Australian Conservatism

Essays in Twentieth Century
Political History

Cameron Hazlehurst, Editor

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Australian Conservatism

*Essays in Twentieth Century Political History*

Cameron Hazlehurst, *Editor*

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Contents

Notes on Contributors vii

Introduction xi

Young Menzies
Cameron Hazlehurst 1

The Conservative Press and the Russian Revolution
Amanda Gordon 29

The Conservative Electoral Ascendancy
Between the Wars
Joan Rydon 51

The United Australia Party and its Sponsors
Lex Watson 71

The Piper and the Tune
Philip Hart 111

The Making of a Cabinet:
The Right in New South Wales 1932-1939
John McCarthy 149

Albert Dunstan and Victorian Government
John Paul 169

Menzies and the Imperial Connection 1939-1941
P.G. Edwards 193

Menzies and the Birth of the Liberal Party
Peter Aimer 213

The Liberals’ Image of their Party
Peter Loveday 239
Party Dominance and Partisan Division 1941-1972
*Murray Goot* 263

Pragmatic Federalism: Liberals, The Commonwealth, and Education 1949-1972
*Don Smart* 293

Liberals' Ideas on Social Policy
*Peter Tiver* 311

Index 331
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Introduction

The 'Australian Conservatism' of this book is the political faith and behaviour of politicians and parties opposed to Labor, and the beliefs and activities of their supporters. We are concerned with those who sought power, those who were satisfied with office, and the large minority of Australian citizens who thought little of politics but, knowing what they liked and feared, voted anti-Labor.

Conservative politicians in Australia have traditionally preferred to describe themselves as almost anything but conservative — Liberal, Nationalist, Constitutionalist, Democratic, Free Trade, Country, even Democratic Labor. There were good tactical reasons for this. But neither politically prudential reticence nor the obvious differences between Australia and Great Britain have blinded observers to the existence of phenomena that can usefully be described as 'Australian conservatism'.

No one should now find it necessary, as Sir Keith Hancock did in 1929, to insist that 'there do exist strong conservative interests in Australia'. There are individuals and groups whose property, possessions, and potential for personal acquisition are the dominant facts of their lives. There are others for whom wealth and status are secondary but whose drive for power is coincidentally fortified by ample means. There are some, almost invariably rich, who believe that the nation's prosperity, not merely their own, depends on the kind of government which only they and like-minded people can give. And all of those who know what they want and how to get it, are followed by the millions whose envy or
ambition, greed or apprehension, deference or despair, make them averse to being governed by people like themselves.

Thus Australian conservatism is the conduct and creed of those content with society as it is, or as less government would make it, and dedicated to excluding from power the irresponsible poor and the dangerous ideologues of the left. This does not, of course, mean that ‘working-class’ people neither vote for conservative parties nor have conservative views about government and moral issues. What it does mean is that those who identify with non-Labor parties will almost invariably distinguish themselves from an undeserving class which they believe is a threat to social stability and prosperity. For sixty years the spectre of Bolshevism and anarchy — whether manifesting itself in the form of alien agitators, ‘British’ shop stewards (a rare conservative admission that Britain has undesirable exports), Russian, Chinese, Cuban, or other exotic communist inspirations or threats — has haunted people dedicated to maintaining Australia as a placid refuge from the flood tide of world events.

If we try to identify and classify Australian conservative phenomena, a simplistic study would simply label certain groups as conservative, and go on to label as conservative the views and policies supported by those groups and their adherents. But over forty years ago J.A. McCallum pointed out that the United Australia Party was ‘the latest of a number of coalitions, or fusions, formed round a Conservative core, but comprising men professing all political creeds compatible with constitutional government’. McCallum noted that the party was conservative in its opposition to collectivism while on divorce law reform it was considerably less rigid than the New South Wales Labor Party. In 1973, Dr Ken Turner emphasised the diversity of Liberal policies in three states with Liberal governments: ‘One can hardly imagine Bolte’s or Askin’s Liberals sponsoring price control, nationalization, or abortion law reform, as South Australian Liberals have done’.

