 1935.}  
\textsuperscript{32. Ibid.}
Master L. Davies and carried unanimously.\(^{33}\)

Subsequent meetings were held at which members gave short speeches and wrote papers on "Why I choose to belong to the UAP". The adjudicator recorded that the efforts were promising, "showing both thought and a diligent study of the news of the day." The Junior United Australians encountered some problems because the membership was often absent on school holidays, and it was hard to get meetings. Despite claims that the new organisation was in a flourishing condition in October 1932, it soon faded.\(^{34}\)

There were frequent complaints from the more politically conscious of the Younger Set membership that its activities were not geared adequately to the needs of a national movement, and that the branches were neglected by the party's central organisation:

> On each meeting night letters are read out urging the Set to co-operate with the Management Committee to promote the success of a bridge party or a theatre night. Usually the price is beyond the pockets of the majority of members of that set; but the Younger Set central body is under the fond delusion that this is a method of rendering assistance to the organisation.\(^{35}\)

There were criticisms that the "sets" functioned in a desultory manner, that they were composed largely of members who joined purely for entertainment, and that they did not have the necessary impetus to carry on work of public and political benefit. The branches were likened to "mushroom organisations", springing up overnight and as rapidly fading away in terms of political force. The organisation was not comparable with the Victorian YNO (see Chapter 12).

Conferences

The joint committee of the National Party and AFA[L] representatives which drafted the UAP constitution envisaged the Electoral Conferences as forming a vital part of the structure:

> Not only will they have direct representation on the governing body of the council but they will be invested with the fullest possible powers to deal with local matters.\(^{36}\)

In practice, the conferences were preoccupied with the question of pre-selection and did not at any stage pose a challenge to the central organisation's oversight of all branch activity.

The report of the constitutional committee recommended that it was in the best interests of the party and the community that only one candidate should be endorsed for

\(^{33}\) UAR, August 1932.

\(^{34}\) UAR, October 1932.

\(^{35}\) UAR, June 1935.

\(^{36}\) UAR, July 1932.
each electorate, and only in exceptional circumstances should there be any departure from the principle of local pre-selection. Where it was not possible for branch members to select their own candidates, alternative methods were defined. For state candidates all delegates to the State Electoral Conference, together with all members of branch committees within the electorate, were to comprise an election selection committee. For the larger federal electorates, there would be an Electoral Selection Convention composed of all members of the State Electoral Conferences and branch committees within the federal electorate:

The Constitution as adopted provided that where practicable the selection should be by secret ballot of branch members whose names appeared on voters rolls [presumably the official electoral rolls]. The Electoral Conference had discretion to decide whether such a selection ballot should be by postal vote or otherwise. Where it was impractical to make a decision by secret ballot, the Electoral Conference was empowered to make a selection in the case of a country electorate. In metropolitan electorates, the method of selection was left to the discretion of a general meeting of branch members called by the Electoral Conference. 37

The problems of pre-selection emerged very early in the history of the party, as the state election of May 1932 caught the UAP at a disadvantage with its re-structuring only partly completed. According to the Interim Management Committee, these problems had been resolved by the "splendid co-operation of the organisation in all electorates." In most cases, it was possible for selection to be made by the electorates, in accordance with the spirit of the constitution. In the following years, these general principles worked harmoniously enough, but pre-selection remained a vexed issue within the party. This seems partly to have been a reflection of some lingering AFA[L] identity within the UAP, although this is hard to define. It also marked the persistence of a deeply-held belief in sections of the UAP and its predecessors that pre-selection should not be rigorously controlled by the party, and that it was the right of any party member to contest a parliamentary seat. The question came to a head in the mid-1930s when there were several wrangles over pre-selection at both federal and state levels, most notoriously in 1937 when an independent UAP candidate, Percy Spender, defeated Archdale Parkhill for the federal seat of Warringah. (The dispute over pre-selection was not resolved until the 1938 State Convention.) 38

Electoral Conferences in the metropolitan area were composed of two delegates for each 25 to 100 members of a branch and one for every 50 members or part thereof over this. For Country Conferences, the ratio was two delegates for the first 10 to 50, and one for every 50 or part thereof in excess of the first 50. Delegates to State Electoral

37. UAR, March 1932.
38. UAR, December 1938.
Conferences were also delegates of the Federal Electoral Conference of the Federal Electorate where they lived.39

Apart from pre-selection, the conferences were empowered to create new branches within their areas and, if necessary, to dissolve branches. Although the conferences were vested with the fullest possible powers to deal with local matters, these powers seem to have been used infrequently. Squabbles between branches and between branches and other parts of the machinery were largely resolved by the central organisation and not by the conferences. The conferences discussed policy matters, and occasionally took initiatives on a Conference basis. The Redfern Electoral Conference established a UAP Unemployment Bureau in the electorate, and this machinery at conference level was distinct from other unemployment agencies at branch level and within the central machinery of the party. The Electoral Conferences (or Divisional Conferences, as they were also known) organised social functions such as divisional balls. The main functions of the conferences were to maintain a structure for pre-selection and to direct election campaigns at the electorate level (see below).

In a representational sense, the framers of the UAP Constitution had intended that the conferences should be the basis of selecting delegates for the UAP Council. The National Party had chosen council delegates on the basis of individual branches, so the change to conferences selection was significant in terms of the composition of the Council. Such a method of selection did not prove satisfactory to the branches, and the Convention of 1933 restored the old method of representation.

Meetings of the conferences were somewhat irregular, apart from the ritual annual meeting at which office bearers were elected. The structure of the conference executives verged on the elaborate. The Macquarie Electoral Conference comprised a president, two vice presidents, an honorary secretary and treasurer, and nine councillors. Organisation in the UAP was rarely simple, but with the conferences there was justification for wide representation. Annual meetings of conferences were usually held with a sense of party spirit and occasion. The Macquarie Electoral Conference at Katoomba on June 30, 1934 was attended by the Federal Postmaster General, Archdale Parkhill, the sitting member, John Lawson, a state MLA and Horsfield, the UAP state secretary. The attendance was described as "a very large and representative gathering of branch delegates from over a wide area of the electorate." Parkhill addressed the conference on organisation, and the re-endorsement of Lawson was proposed and approved after a sequence of speeches. Apart from the election of officers, this

39. UAR, March 1932.
constituted the formal business of the meeting.\textsuperscript{40} Other conferences in country areas incorporated social functions and visits to local industries such as cheese factories and model farms.

While the conferences formed an essential part of the election machinery, the original intention to build them up into regional administrative organs with a policy role was largely unfulfilled. Prospects for establishing the conferences as an important intermediate structure between branches and the central machinery of the party were lost when council representation was made dependent on the branches and not on the conferences. If representation on a conference basis had been persevered with, they might have emerged as principal sources of UAP activity.

Conventions

The first Annual Convention of the UAP, held in March 1932, was discussed in Chapter 8. Its participants consisted of the executives of the National Party and the AFA[\textsuperscript{L}], the members of the Constitutional and Convention Committees, the NSW members of the Federal Parliament, the UAP members of the State Parliament, six delegates from the Younger Set Movement, and the elected delegates from the branches. It discussed, and largely approved, the draft constitution prepared by the Constitution Committee; sections of the Constitution not dealt with by the Convention were ratified subsequently by the newly established council (see Chapter 8).

The inaugural convention set the pattern for the conventions held each subsequent year. Five years before Attlee described the British Labour Party's annual conference as the "Parliament of the movement", the same label was applied by the \textit{UAR} to the annual conventions of the UAP. The convention was held around the Easter holiday period, except where election campaigns intervened, as with the state elections of 1935. It was usually held at the Assembly Hall in Margaret Street, Sydney and extended over two days. Social functions associated with the Convention leaned to the austere, and the general impression conveyed was one of sober responsibility. Sittings were rigorous, lasting from 10 a.m. to 10 p.m., with a total of eight hours on the floor for delegates. Assessment of the number of delegates attending the annual conventions is difficult. Some accounts refer to up to 1,000, but except for the inaugural convention, these seem over-stated. The \textit{UAR} put the maximum attendance at the 1934 Convention at 450, with an average of 300 present during the greater part of the sittings. Each branch was entitled to send two delegates, so on paper, a total attendance of up to 1,000 delegates was a possibility. In practice, it is unlikely that the conference ever exceeded 500

\textsuperscript{40} \textit{UAR}, July 1934.
delegates. The overwhelming impression given by convention photographs is of middle aged and elderly men and women, mostly well tailored and costumed, and representative of relatively affluent community groups. Admittedly, this evidence is impressionistic, but it does suggest that the movement was controlled by older, well-off people. On the pictorial evidence of the convention floor, men predominated but not overwhelmingly so. It is impossible to give any accurate representation of the proportion of country delegates at the convention, but the Country Convention which usually preceded the Annual Convention was attended by up to 300 delegates. It is possible that up to half of the Convention was made up of country delegates, given the strong emphasis placed by the UAP on balanced city and country representation.

The business of the convention followed a uniform pattern, made up broadly of three principal elements: addresses by party leaders, resolutions on the constitution and rules of the party, and resolutions on policy. The speeches by party leaders were not prescribed, but particularly in the early years they generated tremendous enthusiasm from the delegates. The usual practice was for the federal leader and deputy leader to address the Conference on broad national themes. Participation of state parliamentary leaders was subject more to the demands of the agenda and the items of policy before the convention. The Premier, Stevens, spoke to the convention formally as state leader, then as de facto chairman reappeared to speak and answer questions on specific items of business. At the 1933 Convention, the State Minister for Justice, Mr L.O. Martin, appeared twice at the Convention to explain the referendum for the reform of the Legislative Council. There were impromptu speeches by other parliamentarians. Hughes made an emotional return to the mainstream of Australian conservatism at the 1932 Convention when he was "commandeered" by delegates and made a brisk two-minute speech.41

The business of the Convention tended to throw a disproportionate weight to the constitutional and rules side of the agenda, although this was by no means invariable. Employment and industrial policy always attracted considerable attention, and were treated with considerable sensitivity by the state parliamentary leadership. The 1934 Convention suspended consideration of the agenda so that motions relating to unemployment could be dealt with as questions of urgency. A special committee was established to examine the employment resolutions, made up of the Minister for Labour and Industry and all representatives of sponsoring branches. The Convention established a permanent committee on employment comprising members of this ad hoc committee, plus representatives from industrial areas unrepresented by a UAP member

41. *UAR*, April 1932.
in the State Parliament. The committee was empowered to report to each council meeting and the subsequent Annual Convention on employment and industrial policy. The Convention also strongly urged both Federal and State Governments to regulate the employment of women and girls where it was prejudicial to jobs for men and boys. 42

Employment and unemployment apart, there was a consistent pattern to the policy debates and resolutions at the Annual Convention. Transport questions were important issues in NSW state politics through the 1930s, and attracted vigorous debate at each Convention. Attention to national issues was perfunctory, and there was a preponderance of trivial and parochial resolutions which often were not discussed. Rural issues were deemed to have been dealt with adequately by the Country Convention, the Annual Convention mostly ratifying these without debate. Resolutions not dealt with by the conventions were transmitted to the next meeting of the Council or to one of the standing committees (see below).