McCallum believed that certain elements of English conservatism had been assimilated in Australia — personal loyalty to the sovereign, trust in the ‘classes’ and distrust of the ‘masses’, affection for selected British traditions and dislike of the foreign, distaste for drastic change. It was not suggested that every Australian felt this way. But these ideas were held, McCallum said, ‘by a minority, firmly, consistently, and with passion’.
Australians, of course, had no established church or hereditary landed aristocracy to defend. And whatever echoes and borrowings we may recognise from English conservative thought, Australian conservatism has had indigenous traditions. The South Australian politician Charles Hawker explained to his friend Jack Duncan-Hughes on 10 January 1932 that the Prime Minister, Joe Lyons, who had recently defected from Labor:

has the really conservative habit of mind which twenty-five years' democratic training has quite failed to alter. On waterside and other questions he has shown no hesitation whatever. He approaches everything from a man-in-the-street position which in no way cancels the conservatism, although it gives it a popular basis. Disraeli was a conservative of tradition and romance, Lord Salisbury of the land, Bonar Law of successful industry. This man is a conservative of the men with small savings and a home of their own. It is in his bones and is genuine but independent of isms and dogmas

It was the genius of Robert Gordon Menzies to seize upon the identity of interest between what he called ‘the defensive and comfortable rich’ and the ‘frugal’, patriotic middle class, and to play upon their common fear of communism and bureaucracy. The post-war program of the new Liberal Party — its emphasis on education and housing — is implicit in Menzies’ radio broadcast on 22 May 1942 addressed to ‘The Forgotten People’:

I do not believe that the real life of this nation is to be found either in great luxury hotels and the petty gossip of so-called fashionable suburbs, or in the officialdom of organized masses. It is to be found in the homes of people who are nameless and unadvertised, and who, whatever their individual religious conviction or dogma, see in their children their greatest contribution to the immortality of their race. The home is the foundation of sanity and sobriety; it is the indispensable condition of continuity; its health determines the health of society as a whole.

Students of Australian political history have often lamented the absence of serious studies of non-Labor politics. There is a long tradition of communist polemic, and Marxist writing which is not just rhetoric but not quite analysis. There are books by, and generally sympathetic to, conservatives. And there have been a variety of interpretative and descriptive sketches of which none has improved greatly on Hancock’s reflections on ‘the parties of
resistance’. Over the last twenty years, however, there have been a host of theses — some of them regrettably uncompleted and most of them unpublished — as well as a variety of isolated specialist works illuminating twentieth-century politics in general as well as ‘the Right’ in particular. Some of the essays in this book are based on unpublished theses. Some are by-products of long-term research projects on wider themes. All have been specially written for this volume.

The diversity of topics, styles, and disciplines represented in the book is deliberate. There is biography, conventional political history, analysis of the press, exploration of voting behaviour and public opinion, studies of party making and cabinet making, of policy and ideology, and of government at both federal and state level. There is no psychology, nothing on the D.L.P., little on the earliest part of the century (for which we are best endowed with monographs and biographies). And what Professor Graeme Duncan has called the ‘counterfeit conservatism’ of the extreme right is given little attention. Any informed reader should have no difficulty in compiling a substantial list of topics that have been omitted. In most cases the gaps are there because the research and writing remain to be done.

Notwithstanding the inevitable deficiencies which it shares with any group of essays, this collection has unity, coherence, and authority. It explains some things that have previously been unexplained, it dispels ignorance, displaces undocumented assertion, and dissects propaganda and mythology. We have charted some new territory and opened the way for both explorers and adventurers to follow.
Young Menzies

Cameron Hazlehurst

The lineage of Robert Gordon Menzies has been recited countless times over the past fifty years. Even before his death in May 1978, it had acquired an almost liturgical quality. Could there be many students of Australian history who have not heard of Menzies' country storekeeper father, James, once a coach painter; his mother Kate Sampson; and their respective Scottish and Cornish families?