Debate on the UAP's constitution, machinery and rules at conventions was lengthy and often heated. Votes on these matters were often close, with calls for a count of hands. Rules and procedures which were seen as limiting branch powers or regimenting branch members always received extended debate at the Convention, and rules which were deemed coercive to branches and members were often overturned. The most important machinery function of the Convention was the election of office bearers and councillors who comprised a core element of the party's council. The Premier was by right chairman of the party; the other office bearers were three metropolitan vice presidents and three country vice presidents (two men and a woman from each). The convention elected a total of 40 councillors, ten men and ten women from the city and ten of each from the country. 43

The UAP Annual Convention had a ritual place in the structure of the party; undoubtedly it contributed much to the party morale and cohesiveness, particularly in the early years. As the final arbiter of the constitution and the rules, it exercised a useful oversight of the UAP machinery. In the tradition of Australian "Liberal" parties and of the British Conservative Party its impact on policy was peripheral. State ministers in particular were careful to cultivate an appearance of consultation with the Convention and responsiveness to matters raised by it. Undoubtedly, the Convention was important in an elaborately constitutional party, but in practical terms it was largely a symbolic centrepiece of the UAP structure.

Although the Country Convention was concerned predominantly with agricultural

42. UAR, April 1934; May 1934; July 1934; December 1934.
43. UAR, May 1933.
policy and marketing of commodities, it did give some attention to constitutional and organisational problems, occasionally with innovative results:

An important proposal designed to strengthen the United Australia Party as an organisation of a national character was adopted, advocating an annual Federal Conference of UAP delegates, elected by State Councils to deal with subjects pertaining to Federal politics.44

(The lack of such a structure was discussed in the Chapter 10.) The Country Convention was preoccupied with ways in which the principle of equal representation between metropolitan and country membership might be applied in practice. It recommended that at least one council meeting in every three should be held in the afternoon so that country delegates could return home the same evening. It also resolved that policy committees should be comprised equally of country and metropolitan representatives and, less equitably, that the majority of country representatives should be men actively engaged in primary production. According to one account, "it (the Country Convention) carried its credentials on its face." To a greater extent than the Annual Convention it reflected the continuity of the "Liberal" Parties in New South Wales:

If many of the motions on the agenda were "hardy annuals", so also were many of the delegates. Some had attended similar gatherings for a quarter of a century or more - fine old stalwarts of what used to be called "Liberalism".45

Tensions between the country and metropolitan wings of the UAP surfaced occasionally. In particular, there was a feeling that the UAP in the country should be organised so as to reflect the idiosyncrasies of country campaigning:

One of the big debates of the day concerned the proposal to create what one speaker described as a "Country Party" within the UAP to counteract the influence of the Country Party outside .... The majority feeling, however, was in favour of letting well alone. Delegates subscribed to the affirmation of Mr Chapman: "We depend on the city and the city depends on us. We must be united together in the Big Push."46

The frequently invoked principle of constitutional equality between city and country was largely a fiction in practice.

Linked with the Country Convention were the Annual Regional Conventions held each year at Newcastle or Maitland (for the north of the state), Goulburn (for the south), and Bathurst or Orange (for the west). The inaugural constitution of the UAP had made the Regional Conferences an option, but the first Annual Convention made them mandatory. The function of the regional conventions was expressed as "for the

44. UAR, May 1932.
45. UAR, May 1933.
46. Ibid.
purpose of enabling the Council and the Parliamentary leaders of the Party to report to, consult with and ascertain the views of the country supporters of the Party on matters of policy and organisation. The conventions became a useful and successful part of the UAP structure; in theory their decisions were passed on to the Annual Country Convention and then to the Annual [General] Convention. The regional conventions served some policy role by crystallising issues before they were discussed in Sydney. They were also important for their exhortatory role, with party leaders attending to sustain the morale of activists from scattered parts of the state.

If one feature characterised the structure of the UAP and distinguished it from the National Party, it was the expansion of the party conventions. The Nationalists had been content with an annual general convention of the whole state branch. The UAP held five conventions: three regional country, one general country, and one annual general. The central organisation of the party took some pride in this expansion:

This enlargement of the convention season, with the necessary expansion of the organisation's scope, has been effectuated with such smoothness and celerity that the innovation has become accepted as an integral feature of the party. Nevertheless, this remarkable evolution in the Party organisation is a tribute to the broad-based spirit in which the UAP Constitution was conceived.

There are two major reasons for this extension of the party's convention base. The UAP had been ostensibly a political wing of what was conceived as a comprehensive movement, and so a broader base than that of the National Party was deemed necessary. The second is that a cardinal principle of the UAP Constitution was equality of representation and party access between country and city. It is arguable how much this expansion of the convention system to accommodate country interests contributed to the strength of the party in New South Wales. Given the strength of the UCP in important segments of the state, the UAP succeeded in establishing sectors of dominance in the country, and the conventions assisted the organisation in these key areas. The prime importance of the Annual Convention lay in keeping the party's constitution under review and maintaining the effectiveness and relevance of the party machinery.

UAP Council

Two important aspects of the UAP's State Council were noted earlier; that the Annual Convention elected 40 delegates to it, plus the office bearers, and that an attempt to provide for rank and file representation on the basis of State Electorate Conferences had failed. Based on a branch delegate system, if each branch sent one delegate the Council had a potential membership of up to 500. In practice, the size of the

47. UAR, December 1932.
48. UAR, May 1932.
Council was restricted by the inability of most country branches to send delegates regularly, but even so the monthly meeting of the UAP State Council usually comprised over 100 delegates.

As envisaged by the framers of the UAP Constitution, the State Council would have comprised a total of 291 members, made up of 180 from the State electorates (two each from the 90 electorates), 56 from the federal electorates (28 men and 28 women), 32 elected by Annual Convention (subsequently raised to 40), two from the Younger Set organisation, six office bearers elected by Annual Convention, six state parliamentarians, two federal parliamentarians, the state parliamentary leader, two honorary treasurers, and four co-opted members. As with the Annual Convention, the principle of equality of numbers between country and city was applied, although for practical reasons the city membership predominated at the monthly meetings. Provision was made for 60 places for women in the Council; with the change to branch representation, it is probable that the proportion of women members was higher.

In practice, the State Council exercised a broad surveillance of the UAP. Taking a couple of Council meetings at random, on September 12, 1932, it adopted a proposal from the executive to hold a debating competition, approved the rules to govern the sporting and social activities of the Younger Set, considered a report from the Organising Committee on the distribution of party organisers, and elected members to the Policy Committee and the Literary Committee. 49 The meeting of November 21, 1933, adopted constitutional amendments recommended by the Executive (these were motions not considered by the Annual Convention), debated the partial restoration of parliamentary salaries but did not reach a decision (a usual consequence of any policy-related item), affirmed an executive recommendation for early selection of federal candidates, noted the successful functioning of the Employment Branch, and granted representation on the Council to three affiliates: the Speakers' Assocation, the Women's Debating Club and the Women's Club. 50 Much of the State's Council's business was ratification of recommendations from the State Executive and from the machinery committees (see below). If the State Council seems a cumbersome expedient for the performance of business that was generally routine, it must be recalled that it was a traditional part of the machinery of the "Liberal Parties". It was big enough to serve as an exhortatory body and the party's senior parliamentarians addressed it (some, of course, were delegates.) Stevens, who was also the ex-officio Chairman of the NSW Branch, reported regularly to the Council:

49. UAR, October 1932.
50. UAR, December 1933.
Mr Stevens later addressed the Council, relating the record of improvement achieved by the Government and its future intentions. He said that the forefront of the Government's policy was that of unemployment relief [sic], and he gave convincing facts and figures as an earnest of what the Government already had done. 51

The State Council seldom embarked on major discussions of policy, although it did occasionally adopt resolutions from the branches. These often involved the reference of a policy matter to the Policy Committee, the Employment Committee or the Literary Committee. Less frequently, it adopted a resolution that was a blunt expression of policy:

That the Government be asked to inquire into the competition of chain stores with shopkeepers. 52

Other resolutions related to machinery and electoral matters which were usually referred directly to the Organising Committee.

Committees

The central committee structure was unambitious. The constitution provided for a Standing Committee on Policy, an Organising Committee and a Literary Committee. The largest of these three committees was the Organising Committee of ten, whose membership was equally divided between city and country. There were seven members of the Standing Committee on Policy, and five on the Literary Committee. The Organisation Committee was charged with supervising the general organisation of the party, and making recommendations to the Executive upon organisational matters. The Standing Policy Committee scrutinised and made recommendations on resolutions remitted to it by the Annual Convention or the State Council. Its most ambitious charge was an examination of how the Australian Constitution might be amended, at the direction of the 1934 Annual Convention. The Literary Committee supervised the general publicity of the party, and made recommendations on these matters to the State Executive. The Organising Committee exercised a broad supervision over arrangements for election campaigns, including the material prepared by the Literary Committee. In effect, its membership was augmented and it became a broad Election Campaign Committee.

The party was sparing in its use of ad hoc committees. The most important was the Employment Committee formed by the 1934 Annual Convention, discussed above. This committee met frequently and dealt with matters relating to employment referred to it by State Convention, Council, and Executive, and the central organisation of the

51. UAR, February 1934.
52. UAR, November 1933.
party. The Employment Committee was often more forthright in dealing with policy questions than other elements of the party; for example, it rejected a proposal that the Commonwealth Government should proceed with the construction of developmental roads leading from existing railheads in the Northern Territory. It maintained a close liaison with the Employment Branch at the central party headquarters.

**UAP Executive**

The composition of the State Executive was a microcosm of the State Council which elected ten of its members to serve on the Executive. It also included the parliamentary leader, a chairman elected by the Council, the six vice presidents elected by the Annual Convention, two honorary treasurers appointed by the Council. This meant that 17 members of the Executive were appointed directly by the State Council. The ten elected members were distributed evenly between city and country, and two of them were women. The constitution provided for a minimum of four women on the State Executive.

The work of the Executive mirrored that of the State Council, and it is difficult to get a clear image of its functioning. The proceedings of the Executive were not recorded in the party journal, except as they related to the agenda before the State Council and its decisions. It emerges from the accounts of State Council proceedings that much of its work was based on recommendations and reports from the Executive, which met two or three times a month, while the State Council met monthly. The Executive also faced problems in securing the regular presence of its country delegates, accentuated by more frequent meetings. In the circumstances, it is likely that the principle of equality, which was perhaps the most vaunted element of the whole structure, was nominal in practice; it would not have been practical for all of the country delegates to attend either meeting on a regular basis. It is clear from State Council reports that the Executive was closely engaged in oversight of the day-to-day functionings of the party; despite the presence of two honorary treasurers the Executive was subsidiary to the Consultative Council in the collection and allocation of funds. It was the unit of the party most directly associated with the party machine, and was primarily responsible for forward planning, setting dates for the conventions and preparing for elections. In the absence of records, it is impossible to describe its operation in any more detailed way.

**The Central Organisation**

The UAP inherited from the National Party a tightly organised machine with a reputation for effectiveness, but it was not at its peak following the decisive defeat of the Nationalists at both federal and state levels. Archdale Parkhill, the doyen of the
machine politicians of the Nationalist era, had entered the Federal Parliament in 1928. His successor, H.W. Horsfield, was a less dynamic figure, a careful administrator who avoided contention and complied meticulously with the directions of his political overlords. Horsfield guided the UAP machine in New South Wales from the difficult years of its inception to the period of accelerating fragmentation of the party in the early 1940s. His long term is an indication of competence and party satisfaction with his services, but he was not an assertive or even a highly influential figure.53 There is some suggestion of friction between Horsfield and the Deputy Secretary, Warby, who had been secretary of the AFA[L] and was placed in the UAP headquarters as part of the joint arrangements which produced the new party.54

The National Party headquarters had gravitated around the northern commercial end of central Sydney, moving from Wynyard Square to Bligh Street in the late 1920s. The UAP moved from Bligh Street to Ash Street in the mid-30s. The appellation "Bligh Street" was closely identified with both the National Party and the UAP, although both organisations spent much of their existence in other locations. Both the Bligh Street and Ash Street headquarters were around the corner from the offices of the principal sponsor, the Consultative Council, in Bridge Street.

The staff of the central organisation was organised on conventional political lines: secretary and assistant secretary, accountants, a small publicity (or literary) staff, and office staff. Associated with this central staff were the party organisers, most of whom worked from divisional headquarters in the country. The distribution of organisers varied, but through much the of the 1930s the country area was divided into eight organisational divisions with an organiser in each. Metropolitan organisers worked from the party headquarters, which also housed an organiser for the Younger Set, and the women's organisers. This staff was augmented substantially for election campaigns.55

The staff of the UAP headquarters was engaged largely in routine political and organisational work, servicing the State Executive and Council and the party committees, maintaining a liaison with the Electoral Conferences, adjudicating petty disputes within the party machinery, disseminating literature and processing correspondence to and from the branches. Associated with this core element of the headquarters organisation were several ancillary units which differentiated it from the

53. Despite the influential positions Horsfield held for many years with the UAP and the Consultative Council, he was not included in the ADB.
55. The United Australia Party, n.d., circular in NSW Liberal Party Papers, op. cit., Y4620, Item 11, File-Rulings Inter-Office 1934-41. This paper briefly describes the principal institutions and the functioning of the party.
standard political apparatus.56

The most innovatory aspect of the central organisation was the Employment Branch which operated in conjunction with the party headquarters, in effect serving as an employment bureau for unemployed members of the party. The rationale for the creation of the branch was outlined thus:

It is proposed to detail a special officer for this work, and to compile, with the assistance of the branches, a list of all UAP branch members who are unemployed, with their qualifications and experience. Employers of labour will be directly approached and asked for their co-operation, with the object of ensuring that members loyal to the party will receive every consideration in the filling of vacancies. A communication is to be forwarded to the branches explaining the scheme, the method of registration and other particulars. The scheme will be in the nature of an experiment; but it is felt that by concentrating on the matter, in co-operation with the branches, much good will be achieved.57

Some good was achieved, at least for unemployed with UAP affiliations. The Executive reported to the Council in May 1934 that of a total registration of 1037 males, jobs had been found for 582; 85 females were registered of whom 20 were placed in jobs, leaving an overall balance of 520. The report noted that the greatest difficulty was encountered in placing applicants with clerical qualifications who were not in many cases fitted for ordinary relief work.58

This sort of quasi-welfare work was an innovatory use of the traditional "Liberal" machinery, linking the branches with the central organisation. The branch also worked closely with the State Government, and was able to find jobs for single men on its lists in employment camps in country centres. On the facts available, the Employment Branch does not seem to have operated to procure political favour. It was emphasised from the start that it was intended for unemployed party members and not as a general welfare measure. Whether this provided an incentive for unemployed workers to join the party is impossible to determine.

The other ancillary functions of the central organisation were more traditional. Reference was made earlier to the Women’s Club, the Women’s Education Circle and Women’s Debating Club which were associated with it. The UAP Speakers’ Association was an important affiliate of the central organisation and a staff member was allocated solely to its activities. The Speakers’ Association was the most venerable of the organs inherited from the National Party. Archdale Parkhill had established it 20 years before the formation of the UAP. The association was the most important of the debating

56. Ibid.
57. UAR, July 1933.
58. UAR, May 1938.
organs of the UAP, and over many years it trained prospective candidates and, more importantly, cadres of speakers for the party's election campaigns. In this respect, it resembled some aspects of the YNO of Victoria, but it lacked the semi-autonomous character of that organisation, and it did not produce identifiable groupings in State and Federal Parliaments. The Speakers' Association was strictly controlled by the central organisation and although some of its members went on to political careers, they did not attain the eminence of YNO alumnae such as Menzies, Wilfred Kent-Hughes, and Thomas White. Hall and street corner speakers who had been properly trained were still important during the UAP period despite the emergence of radio and more elaborate press advertising.

The Speakers' Association met once a week, with average attendances of about 70; the peak membership was around 150. Members were encouraged to participate in debates, and an annual trophy was awarded for the debater "adjudged best in logic, persuasiveness, and manner; qualities essential in effective political speaking". Members also delivered short lecturettes, and listened to guest speakers. One was the president of the Dante Alighieri Society, Dr Baccarini who, in outlining the principles and aims of the Fascist Government, quoted Mussolini's dictum that as the 19th century had been the century of individualism, the 20th century might well be the century of collectivism, hardly an attractive message for "Liberal" activists. 59

The other important aspect of the central organisation of the UAP was the clubroom facilities it provided for party members. A National Club had been part of the panoply of the central organisation since the mid-1920s and the old title was retained despite the change in the party name. A company known as National Club Ltd was formed in 1935 to manage the party's new headquarters and clubrooms in Ash Street, supplanting the old National Club in Bligh Street. The disposal of the Bligh Street premises followed frequent complaints that the clubrooms were inadequate for the increased party membership of the UAP. The directors of the National Club Ltd included party notables such as Parkhill, Bavin, E.H. Farrer MLC, and Martin. The Ash Street premises of basement and six floors provided an assembly room with a capacity of 450 people and smaller rooms for club luncheons and functions. It gave improved and enlarged accommodation for the party organisation and permitted a larger library and reading room, more spacious card and billiard rooms, and sleeping accommodation for country members:

It is hoped that these expanded facilities for intercourse will induce present members to make wider use of the club and result in a greatly increased

59. UAR, October 1932.
The club imparted a sense of political identity to the UAP by holding regular luncheons, often to farewell a party dignitary embarking on an official visit overseas, or to welcome one on return. These luncheons were used for elaborations of party policy and defence of its administration. The club provided relatively cheap dining facilities for party members, and catered for the social functions and regular meetings of the central party units. The UAP was never a "clubbable" party in the social sense of the British Conservative and Liberal Parties, or the political lodges and halls of the American Democratic Party, but it remained an important supplement to the NSW UAP.

**Elections**

The thrust of the UAP machinery was directed to winning elections, and the basic rationale of party organisation was to keep the party in good trim between elections. The federal organisation of election campaigning was discussed in Chapter 10. The following comments are directed to rounding out the picture of the federal machinery, such as it was, with a brief account of state campaigning. Again, this is drawn from fragmentary records which cover only a small part of the UAP's campaigning in New South Wales.

That the supreme effort of the UAP was made in the 1931 federal elections and the 1932 state campaign is borne out by the figures for overall campaign expenditure. In 1931, the party in New South Wales contested 18 seats and spent 37,500 pounds. (Four seats were contested by more than one candidate.) In 1934, it contested 20 seats, but with a sharply reduced expenditure of 28,655 pounds. In 1937 both the number of seats contested and the expenditure fell; 16 seats and 24,172 pounds spent. There could be no more compelling evidence of the gradual falling away of the party effort. Much the same picture emerges at the state level: 60 seats contested and 34,682 pounds spent in 1932; 48 seats contested and 25,752 pounds spent in 1935. The response made in 1931-32 was exceptional and once UAP governments were safely installed, it dwindled. 61

Although a substantial machinery was built up in the central organisation, the branches conducted their campaigns with considerable autonomy. The oversight of campaign directors and party organisers was sporadic, although there was a careful vetting of campaign accounts once it was over. The pattern of organisation and

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60. *UAR*, January 1935.
61. NSW Liberal Party Papers, op. cit., Y4620, Item 35, UAP Seats contested and campaign expenses. It is not clear whether the figures cover only headquarters spending, or also include branch and regional outlays.
financing varied from electorate to electorate, but the basic principles were much the same. The essential task of organisation was to set up, staff and equip a campaign headquarters, and then to embark on a process of extensive canvassing. The main campaign spending was on the hire of canvassers and other staff for "sniping" (letter-boxing or handing out dodgers in contemporary parlance.) Production of campaign manifestos, pamphlets and "snipes" was largely the responsibility of local campaign machinery, as were local press publicity and some broadcasting. The central office campaign was directed to the metropolitan press, provincial outlets such as the Country Press network, and the major broadcasting stations. The central organisation used advertising companies (principally O'Brien Advertising) for the preparation of material, although the amounts paid for these services are not contained in the surviving records. 62

The accounts for the individual electorates show a substantial common component: office and staff hire, equipment (particularly typewriters and duplicators), loud speakers, hall hire (insignificant in overall terms), phone, printers, "snipes" and "sniping", calico signs, local broadcasting, press and movie theatre advertising. There are occasional surprises. A provision of one guinea was made for a Jewish afternoon at Bondi, the sole hint of ethnic campaigning. In one state electorate, provision was made of 20 pounds for scrutineering, a considerable sum suggesting that such a basic electoral activity was occasionally conducted on a professional basis. Canvassing was intensive with special provision often made for a final canvass of "doubtfuls". By the standards of a depressed era, canvassers were quite well paid, usually from four pounds to six pounds a week. Good canvassers were at a premium. According to one organiser, "there are no women in Goulburn equal to this work and they would require to come from Sydney." 63

The patterns of overall spending and financing convey some interesting impressions. Spending in safe ALP seats was relatively high: East Sydney 438 pounds, Lang 575 pounds, Watson (an inner Sydney industrial seat) 1078 pounds. Local campaign organisations were given considerable freedom in spending, with no firm overall criteria. In the 1934 federal campaign in the electorate of Wentworth, about 40 per cent of the total budget of almost 800 pounds was directed to publicity, rather higher than most other electorates where publicity spending was proportionately low. At the end of this campaign, the Wentworth campaign committee recorded a bank balance of 8/4d. Other campaigns were under-spent. The party was able to mobilise

62. The following section is based largely on material in NSW Liberal Party Papers, op. cit., Y4620, Item 36. This contains itemised lists of campaign spending and funds raised in state and federal election campaigns, particularly the 1935 state campaign.