That Menzies was born and first educated in the tiny Mallee town of Jeparit, and that he won his way by scholarship from a Ballarat school to Grenville College, to Wesley College, and finally to Melbourne University — these have been the early chapter themes of a saga told in condensed form in every brief biography, anniversary article, and obituary. His 'brilliant' university career, his early success at the bar, his rapid elevation in politics — are all chronicled over and over again in a kind of instant, ineluctable, literary replay.

So mesmeric has the tale become that most historians ask no questions about it. The reason is partly the presumed scarcity of evidence, partly atrophied investigative instincts, partly a deliberate avoidance of biography, especially of living men. The hastily written commemorative articles on Menzies' death were unremarkable in everything save their predictability.
Menzies has an official biographer, Lady McNicoll, to whom alone his own papers have been made available until 1981. But there are many other sources to which the potential historian or biographer may turn for evidence of Menzies' early life — the papers, memories, and photographs of his contemporaries, metropolitan and country newspapers, and school, university and government records. My purpose here is not simply to establish some facts about a life — not that any apology would be needed if it were. Nor is this essay intended as an explanation of Menzies' rise to power. I have, however, tried to identify some elements in Menzies' early experience which seem to have special relevance to his later life. To the limited extent that the historian may ever hope to understand motives, emotions, and feelings that were once unarticulated or ambivalent, and may now be forgotten, I offer some tentative interpretation of the 'interior' Menzies. It ought perhaps to be made clear that I never met the subject of this study, although I would have been glad to do so had the opportunity been presented.¹

On 26 April 1939, Robert Menzies proclaimed himself in a national radio broadcast, to be 'a singularly plain' Australian. Apart from having parents of great character and fortitude he was not, he said, 'born to the purple'.² Modern scholars, rightly sceptical about any Prime Minister who would have his countrymen believe him to be a plain man, might be tempted to discount the rigours of Menzies' early days.

It is easy enough to make the case that the Menzies family were better off than many of their neighbours. And James Menzies' career in local and state politics certainly elevated his family's social position. But to concentrate on bank balances and public signals of status would be to run the risk of ignoring the central question of what his earliest experiences meant to Robert Menzies himself.

Here there are a number of observations to be made. The first is that, far more than necessity dictated, Menzies in later life reminisced publicly about his childhood — and was correspondingly silent about his university life. In these autobiographical comments there was, as the years went by, a characteristic self-mocking at his own antiquity. At the opening of the Overseas Telecommunications Conference in September 1959, for example, he recalled 'I'm old enough to remember the first time a telephone
appeared in our village . . . and it filled me with such horror that I've never quite got over it.'³ On another occasion, after his retirement, he admitted:

When I was a small boy, in the bush, in the 'horse and buggy' years, I saw the first 'motor-buggy' arrive, owned, of course, by the local doctor, whose attributes of deity were thereby made to shine more brightly.⁴

As early as 18 December 1939, Menzies recalled for an audience of engineers in Sydney 'the effect produced when Melbourne newspapers were received three times each week and only two days late'. He had been born in a little town over 240 miles from Melbourne.

'Today', the Institution of Engineers' journal reported him as saying:

he could reach that place in five hours driving over a first class road, but he confessed that he did not, neither did he go to other interesting places in Australia simply because he had never accustomed himself to thinking of places one hundred miles or so away as being easily and comfortably reached in two or three hours.⁵

In addition to accentuating his venerability, and illustrating the gulf of experience separating any late Victorian boy from people maturing in an age of powered flight and electronic communication, Menzies was clearly identifying elements of relative childhood deprivation. Hard as it may have been to believe, the urbane big city politician of the 1930s and afterwards had vivid memories of a frontier boyhood. At the time of the 1891 census, Jeparit had not even been a spot on the map. In April 1893, a neighbouring town's newspaper described it as:

a private township which . . . has not emerged from the orthodox stage of a colonial bush township as it at present consists of the inevitable pub, a blacksmith's shop, two stores, a saddler's shop, chaff and corn store, a church and school and one or two buildings of a minor description.⁶