extra funds for strategic electorates. In the 1934 federal elections, it spent a total of 1,715 pounds in Calare where the UAP directly challenged Thorby, the sitting Country Party member. In many ways, Calare was the cockpit of the federal rivalry between the UAP and the Country Party (see Chapter 9). The rough accounts show that the party headquarters in Sydney contributed 1,500 pounds of the total spent. The accounts show a payment of 300 pounds to the candidate, Dr L. Nott, although its purpose is not disclosed, the only instance of such a payment. Although a sizeable amount of 44 pounds is shown for advertising and printing, it is difficult to account for the bulk of the spending in Calare, although much of it probably went on canvassing. 64

Contributions to the local campaign from headquarters varied considerably. Some campaigns were very largely funded from headquarters: in Ashfield in 1932, headquarters contributed 592 pounds of total spending of 595 pounds. Other electorates raised a significant part of their campaign funds. A typical example was the Sydney seat of Concord in the 1935 state election, which was granted 300 pounds and raised the balance of its total spending of 514 pounds. There is evidence of substantial funding outside the headquarters and electorate framework, but not of direct contributions from the Consultative Committee. A breakdown of finances in the Ryde electorate for the 1934 election shows a contribution of 200 pounds from headquarters, 86 pounds from local collections, and 433 pounds collected from "other sources". A further note explains the final item as sums collected by E.H. (Eric) Spooner (the UAP member) ranging from 10 pounds to 200 pounds. 65

This fragmentary evidence provides the basis for impressions about the UAP election campaigning which confirm some of the judgements made earlier. The UAP spent heavily on election campaigns, although its allocations tapered as the threats of repudiation and inflation receded. Spending figures partly reflected a changing balance of campaigning to centralised press and radio advertising, but the process was slow. Throughout the UAP era, local campaigning remained dominant with a heavy emphasis on sustained and often costly canvassing. Allocations for hall meetings were mostly small although this partly reflected the low cost of hiring halls, usually 10 shillings to a pound, as well as the dwindling importance of such campaigning. Some electorates held only one or two hall meetings; in others the number was quite high; the Hurstville Electorate provided finance for a dozen halls in the 1935 state elections. 66 In the absence of any detailed information on how the state campaign machinery worked, it is

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64. Ibid.
65. Ibid. Spooner had links with business interests. An ambitious politician he was a principal figure in the events which brought down Bertram Stevens as NSW Premier.
66. Ibid.
difficult to draw firm conclusions about the degree of control and supervision it exercised over the local machinery. The picture that emerges is of a relatively relaxed and decentralised process, with the local machines given considerable latitude, at least until they presented their accounts. There is no evidence of any direct contact between the local machinery and the federal campaign headquarters.

Conclusion

It would be a mistake to envisage the organisation of the NSW UAP as a tightly integrated structure. In many ways, it was sprawling and diffuse; a number of its branches were moribund and whole sections of the state were inadequately organised. Given these deficiencies, it succeeded to a greater extent than any other state branch in promoting a corporate identity for the UAP. In forming new branches and maintaining party membership, the impetus was maintained until the mid 1930s. After 1935-36, there was a perceptible decline in the structure of the NSW UAP, partly reflecting the malaise of the State Parliamentary party.67 Much of the UAP's organisational success was due to encouragement of an active membership through varied social activity at branch level, by the cultivation of an enthusiastic although not overly political youth movement, by the extension of an effective women's movement which did much of the grassroots organising and campaigning, and by the establishment of an adequate administrative base in the central organisation. The "umbrella" structure built up by the NSW branch was based on the machinery inherited from the National Party, re-shaped and improved in a number of ways, but unquestionably an inheritance and not an innovation or a transformation.

67. The demise of Stevens and the disintegration of the state parliamentary party is outside the scope of this thesis. For a comprehensive account, see McCarthy, The Stevens-Bruxner Government, op. cit.
CHAPTER 12
UAP ORGANISATION - THE VICTORIAN BRANCH

Introduction

The structure of the Victorian branch of the UAP owed virtually everything to the practice of the previous "Liberal" parties. According to Aimer, the main features of non-Labor organisation can be traced back to 1910, when the ALP's success at the federal election compelled the "Liberal" fusionists to face up to organisational problems:

In this mood, non-Labor moved away from the ad hoc methods of electoral organisation associated with the pre-Fusion period of party politics and espoused the constitutional structure, many of the organising techniques and some of the rhetoric of the mass party.¹

The flurry of organising activity which followed the ALP victory was compounded by the need to conduct a constitutional referendum in April 1911, and the requirement of a state election later in that year.

In strict chronology, the creation of the first "Liberal" structure had been preceded some years earlier by formation of the AWNL in 1904. Towards the end of the 1920s, a new "Liberal" force emerged with the creation of the YNO. The YNO and the AWNL retained a vigorous autonomy, during the era of "United Australia", although there was some overlapping of membership between them and the UAO as the central organisation.

The UAO

In strict terms, the UAM came into existence in May 1931, when a Council was formed consisting of representatives from the state branch of the National Party, the AWNL, the YNO, and the AFA[L] (see Chapter 5). This sort of conciliar organisation was familiar in the Victorian "Liberal" parties as a means of co-ordinating semi-autonomous organisations for both machine and electoral purposes. (Under the National Party, this council comprised three representatives each from the Federal Parliamentary Party, the State Parliamentary Party, the State Branch of the National Party, the AWNL and the YNO.) Once the election was over, the AFA[L] suspended its

activities and the UAM was effectively wound up. The label, UAO, became identified with the surviving structure of the former state branch of the National Party and this framework emerged as the titular co-ordinating agency of the UAP in Victoria.

This switch was given official sanction by Menzies, president of the branch, who declared that the Executive and State Council of the National Party were prepared to merge their organisation into the UAO. This was a change largely devoid of substance because, tautologically, the National Party branch was largely merging with itself, and the rights that the AWNL and YNO had acquired through their membership of the conciliar UAM were largely rights of representation that they had enjoyed under the previous Nationalist machinery. According to Menzies, all existing branches of the National Party became branches of the UAP, which had been strengthened by the influx of new members who had rallied to its support.²

This left the position of the AFA[L] membership rather uncertain, as its members had no formal status within the Victorian UAP. The League's president, Ernest Turnbull, explained the position thus:

... for the election campaign, League members automatically became members of the UAO. With the elections past, and realising that the League's task in that direction had been completed, the League had withdrawn from active association with the Nationalists in the UAO. It followed that its individual members automatically ceased to be members of the UAO.³

Very likely, many members of the League were also in the National Party, and it is probable that a number who were not would have joined UAP branches. With the departure of the AFA[L] as an integral unit of the UAM, the UAP lost any semblance of a substantial mass movement in Victoria.

In organisational terms, the changeover from National Party to the UAO involved little more than a shift of headquarters from Queen Street to Collins Street. The UAO inherited the Nationalist secretary, G.S. Maclean, and the existing constitution and procedures were maintained with only minimal change. The AWNL preserved its autonomy, as did the YNO, although the latter body maintained a representative on the UAO executive, at least in the early years. According to Aimer, a Unity Council with representatives of the three core bodies and the state and federal parliamentary parties was established but quickly fell into disuse.⁴

The basic structure of the UAO was much the same as that of the NSW Branch. Branches of not less than ten members formed the underpinning of an hierarchical

². Argus, February 23, 1932.
³. Argus, February 24, 1932.
⁴. Aimer, op. cit., p.27.
structure. Membership of the UAO was open to all persons over 18 years on payment of one shilling a year. As in New South Wales, the next level above the branches was conceived as an electorate organisation, comprised either of federal electorate councils, or district committees based on branches within state boundaries. In country areas where there was little branch organisation, the principal branch in an electorate was accorded the status of a "capital branch" with power to supervise arrangements for elections. "Capital" branches were nominated for the major provincial centres of Geelong, Bendigo and Ballarat. There is little other evidence that this structure ever functioned effectively.

The next tier of the UAO hierarchy was the State Council which comprised one representative from each state electorate, selected if necessary by ballot among the branches. Officers of the central organisation attended the State Council, and provision was made for attendance of up to three members of approved affiliated bodies. (Presumably, these were the National Union, the AWNL and the YNO, although it is difficult to verify that these bodies in fact attended the State Council.) According to Aimer, the State Council was charged with the broad function of "management of the organisation." It had authority over general organisational matters, the ratification of additions to the party platform, and changes to the party rules. The State Council issued occasional resolutions, often of a non-partisan nature such as an expression of regret on the death of the King and a pledge of allegiance to the new ruler. In practice, the State Council of the UAO was ineffectual, and content to delegate its powers to the Central Executive.

According to the Constitution, the Central Executive consisted of the elected officers of the organisation, ten members elected by and from the State Council, one representative from each of the State and Federal Parliamentary parties. The Constitution also provided for two representatives from the "affiliated organisation" which probably means the National Union. The Chairman of the National Union, Knox, and its secretary, Willis, occasionally represented the UAO at conferences. Knox and Willis do not appear on formal lists of executive members, but Aimer and Hart have suggested that both held official positions on the UAO. Links between the two organisations were close, although it is not possible to show any direct constitutional

5. Ibid., p.29.
6. Ibid., p.31. On the formal organisation of the UAO, see the organisation chart of Aimer, op.cit., at p.30.
7. Information on the constitutional structure of the UAO is taken from The Constitution and Platform of the UAO, adopted by the UAP annual conference, September 1932. On "the affiliated organisation", see clause 23. See also Aimer, op. cit., p.31, fn. 1.
8. SMH, June 2, 1934.
connection other than the obscure reference to "affiliated organisation". 9

The Constitution defined the executive’s powers as deriving from the State Council, thus complementing the provision that it should be constituted by members of that council and elected by it. Strangely enough, the Executive for much of its existence seems to have been elected by the Annual Conference, although it has not been possible to discover whether this was due to procedural change ratified by the conference, or was simply a reflection of the moribund character of the State Council. The Executive appears to have been a low-powered body, content to discharge its responsibility for the management of "all the affairs of the Organisation" (excluding changes in the constitution and platform) in an unobtrusive manner. Although changes in the constitution and platform were excluded from the Executive’s charter, it could make recommendations on these matters to the State Council. It also controlled the membership of candidate selection conventions and the endorsement of parliamentary candidates. 10

A significant aspect of the executive’s composition was the relative unimportance of parliamentary representation. Apart from the formal representatives of the State and Federal Parliamentary Parties, there were relatively few parliamentarians on the executive, certainly less than on the NSW Executive. The Victorian Executive also reflected a very strong provincial and rural representation, although care was taken to ensure that there was not a preponderance of non-metropolitan representatives. Even 15 to 20 years after the Great War, the executive lists were liberally sprinkled with Colonels and Majors, DSOs and MCs. The Executive seems to have been more aligned to the wealthier elements ”of United Australia” than its NSW counterpart.

The Annual Conference of the UAO was usually held in September and lasted only a day, compared with the elaborate convention structure in New South Wales. The Victorian Conference lacked the panache and the mass enthusiasm of the NSW Convention, although the party’s monthly bulletin extolled the morale of its delegates:

The attendance was a record, both in numbers and in quality. A noticeable feature was the great proportion of supporters present from country districts, representing all parts of the state. Resolutions from the branches were keenly debated throughout the day by a gathering which maintained its interest and its numbers from the commencement at 9.30 a.m. until well after 5.30 p.m.” 11

Parliamentary candidates were selected by conventions comprised of represen-

10. UAO Constitution, op. cit., Clauses 33, 35, 38, 39.
tatives of the three bodies which made up the UAP (UAO, YNO and AWNL). At the broadest level, all financial members of the UAO were eligible to vote, but the executive was empowered to authorise selection by a specified number of representatives from each branch in the electorate. There is a dearth of information on how the representation of the YNO and the AWNL was dovetailed into these conventions, but probably the balance of the three organisations was determined by agreement at branch level. The whole process generally worked well enough:

A well-attended and representative convention chose Mr H.E. [Harold] Holt from a number of candidates [for the Fawkner by-election], and invited him to nominate with UAP endorsement. Mr Holt is a young man of sound educational and professional attainments, and has shown his courage and readiness to assist the Party by contesting two strong Labor constituencies. The support being given to him in Fawkner should assure him a substantial victory. ¹²

Even in the years of its greatest political success, the UAO was not an effective organisation. For whatever reason, the chance to enlarge its membership and evolve a more vital organisation was squandered early in 1932 with the dissolution of the AFA[L]. The UAO was perceived as essentially a low-voltage cadre organisation, whose skeletal structure was clothed with flesh only at election time. The ambitious structure outlined above did not function with either regularity or proficiency. In Victoria it was accepted that the organisation was largely dormant between elections. The lack of dynamism of the UAO did not matter when the party’s fortunes were high at both federal and state levels between 1932 and 1935. The unexpected overthrow of Argyle as UAP Premier in 1935 devastated the UAO, and it never really recovered. The Argus laid the blame for the UAP’s failure squarely on the party machinery and in particular its executive:

The root of the trouble lies in the executive of the organisation. It has failed to do the essential elementary work of a political organisation .... Holding a conference once a year and getting feverishly busy when an election comes along, with lapses of complete apathy in between is not the way to build up an organisation and keep it effective. ¹³

This criticism reflects the indifference in the central machinery of the party to local organisation. The hard grubbing involved in creating branches and maintaining them, reviving party activity in moribund areas, building up membership, and maintaining a diversity of branch activities to sustain interest between elections was largely beyond the resourcefulness of the UAO.

There were a number of reasons for this inertia. A principal cause was the

¹². Ibid., August 1935.
¹³. Argus, June 13, 1938. Although this comment is made outside the period of this thesis, it illustrates the malaise which gradually pervaded the UAO from the defeat of Argyle in 1935.
pervasive influence of the National Union, combined with the lack of finance to maintain political activity between elections. After 1934-35, the UAO felt that intensive recruitment and activity in country districts would impair the federal coalition with the Country Party, and make it difficult to restore the state coalition. These factors partly explain without excusing the failures of the UAO: its lack of guidance and creativity in formulating policy; its feeble direction of political activity; its inability to inject a renewed sense of purpose into a floundering State Parliamentary Party; its lack of vitality compared with the AWNL and the YNO. On paper, the UAO had all the rudiments of a successful party in an era of mass politics. In practice, the machinery failed to work.

YNO

The YNO was paradoxical in that its membership was neither particularly young, nor overwhelmingly Nationalist; for reasons that are obscure the YNO, like the AWNL, chose to stick with the Nationalist tag. It was not a youth movement with nominal political identification, but a firmly organised and somewhat elitist arm of Australian "Liberalism". The YNO was largely confined to Victoria, although attempts were made to foster similar organisations in West Australia, Tasmania and Queensland. The YNO had no affinity with the NSW Younger Set Movement, which was younger and of a much lower political wattage. A more accurate analogy in the NSW structure is the Speakers' Group which had a similar objective in the training of political cadres, although this body lacked the autonomy and the political vigour of the YNO (see Chapter 11).

The YNO was closely identified with the political career of Menzies, who was its first president, and with Wilfred Kent Hughes and T.S. [Tom] Nettlefold, two of its founding fathers. (Kent Hughes was a minister in the Argyle coalition in Victoria and many years later in a Federal "Liberal" Government. Nettlefold was a prominent businessman, Lord Mayor of Melbourne, and a close friend of Lyons.) According to Aimer, the seeds of the YNO were sown in the 1927 state elections when Kent Hughes opposed an endorsed Nationalist candidate in the Kew electorate. To support his campaign, Kent Hughes gathered 20 younger men who were "keenly interested in the political issues of today". Several members of this group were identified subsequently with the YNO, including Kent Hughes's campaign secretary, A.H. Clerke, who later

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14. The Tasmanian YNO was discussed briefly in Chapter 8. It was abolished by the state branch of the UAP in 1937. An unsuccessful attempt was made in 1938 to bring all of the party's youth organisations together in a national federation.
became president of the organisation.\textsuperscript{15}

In 1929, the YNO assisted Nationalist candidates in federal elections. From its inception, it was identified with vigorous grassroots campaigning. It revived street corner meetings as an effective form of political activity in the final years before broadcasting eroded the value of all traditional meetings. The YNO was formally constituted at a general meeting of its members in March 1930. Its objective was defined as "the formation within the Nationalist organisation of an inner and active body of members who will be qualified to undertake active political campaigning."\textsuperscript{16}

The YNO was involved in the events which led to the defection of Lyons through the participation of Menzies and Nettlefold. It may also have been involved in the creation and subsequent organisation of the Victorian AFA[L] although it is difficult to pin down the precise nature of this involvement. There were close links between the two organisations, and in December 1931 Menzies and Turnbull issued a joint message for the federal elections on behalf of their organisations.\textsuperscript{17} As with the UAO, the cessation of political activity by the AFA[L] did not bring an influx of membership to the YNO, but this was not surprising in view of its status as a relatively small and tightly disciplined political group.

The initial proposal for party organisation stipulated an organisation of 449, made up of nine executive organisers and 440 rank and file to be organised into two metropolitan and two country "hundreds". (Each "hundred" would have included 110 members on such a basis.) The "hundreds" were to be sub-divided in turn into groups of ten under leaders selected by the executive, which nominated A.H. Clerke and John Spicer as leaders of the metropolitan "hundreds" and T.K. Maltby MLA and T.C. Manifold MLA as leaders of the country "hundreds". Such a restricted membership proved unsatisfactory, and the ceiling was raised to 800 with the objective of forming at least one group in each state electorate. Entry was more difficult than to the UAO; each aspirant had to be nominated by a group leader and one other member, elected by the YNO executive, and to pay an annual fee of five shillings (raised to 7/6 in 1933). All members were required to join the UAO if required by the YNO executive. The YNO headquarters were accommodated in the offices of the UAO and it had a permanent organising secretary, Major D. Radclyffe, whose salary may have been paid by the National Union.\textsuperscript{18}

\textsuperscript{15} Aimer, op. cit., pp.33 ff.
\textsuperscript{16} Argus, March 3, 1930.
\textsuperscript{17} Australian Statesman, December 1931.
\textsuperscript{18} Argus, October 16, 1930. Aimer, op. cit., pp.34-35.
The insistence of the YNO on active membership was enforced by the discouragement of nominal members. In 1936, its executive asked the group leaders to supply to the secretary the names of members who wanted to resign. Despite this scrutiny, some groups were less active than others, and periodic efforts were made to spark them up. In general, the smaller membership of the YNO and a regular surveillance of its membership gave it a greater vitality than the insipid UAO.

Branch activity of the YNO tended to the austere, although there were occasional "smokos" and branches joined together to hold social evenings. For the most part, the YNO's activities mingled political activism with a high degree of didacticism. The annual conference of the YNO usually extended over two days and was held in a residential setting such as Healesville in the Dandenong Ranges or Clifton Springs near Geelong. The Conferences were devoted to intensive policy analysis:

Instead of discussing a series of resolutions in relation to minor problems, the [1933] Conference devoted itself to two questions: (a) What is our attitude towards the present system of government? (b) What should be the relationship of the State to industry? 19

After considerable debate on each question, reports were prepared for a continuation of the discussion at a further conference early in the following year. At the annual Conference of 1934, the entire proceedings were devoted to discussing the relation of the state to industry, and the necessity for drastic parliamentary reform:

It [the YNO] is not blind to the hypocrisy of party politics and demands a broad minded outlook from all parties so that the freedom of democracy of which we boast may be safeguarded and maintained. 20

It was stressed to conference that resolutions of the "New Year" variety were not required but rather definite statements of desired objectives and how they might be implemented. According to the YNO journal, the Australian Statesman, there had been in the past too much of a "trust to luck" attitude. 21

By 1936, the YNO had developed an even more autonomous concept of its role in the structure of the UAP. A revised draft of its constitution was circulated which described the objective of the YNO as co-operation with the UAO, the AWNL and "allied organisations". The initial constitution had stressed the paramount role of the YNO as the promotion of active political campaigning. The later constitutional draft placed a greater stress on the study of political, economic and social problems, the formulation of policy statements in these areas, the inclusion of such policy in the UAO platform, and its ultimate implementation by Parliament. The original constitution of

19. Australian Statesman, November 1931, and December 1933.
20. Ibid., March 1934.
21. Ibid., November 1931.
the YNO prescribed the UAO platform as its general platform, and provided that members in general meetings might from time to time select planks from this platform to constitute a fighting platform. The revised draft omitted any reference to the UAO and described the organisation's platform as that adopted from time to time by two-thirds of the membership at a general meeting.22

The YNO published a vigorous monthly journal, the Australian Statesman, which expressed strong conservative principles. It affected a lofty tone and its content was often literary in character, sprinkled with references to the English classics and the Greek philosophers. It would perhaps be unwise to attribute this tone solely to the predilections of Menzies, but he was certainly a strong influence, at least until his departure to federal politics in 1934. Other elements of the journal reflected the military component of the Victoria UAP. The beggar's cry of the Cairo streets, "Gibbitt Backsheesh" was invoked frequently to deride the dole complex of Australian workers and the rapid spread of the welfare state.23 To give the Australian Statesman its due, it was progressive on welfare areas such as housing and it tried hard to stimulate a defence debate. As with most UAP journals, the Australian Statesman carried occasional material which was sympathetic to Mussolini and, in much lesser degree, to Hitler.24

Nor did the Australian Statesman moderate its comments on the internal problems which plagued the UAP after 1935. In particular, it was contemptuous of the establishment in July 1936 of a Country Liberal Group within the State Parliamentary Party. Its commentary on the UAO was generally circumspect, although it signalled clearly enough the tensions between the two bodies, particularly over Argyle's leadership of the State Parliamentary Party:

In a political party as in any army, it does not do if there be too many generals. It may be that the Army needs a new general, but some discipline and more loyalty are essential to the well being of an organisation, even if it is a parliamentary opposition.25

It is impossible to generalise about the age levels of the YNO with any degree of certainty, but the bulk of the membership was over 30. The leaders of the YNO were mostly beyond the age usually equated with youth. The point can be demonstrated by looking at the senior members of the YNO in 1932. Thomas White, a Flying Corp hero in World War I, and subsequently a prominent member of the Federal UAP

22. YNO Proposed Amended Constitution, n.d. Aimer, op. cit., p.37, fn. 1 dates this draft as 1936. The original constitution was adopted in February 1930.
24. See Australian Statesman, January and May 1933.
25. Ibid., July 1936.
Government, was 44. Richard Casey 41, Menzies 36, and W.S. Kent Hughes 37. E.H. Harrison, a pastoralist and former commandant of Dunroon, had joined the YNO on his retirement from the Army. He was over 50. This relative maturity was balanced to some extent by the presence on the YNO executive of W.J. Hutchinson, a newly-elected member of the House of Representatives and then only 28. In the main, the leadership of the YNO was mature, even middle-aged.