By the time Menzies was born in the following year, the fourth child of one of Jeparit's two general store owners, the railway had come to the town. Four months before his birth, The Warrack〓nabeal Herald reported that Jeparit had recently gained a butcher, a fruiterer, a tobacconist, a blacksmith, a photographer, and a coffee palace. There was also a debating club, and branches of the Australian Natives Association and the Oddfellows.⁷
There are no more intimate passages in Menzies' published memoirs than the pages dealing with his first years in this hot, windblown, drought-stricken, isolated rural community. And it is hard to believe that something of the struggle and initial precariousness of his family's existence was not imprinted deep in his consciousness. Why, one might wonder, was he so intolerant, as a young state and federal minister, of farmers and their political representatives who were perpetually clamouring for extended government support? Most often it is suggested that he was reacting to his father's electoral defeat in 1920 caused by the intervention of a Victorian Farmers' Union candidate in the state Legislative Assembly seat which he had held for a decade. (His uncle, Sydney Sampson, was also unseated from the federal Parliament by Country Party intrusion.) But the regime of personal discipline and financial responsibility which had enabled his father and mother to reach modest prosperity and social standing had set an example of virtuous self-sufficiency against which later generations of suppliant primary producers would almost always seem deficient in character.

There is obviously a sense in which it is true, as the political journalist, Warren Denning, wrote in an unpublished essay in 1948, that the mature Menzies was 'an entirely sublimely and unashamedly urban personality'. But, however glad he may have been to have escaped from it physically, he seems never to have forgotten his Mallee beginnings. If all the evidence we had was statements from political platforms then there would be enough reason to consider Menzies' rural past as being an experience valued mainly for its pseudo-romantic electoral appeal. But there was more to it than that. How could a man as academically successful as Menzies was to become forget that he began school at the age of four and a half in a bush school class of thirty children spread over six grades? It was far more likely that he would remember how it threw him on his own resources and produced the 'habits of application which have helped me greatly ever since'.

Similarly, living with his grandmother in Ballarat, enduring six hours' homework, six nights a week, in order to maintain his progress up the educational ladder, he was unlikely to forget the pain of scholastic achievement. There were, of course, rewards — like seeing one's photograph in the Melbourne Punch and being able to read:
Master Robert Menzies, son of Mr Jas. Menzies, J.P., Jeparit, succeeded in coming out ‘top’ of 1400 candidates in the recent State School Scholarship Examinations, scoring 672 marks out of the possible 900, and exceeding the next best scholar by 36 marks. The boy has only just turned 13 years of age, and ‘Punch’ agrees that he gives promise of a successful scholastic career. For the past two years he has been tutored at Ballarat East School, which has been signally successful in its scholarship examination results for many years.\textsuperscript{12}

Such triumphs might bring momentary exhilaration. But the consequences of failure could rarely have been far from the mind of the third of four sons of a man dependent on a small earned income. There is, I believe, a significant clue to Menzies’ temperament in the ever present tension that accompanied his drive to academic success. His superiority was never effortless. At Grenville College, Ballarat, he encountered a heavy handed and over-ambitious headmaster, A.A. Buley, keen to boost his school’s reputation for scholarship. He was pushed too hard, faltered, and failed at his first attempt to pass the senior public examination.\textsuperscript{13} Those who portray his progress as fuelled by a secure confidence and placid self-satisfaction in his own superior attainments have overlooked this chastening experience and misperceived the character which it helped to shape. They have also been blind to the contrast between a small provincial college and a large Melbourne public school. When Menzies entered Wesley College in the Easter term of 1910 he was awe struck at the size of the school library. He had devoured books wherever he found them; but nothing in Jeparit or Ballarat had prepared him for even the modest riches of Wesley.