The leadership was overwhelmingly dominated by parliamentarians in the early 1930s, although non-parliamentarians were more prominent in the later years. The executive of the YNO in 1932 included four state parliamentarians, Menzies, Kent Hughes, J.A. Gray, and T.C. Maltby. Hutchinson, a federal MHR, was also a member. (As noted above, White, Casey and Harrison were also MHRs who were prominent in the YNO at this time.) More than any other part of the UAP, the YNO was a training ground for politicians. The organisation was extremely zealous of its federal parliamentary connections, and in the State Parliament it constituted a powerful cave. There were occasional references in the *Australian Statesman* to the "Young Nationalist" section of the State Parliamentary UAP and some intriguing indications of its size:

... The Young Nationalist section of the UAP [State Parliamentary Party] is numerically stronger than the whole Country Party, young and old .... The Country Party held out for 3 fully paid ministers in the Victorian Cabinet while the Young Nationalists have only one paid and two honorary ministerships - who are honorary in fact, not in fiction. Now apparently the Country Party are so disgruntled by the logical succession of a Young Nationalist to the Cabinet secretary that an entirely new post of Assistant Whip has been created to satisfy the insatiable greed of the Country Party for office and rumour has it that the position is not honorary either.

During the tenure of the Argyle Government, the UAP had a total strength of 30, compared with the Country Party's 16. The YNO could fairly argue that the UAP with 16 non-metropolitan members was as representative as the Country Party with 16. Its claim that the YNO component of the UAP was stronger than the Country Party would put its strength in excess of 16. There is no basis for either accepting or refuting this claim; what is certain is that the YNO was an influential and partly independent group within the parliamentary UAP, conscious of its numbers and relative weight in the Parliamentary Party and the Cabinet. Maintenance of autonomy within the Parliamentary Party was an important factor in the internal struggles which followed the loss of state government in 1935. The YNO derided the pretensions of the Country Liberal Group within the Parliamentary UAP but, in some respects, it shared its status as a group within that party.

26. Ibid., May 1933.
Australian Women's National League

The AWNL was the most venerable of all the variegated elements of the UAP. In Victoria, the vote for women was not bestowed until 1908, and the League was prominent in propagandising for this reform. Branches with a minimum of 20 members were quickly formed in most metropolitan areas and in the Victorian provincial cities. The League spread into the adjacent NSW district of the Riverina and then to Tasmania.27 It sought to broaden its appeal, forming groups in the mining districts of Victoria and conducting weekly meetings for miners' wives. By 1911, the membership (excluding Tasmania) had risen to 24,000, reaching a peak of more than 40,000 during World War I.28 The League did not sustain such numbers after the War, and it is not possible to give even a rudimentary estimate of its strength as part of the UAP. From its inception, the League adopted the basic motto, "pro Dei et Patria", with gold and purple its colours and its emblems the wattle and the sarsaparilla. Its initial principles were expressed in four objectives: loyalty to throne and empire; to combat socialism by strongly advocating equality of opportunity for all classes and opposing the nationalisation of industries; to educate women in politics; and the safeguarding of the home, women and children. These fundamental objectives were subsequently watered down. The firm opposition to socialism became approval of "equality of opportunity" and the "political education of women" was dropped; perhaps it was seen as expressing the self-evident. Later statements of objectives added a commitment to democratic government that "changes only by the consent of the people".

The AWNL did not compile a platform in the formal sense, but issued occasional packages of policy suggestions (see below). The only consistent theme was the over-riding importance of family and children. Branches were formed throughout Victoria from "women who believed that an intelligent public opinion at both federal and state politics should be based on a well informed and tolerant consideration of all points of view."29 Members were required to have broad agreement with the aims of the AWNL and to belong to no other political organisation. Rather disingenuously, the League expressed active support for the political party which upheld its principles; in practice this was always the "Liberal" party of the day. Prospective members were advised that their employment or denomination were irrelevant:

27. Mrs Elizabeth Couchman, *History of the AWNL*, unpublished MS, Couchman Papers, ANL, MS 2752, pp.1-2. See the references to the Tasmanian AWNL in Chapter 8.
28. Ibid., p.2.
29. Ibid., p.1.
... If they love Australia and want to work for her prosperity and for freedom of thought and action, the League will welcome them as members .... The platform is a broad one and the work disinterested. These broad principles were supplemented by an expression of support for "Liberal" measures of social justice, and the encouragement of individual initiative and enterprise.

The branches were co-ordinated by the central office of the party, which maintained a permanent staff of organising secretary, seven or eight field officers and speakers, and three or four office staff. Branches were active, meeting monthly or quarterly so as to "afford political education to members". It was common for the monthly reports to list up to 100 branch meetings. Junior branches were formed for girls from 14 years of age, and these meetings were usually held in the evenings, either at the central office or locally.

Each branch elected a delegate to the Council which as the League's governing body met once a month in Melbourne. The Council elected a general president, vice president, honorary secretary, honorary treasurer, and ten delegates from its membership; this group comprised the executive of the AWNL. The annual conference was open to all members, and was held over three days either in Melbourne or a major provincial city, usually in the latter part of the year. Quarterly meetings of branch office-bearers were held at the League's central office. Each branch was responsible for its own funding, holding social functions where necessary to augment funds. Any surplus was transmitted to the central office. Branch delegates to central meetings were paid rail expenses unless the branch chose to bear this burden. The resources of the central office were partly funded by the National Union:

This group of prominent citizens gathered funds to support the Liberal Party activities. They made contributions to the expenses of the League headquarters for many years but attached no strings whatsoever. This the League greatly appreciated.

Although the League was conceived as an advisory group, as it became stronger it sought to influence the choice of candidates for whom it worked at federal and state levels. It made an agreement with the "men's party organisation" (the UAO) for the AWNL to be given equal representation on all pre-selection committees or conventions. (The YNO was also given equal representation on pre-selection bodies.)

Like the women's organisations in New South Wales, the AWNL showed little inclination to get women into parliament. The foreword to one of its early constitutions affirmed: "we do not wish to send women into Parliament". The League was content to

30. Leaflet on the work and objectives of the AWNL, copy in Couchman Papers, op. cit.
31. Ibid.
put its influence behind the selection of the best available male candidates, and to work hard for them in election campaigns. In the view of the AWNL, parliament was a male domain; the predominant concern of women was home and family, and they should not participate in parliament.33

One of the AWNL's principal activities each year was the organisation of a great patriotic rally in the Melbourne Town Hall, reflecting its vigorous imperial spirit:

Whole-hearted enthusiasm marked the audience which filled the Town Hall on the occasion of the 33rd Empire Demonstration organised by the League. A loyal resolution was submitted by the President of the League, Mrs Claude [Elizabeth] Couchman. Inspiring addresses were delivered by Sir Geoffry Whiskard [the British High Commissioner], and the Rt Hon R.G. Menzies.34

Each demonstration included a concert of patriotic music, and the Lord Mayor of Melbourne usually took the chair. The League stressed the non-political character of the function, and it seems to have been free of overt political content. The idiom of the patriotic demonstrations blended admirably with the principles and practices of the UAP. The strongly imperial nature of the AWNL also emerged in extensive co-operation with organisations such as the Empire Day Movement and the Empire Trade League. Local branches of the AWNL organised Empire Day celebrations and Empire essay competitions. Much of the collective energies of the League was directed to community service and charitable activity. The League had a wide range of affiliates: National Council of Women, United Nations Association, Travellers' Aid Society, Childrens' Cinema Council, Education Reform Association, Victorian Civil Ambulances Services. It participated in broad community activities, drawing the line only at those of a religious denominational character, and co-operated with all public appeals for natural disaster victims.35

Through much of its history, the League sponsored a vigorous communications effort, from 1910 publishing a monthly journal called The Woman. This survived until 1934, when it succumbed to rising costs of printing and, as Mrs Couchman put it, "the multiplication of women's journals of wide appeal". (This may have been a reference to the popularity of the Australian Women's Weekly which began publication in the early 1930s.) With the demise of The Woman, the Central Office of the party published monthly council notes, which were distributed to each branch. These contained League news and notes on current state and federal politics. The League published occasional pamphlets on political issues and distributed a considerable volume of election material. It enjoyed what today would be described as good public relations. The principal

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33. Ibid., p.3.
35. Couchman History, op. cit., p.3.
newspapers frequently praised it and compared its vigour and vitality with the lethargy of the UAO:

The [AWN] League is sincere, conscientious, indefatigable in its organisation and particularly in the prosecution of election campaigns. Every elector has observed the remarkable activity of members of the League on election days and the equally remarkable indifference of male adherents of the UAP.\textsuperscript{36}

The AWNL Club, which had its premises at Howey Court in central Melbourne, provided tea room facilities and meeting rooms for the AWNL members. Once a month an "At Home" was held at the club, featuring music and a speaker on current politics. (The didactic character of the AWNL was never absent for long, even at social occasions.) The club also looked after the social side of the annual conference when it was held in Melbourne.

The Council was the dominant organisational unit of the AWNL, and it exercised a much stronger influence than the equivalent organisations in other UAP structures. The annual conferences were lengthy and provoked much lively discussion, but the resolutions needed the assent of the Council to become effective. The Conference of 1936 passed resolutions on state constitution changes, faith in democracy as a form of government, the League of Nations, decentralisation, raising the school leaving age, the unskilled worker and compulsory technical education, representation for women on housing committees. All were approved by the Council of the League which was also responsible for transmitting them to the appropriate authority.\textsuperscript{37}

The monthly branch meetings of the League traversed an extraordinary range of policy areas and elicited a stream of considered responses to the issues of the day. The League also represented women’s interests on deputations to ministers of government departments. Resolutions were despatched to the Prime Minister on matters such as sales tax which affected the welfare of home and family. State parliamentarians were vigorously circularised when it was felt that representation of women was essential, for example the inclusion of women with suitable training and experience on housing boards and committees. The League took a vigorous stance on threats to property, such as "Sunday Thieving".\textsuperscript{38}

Representation from the AWNL carried considerable weight with the UAP-Country Party coalition, and also with Dunstan’s Country Party Government which replaced it. Its impact on a Country Party Government seems surprising, as the League had no direct links with that party. The respect of the Country Party was a factor of

\textsuperscript{36.} Argus, May 19, 1938.
\textsuperscript{37.} UAP Monthly Bulletin, October 1936.
the range of community contacts developed by the League, and the frequent importance of its community leadership in country districts. There may have also been a vestigial historical link; the AWNL had been closely associated with an earlier Victorian country party, the People's Party, which had been established in 1910.  

The policy and administrative matters considered by the Council reflected a remarkable diversity of attitudes and interests. Its preoccupation with domestic issues produced a close scrutiny of food and clothing prices. Legal matters were subjects of constant interest to the League, and the regulation of legal practitioners and the duties of JPs were often brought before its Council. On social issues related to the law, the League paid considerable attention to questions such as control and treatment of "sexual perverts" and the sale of contraceptives. Its attitudes were not progressive, nor were they notably illiberal. Lists of topics discussed and resolutions passed by the League Council disclose an intriguing progression from the particular to the universal:

Matters under discussion: (1) Defaulting Solicitors ... (2) Treatment of Perverts; (3) Appointment of Justices of the Peace; (4) Police control of country districts; (5) Regulation of bona fide travellers; (6) Nationality of Married Women; (7) Immigration; (8) Defence.

With its firm training and regular meetings of branch officials, its systematic organising throughout the state, its cadres of speakers, and its concentration on public policy issues at the expense of social functions, the AWNL was a conscientious and competent organisation. In many ways it was the most impressive organisational component of the UAP in any state. Its relationships with the UAO were at best perfunctory. Delegates from the AWNL usually attended the official opening and some sessions of the UAO's annual conference. It co-operated in the selection of candidates and in election campaigning, and provided speakers for joint UAP rallies; in conjunction with the UAO it organised the party's radio broadcasts. These tenuous links aside, the AWNL conducted a largely autonomous operation, referring to the core unit of the party almost casually as the "men's organisation". The relationship with the YNO was less off-hand and more harmonious. According to Aimer, the League drew frequently on the Young Nationalists to provide speakers for its branch meetings.

Conclusion

The main characteristic of the UAP's organisation in Victoria was a tripartite structure with a considerable degree of autonomy between the components. Certainly,

40. UAP Monthly Bulletin, April 1936. Other material in this paragraph is taken from AWNL notes in this journal, September 1935 to December 1937.
there was co-operation in a formal sense between the UAO, YNO and AWNL, particularly in pre-selection and election campaigns. For the most part, the three organisations worked for the same political cause in relative isolation. Within the party as a whole, the main factor was the organisational feebleness of the UAO. There were a number of reasons for this, most importantly the absence of a strong organisational tradition in the UAO's Nationalist and Liberal predecessors. The UAO missed the opportunity to infuse a more vigorous membership by incorporating the AFA[L] in 1932. Instead of working to build a mass party, the UAO functioned as an administrative shell, discharging its formal functions and providing some sort of constitutional basis for the party. Its lack of leadership and vigorous administration, compounded by reliance on the National Union, gave it little authority and contributed in large measure to the gradual deterioration of the party in Victoria.

The YNO was more effective in its organisation and leadership. Organised on cadre lines, the YNO imparted a degree of elan to the UAP in its early years. This momentum had run down to some extent by the mid-1930s with the departure to Parliament of the initial generation of gifted leaders, and the decline of street meetings as a vehicle for political evangelism. Despite political frustration, the YNO retained its importance within the State Parliamentary Party as a well-organised cave, operating in some ways as an autonomous unit within the parliamentary UAP. Such activities multiplied the tensions between the YNO and the UAO, and between the YNO and the parliamentary leadership, contributing in no small measure to the progressive weakening of the UAP in Victoria.

The AWNL functioned on lines which had been well established in nearly 30 years of successful organisation before the UAP emerged. It worked with administrative tranquility and efficiency, unruffled by the political turbulence which produced the UAP. Although prepared to be assertive on what it regarded as within its domain, the AWNL worked harmoniously with the YNO and the UAO, although the links were never really close.
CHAPTER 13
CONCLUSION - THE UAP AS A RESIDUAL PARTY

One important reason why the principal Australian conservative party must periodically be reconstructed to do business at the old stand at all is the fact that as time passes and the arrogance of office overtakes it, the party loses contact with the masses of voters. When that happens, the party usually crashes and not only loses office but becomes a mere hectoring minority which must be liquidated before the conservatives can gain office once more. Only by taking on a protective coloration of liberalism can they win office; and their liberalism is sometimes symbolized by making an ex-Labor man leader of the "new party" as was done.¹

The UAP lends itself to simplistic interpretations, and the simplest of all is that it was a mere technical adjustment to severe electoral defeat, as suggested by Hartley Grattan. It has also been dismissed as nothing more elaborate than a change in party name, with the substitution of UAP for National, and no accompanying change in composition, organisation or philosophy.² At the most fundamental level, the UAP and its leader, Lyons, have been explained away by determinism:

... it can almost be said that Lyons' elevation was pre-ordained. As so often happens in public life, the occasion found the man.³

More plausibly, the UAP has been depicted as a response to Lang; that there would have been no UAP without the coalescence of the anti-Lang forces under its banner to defeat repudiation and inflation. Such interpretations have linked the UAP with the representation of moral principles:

Did you hear that the Lang Party was ousted last Saturday and that the party standing for honour and honesty and decency is in power? We can go back to NSW with confidence. And yet some say there is no God.⁴

The composition of the UAP has brought a number of diverse and often conflicting interpretations. Some of its adherents saw it as a traditional "liberal party"; as one put

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it, "liberalism is the 'ism' of the UAP."  

Others conceived the party as the embodiment of the traditional conservatism which had been an integral part of its predecessors. For many, the UAP was a party of the furtive finance committees which manipulated it in the interests of larger property, commercial and financial interests. Marxists have described it as "an uneasy alliance between diverse elements of the bourgeoisie for electoral purposes". The tenor of the party has been described persuasively in terms of a middle class ethos, notably by Latham:

I regard the middle class as one of the elements of stability in the community, and a class whose interests should be consulted in any political proposal which may affect the community generally.

Although the UAP disclaimed any positive identification with the ALP or the Labor Movement, it could point to election results as demonstrating that it was not anti-worker:

That the UAP is anti-Labor or anti-worker is refuted by the UAP votes cast at every election by hundreds of thousands of sane, shrewd working men and women.

In terms of organisation, the UAP has been described as an "arrangement" rather than a political party. This "arrangement" was designed to take advantage of Lyons' popularity, and it was an "arrangement" negotiated by a "Collins Street junta". Such a label implies that the UAP was a loose confederation with something of the character of national government or opposition. While the UAM could perhaps be described in this way, the UAP as it eventually emerged was demonstrably a political party lacking any of the hallmarks of a national arrangement, whether it be national government, national opposition, or national alliance. The "arrangement" and "Collins Street junta" theses also ignore the continuity of the "Liberal" parties evident in the composition of the UAP, and the fact that the recruitment and enthronement of Lyons was achieved through party processes as well as informal networks.

In many ways, the most persuasive interpretation of the UAP is that of the Nationalist politician and theorist, Frederic Eggleston, who categorised the UAP as a residual party. According to Eggleston's thesis, the parties representing vested interests, the ALP and the Country Party, held the initiative in Australian federal politics. The

5. Harry J. Stephens, What is it all about?, article in UAR, April 1935.
8. UAR, April 1933.
residual party which represented the spectrum of remaining interests is forced on the
defensive, but because of its sheer breadth and diversity, it attracts tremendous support
and thus has dominated Australia's federal government. Because of their grab-bag
character, the residual parties are exposed to factionalism and divisiveness, and this
provokes a constant attrition and re-building within them. In Eggleston's view the UAP
contained remnants of all of the old historical Australian parties - reactionaries,
intelligent conservatives, 'liberals' of the Gladstone and Lloyd George type, radicals. 11

The conception of a residual party is in line with the standard rhetoric of the
National Party and the UAP. Both stressed that they were non-sectional parties which
did not impose a rigorous party discipline and were accessible to all who wanted to join
or stand for Parliament. According to one UAP leader, Stanley Argyle, the party
represented all sections of the people:

   It does not attempt to represent special interests. No other party can claim
   this. Policy should be directed to pushing the general welfare of the
   community, and not to advancing the special interests of any section or class. 12

Lyons who frequently praised the freedom within the UAP as compared to the
oppressive ALP, also insisted that the party should maintain the humanitarian values of
the "Old ALP"; it should never degenerate into a Tory, sectional or conservative
party. 13 Broadly, there were two factors that gave some unity and coherence to the
UAP: the activities of the sponsor groups, particularly the National Union; and the
leadership of Lyons. Before looking more closely at these two factors, it is necessary to
summarise some of the conclusions suggested by this thesis.

The UAP cannot be comprehended without recognition of its origins as the
political manifestation of a populist movement. While the UAM proved evanescent, it
had a palpable existence at least until the early months of 1932. It was a confederation
of the National Party, fragments of the ALP, the Citizens' Movement, and less
important miscellaneous elements. It essence, it was a diffuse populist movement
supporting national integrity and the British Empire, opposed to policies of inflation and
repudiation. This made it an anti-Lang movement but its origins preceded Lang and
there would have been an equivalent movement even if Lang had not emerged as the
pre-eminent bete noire. Without Lang, the movement would not have lasted as long, nor
would it have had as effective a focus, but it would still have existed. With the defeat of
Lang the movement evaporated, leaving the substance of a political party which in
essence was the old and much despised National Party.

11. Eggleston's thesis is outlined in Reflections of an Australian Liberal (Melbourne, 1953),
p.125, chapter 3, "The Residual Parties in Australian Politics".
13. SMH, September 12, 1934.
The UAP was a product of a parliamentary realignment in the House of Representatives. (There were no ALP defectors in the Senate, although the UAP in that chamber did briefly regain Senator Duncan, a member of Hughes’ Australian Party.) The recruitment from the ALP was not substantial, either in numbers or influence, nor did the re-affiliation of three Australian Party members dilute the Nationalist character of the new party. In practical terms, the realignment was minor in its impact on the Federal Parliamentary National Party. The principal effect was experienced in the electorate where the realignment, particularly the elevation of Lyons, had enormous symbolic and propaganda value.

An important factor in this process was the unity and cohesiveness of the National Party in the Federal Parliament. Although its numbers were depleted by the 1929 elections, there was no fragmentation beyond the temporary withdrawal of Massy Greene from the party room. Electoral defeat confirmed the defection of the small Hughes group, but this was a fait accompli and did not weaken the party further. While the frustrations of opposition were mitigated by the rapid decline of the Scullin Government, the National Party operated as an effective opposition under Latham. It did not degenerate into a hectoring minority, but held together as a viable parliamentary force until its fortunes revived. Without this unity and effectiveness, in large measure due to Latham with the assistance of Gullett and Parkhill, the UAP might have been a vastly different party.

In an organisational sense, the UAP was a party born backwards. It was formed in the Parliament as a fully-fledged party and the external machinery had to re-adjust to that parliamentary realignment. This favoured the existing machinery of the National Party and not the AFA[L] which sought to build a party on traditional lines in New South Wales by establishing the essential machinery to elect parliamentarians. The problems of the AFA[L] were accentuated because its designated leader, Lyons, did not lead it in other than a symbolic sense. The crucial realignment in the Federal Parliament was not substantial, involving the immediate absorption of eight members, three of them former members of the National Party. The adjustments outside the Parliament took much longer; the process was bloodier and less clear-cut. The ultimate result was the formation of a party whose backbone was the old National Party, supported by autonomous state branches which differed little from those of the National Party, and representing a vanishing populist movement.

The formation of the UAP has been described as a virtuoso exercise in political

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14. This apt description is taken from Press, op. cit., The Emergence of the UAP, p.1.
manoeuvring and manipulation. This overstates the degree of control that the principal intermediaries had over rapidly-evolving events. Certainly, the Nationalists held the tactical advantage throughout, largely because of the chance events that enabled them to establish an early influence, if not dominance, on Lyons. The Citizens' Movement quickly realised that Lyons was the key to success, but its leaders lacked the experience and established networks of the Nationalists, and consequently lost the initiative. On existing evidence, it is impossible to trace adequately the processes which brought Lyons to the leadership of the new party, but the National Union appears to have been the principal protagonist, with Menzies the chief negotiator.

The UAP as it ultimately emerged was essential to putting the Nationalists back in business at the old stand, but success was by no means inevitable. The events of 1931 and early 1932 presented a major threat to the existing party system, and to the residual party in particular. There was a very real prospect that its controllers might have been displaced, or that two or more new parties might have been formed to encompass the range of interests it accommodated. Only once since 1909 has there been a major threat to the framework of Australia's federal party framework, and the containment of the challenge in 1931-32 ensured the maintenance of the system established in 1909.

The most striking aspect of the UAP's development was the absence of any federal co-ordinating machinery, even the nugatory arrangements of the Nationalists. Without federal machinery or secretariat, there was no nexus between the Federal Parliamentary Party and the grassroots. Responsibility for party co-ordination rested squarely with Lyons. There is no sign that Lyons resisted this arrangement; he may even have favoured it. What is clear is that the National Union rejected any stronger federal structure and refused to fund it. In the absence of a federal structure the principal components of the UAP were the Federal Parliamentary Party, and the NSW and Victorian State Branches. The Lyons Government made some changes to Cabinet practices, but there was little else of an innovatory nature in the conduct and organisation of the Federal UAP. The NSW Branch, at least until 1936-37, was a stronger version of the previous Nationalist branch, and not a transformation. The Victorian Branch replicated the weaknesses of its predecessor, and the development of the YNO ultimately weakened it rather than augmenting its strength. The processes which produced the Federal UAP were responsible for one major change in the state organisation of party politics, the formation of the LCL in South Australia. In Queensland, the dissolution of the CNP Party in 1936 saw the emergence of a distinctive UAP, but as a parliamentary rump rather than a coherent political force. Tasmania and

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West Australia were essentially unchanged by the emergence of the UAP, apart from adjustments in nomenclature. With the elimination or non-activation of the previous federal structure, and the continuation of autonomous state branches, the UAP depended for national coherence on the activities of the sponsor organisations and the national leadership.

In practical terms, this meant the inter-relationship of Lyons and the National Union. Even less is known about the sponsor organisations in the 1930s than in the 1920s. The position remains as stated by Lex Watson:

The shadowy finance committees in the various states were known to exist and occasionally appeared publicly, or reference was made to their existence, but little is known, even today, about their activities.\textsuperscript{16}

Even with limited information, it is possible to draw some conclusions about the involvement of the National Union. It was the principal, though by no means the sole, factor in the recruitment of Lyons and the negotiations that installed him at the head of the Federal Parliamentary Opposition. Throughout this difficult process, the National Union was the only element with access to or representation on the principal bodies involved: the "Group", the Victorian Nationalist branch, the Victorian AFA\[L], the YNO, the Federal Parliamentary National Party, and the NSW Consultative Council. It is possible to trace National Union representation at each of the principal negotiating meetings whose records have survived. The National Union’s crucial role was accurately described by H.G. Darling, the Chairman of Directors of BHP, in a letter to Hawker in April 1931:

Confidentially, the National Union have a grip on the situation. They may be bending somewhat but not the slightest sign of breaking.\textsuperscript{17}

With the UAP in power, and Lyons as Prime Minister, the National Union was at the apogee of its power through the 1930s, much more influential than it was under either Bruce or Page. Hart has described the relationship between Lyons and the National Union as reciprocal, suggesting that each heeded the other.\textsuperscript{18} While the National Union exercised its influence with some delicacy, it emerges plainly from Lyons’ correspondence that it was the principal partner. Certainly, Lyons regarded it as the fount of legitimating authority in the UAP, a role evident in his suggestion to Willis that he stand down for Menzies after the 1934 elections. Lyons left no doubt that the National Union had the disposition of his job. Instances have been given of Lyons’ reliance on National Union approval and advice. At times, Lyons was almost boyish in his delight at National Union approval:

\textsuperscript{17} Darling to Hawker, Hawker Papers, op. cit., April 24, 1931.
\textsuperscript{18} Hart, J.A. Lyons, op. cit., pp.168-69.
No one wants an election but Page wants to be a nuisance. Willis (National Union Secretary) met me at the station and said the organisation will support anything I do. That's wonderful confidence, isn't it?19

The National Union avoided confrontation with the Federal UAP over policy, and in the main it kept out of the day-to-day running of government and party. Its influence was exerted largely through regular contacts between Lyons and its principal officers, Knox and Willis. By not pushing too hard, the National Union was able to sustain Lyons' deference and his dependence, using these assets when it heeded to achieve its ends. Lyons was less reliant on the NSW Consultative Council, although he consulted its members regularly. While the National Union was influential on the federal UAP and its leader, this influence was narrowly based. Signs of National Union involvement, if not interference, show up in the activities of all state branches, although this was largely confined to financial arrangements. Although the National Union maintained links with the Consultative Council and kept an eye on what it did, its influence was concentrated on the Victorian Branch of which it was a constitutional part. In no sense was it a substitute for national organisation. The existence of the National Union and its activities downgraded the non-parliamentary institutions of the party, particularly in Victoria. An inevitable consequence was falling membership and morale at the grassroots level.

Apart from the influential contribution of the National Union, the principal unifying factor in the UAP was the leadership of Lyons. Lyons has been one of the most criticised of Australian political leaders, both in terms of leadership and personal attributes.

... the victim of a suburban personality, the most flaccid and uninspiring leader that this country has ever produced.20

For Eggleston, Lyons was a mere figurehead, although a good one.21 Even Hart, who wrote a sympathetic account of Lyons' political career, assessed his main achievement as bringing a period of quiet and confidence to Australian society so that the wounds of the Great Depression might be healed. According to Hart, Lyons was a leader in the mould of Stanley Baldwin and Calvin Coolidge, a conclusion not altogether flattering.22 Lyons was often publicly complacent, as in his New Year message for 1935, which assured the Australian people in the middle of the depression years that they had won a position which was the envy of the world.23 In his private reflections he was more prone to doubt, although often grandiose in his self-vindications:

I have really reached the point where I would cheerfully leave it all aside and so why worry about the critics? Neither you [Enid Lyons] nor I can put everything right and we saved Australia from ruin. Think of the homes that are happy because of what we did and realise that no home is unhappy because of anything we did.24

The picture of Lyons as a weak and ineffectual leader has been rejected by other observers. The journalist, Delamore McCay, spoke of him as a "strong though unpopular man"; a picture sharply at odds with the conventional view.25 Even his detractors conceded his formidable skills as a parliamentarian and an election winner, and as leader of a residual party his consensual talents were valued. In the Federal Party, the "conservatives" grouped around Parkhill and the "liberals", after 1935, around Menzies. The contest between these factions was often bitter. Menzies had defeated Parkhill by only a few votes for the Deputy Leadership of the UAP in 1934, and the rivalries persisted until Parkhill's defeat by Percy Spender in the 1937 elections. The survival of Lyons as Prime Minister was attributed to the animosity between Menzies and Parkhill, and the inability of either faction to accept the supremacy of the other.26 In this context, Lyons' leadership, underpinned by the National Union, was instrumental to the effective functioning of the UAP.

In public policy, Lyons sought to combine the national development policies of Bruce and Page with the welfare ethos of the ALP. He was constrained on both lines of approach and his government lacked the vigour and inventiveness of Bruce-Page. As with Hughes, Lyons lacked a firm constitutional base in the UAP and had to fashion his own personal machine which was largely dependent on the National Union; this limited his scope for reform. Unlike Hughes, Lyons was not an embarrassment to his party, and he was able to adjust to its conventions and mores with ease and dignity. He brought to the UAP a veneer of national unity, the political benefits of a devout Catholicism which previous "Liberal" parties had not enjoyed, as well as the traditional values of Protestant conservatism.

Lyons' initial relish for the Prime Minister's job and leadership of the UAP gradually faded. During their visit to London in 1935, Menzies observed rather sourly that Lyons and his wife were "overinclined to extract the last drop of juice from the orange."27 Two years later, Lyons was increasingly weary and disillusioned:

It is just dreadful to come back to what always awaits me here [Canberra] but I suppose some day it will come to an end.28

Despite the frustrations and disillusionments, the years between 1931 and 1937 were years of achievement for Lyons and the UAP, the years when leader and party brought a measure of stability to a devastated economy and a divided community.

The label, UAP, marked a great political crisis. The further the party got from the momentous events of 1930-31, the less relevance the title possessed. By a process of patient adjustment and accommodation, the Nationalists had ensured the survival of much of their traditional apparatus. Even so, it was achieved by absorption rather than transfusion, much less transformation. Apart from the amalgamation of the Liberal and Country Parties in South Australia, the Nationalist forces re-grouped successfully to form the UAP. Their conspicuous failure was an inability to recognise that the party structure had to be revised and developed, not merely resuscitated. Although the period between 1931 and 1937 was generally successful for the UAP, the outlines of the party’s destruction were discernible in the growth of factionalism in the Federal and Victorian Parliamentary Parties, the signs that the strong NSW branch had peaked and begun to wane by the end of 1937, the progressive enfeeblement of the organisation in Victoria and Queensland, the lack of vitality in West Australia and Tasmania, the continued dominance of the sponsor bodies, and the torpor of the national leadership. Robert Menzies’ major criticisms of the UAP were not made until he exterminated that party in 1944 but they are just as applicable to the party in 1937. Menzies pointed out that the ALP was not an institution which existed under a different name and with a different organisation in each state. He summarised the fundamental incoherence of the UAP and the frustrations of its supporters as follows:

The picture they [UAP supporters] present is one of many thousands of people, all desperately anxious to travel in the same political direction but divided into various sects and bodies with no federal structure, with no central executive, with no clearly accepted policy doctrine to serve as a banner under which all may march.29

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