There could have been few times in his life when Menzies was more ill at ease, or more entranced by his milieu, than his first days in Melbourne. One day at sea, returning from London in 1938, he confided to his secretary, Peter Heydon, how on the weekend after he began at Wesley he had been taken by an aunt to an orchestral concert conducted by Marshall Hall at Melbourne Town Hall. Heydon recalled the gist of the conversation:

‘Think of what a time for a boy of my interests to be introduced to Melbourne. Ransford was opening the innings for Victoria, a far better left-handed bat than Warren
Australian Conservatism

Bardsley or Morris or any of these later chaps. Norman Brookes had just won Wimbledon and we were to win the Davis Cup a few years later. Nellie Melba had just done a return concert tour.’ He gave a few other examples of this high point of Australian life as he saw it. Then he paused . . . ‘I often think since then everything has been retrogressive.’\textsuperscript{14}

Whether this was merely premature nostalgia, or a manifestation of ingrained conservatism — as Heydon thought — is hard to judge. What can be observed, however, is that from the time we begin to have any public expression of young Robert Menzies’ opinions and values to the time, half a century later, when he had become a conservative ikon there is unmistakable unity and consistency in the style and content of what he had to say. To ask where the ideas came from is to pose a question that cannot be answered satisfactorily, if it can be answered at all, without access to family sources. Publicists, preachers, and parents — sometimes James Menzies was all three — played roles that need to be determined in part from memories and papers that are not generally available. We must, of course, allow as well for the extent to which a boy of considerable ability can select for himself from the prejudices, assumptions, and reasoned positions which make up his intellectual environment.

In recalling his period at Wesley, Menzies told his English biographer, Ronald Seth, of two teachers who had influenced him: Harold Stewart in Latin and History, and Frank Shann in English literature and expression. He admitted to being incompetent at games. (As an Australian Rules footballer he had played in the Jeparit 2nd eighteen as a rover, whereas his brother Frank was captain of the Grenville College cricket team.) In a slightly strained, almost embarrassed, sentence Seth concluded: ‘Nor was he ever made a prefect, nor elected to any other school office’.\textsuperscript{15} What Seth’s account gently implied was that Menzies was not a particularly popular boy. In fact, he was chosen as a foundation member of the Reading Room Committee. And a school whose headmaster had, as one pupil remembered, ‘switched school ambition away from learning to sport, in the English tradition’\textsuperscript{16} no doubt provided an incentive to at least be knowledgeable about cricket even if one could not play it well.\textsuperscript{17} Wesley, one of the more larrikin public schools of the early years of the century — ‘soft felt hats’, warned the school year book, ‘are absolutely prohibited’ —
Young Menzies

had the added misfortune for a studious Presbyterian youth of being in a state of perpetual war with Scotch College.¹⁸

Add to this the fact that many of the boys came from wealthier families than the Menzies, whose principal income was by then James Menzies' parliamentary salary of £300 p.a., and it is not difficult to understand why young Robert should rapidly develop a carapace of apparent arrogance. He was clever and he did not hide it. He wrote poetry and was not ashamed to publish it. His occasional gaucheries, and what would later have been called abrasiveness, were attributed by some observers to his 'bush' boyhood. In a prize-winning poem in 1912, projecting a future which could only be more glorious than his past, he hoped and wondered:

But whether in the din of some great combat,
Or in the milder walks of civil life,
The spirit that our yesterdays bequeath us
Shall watch our being in their daily strife.

And may we show, to all the world, the presence
Of that same courage that enriches men;
Forgetting self, we'd hear the commendation:
'The heroes of the ages live again!'¹⁹

If school had predictable difficulties and satisfactions, home also offered both joy and discomfort. A favourite theme of Australian political writers in their obligatory sketches of Menzies has been the question of who influenced him most — the subject has usually been treated as though, as between James and Kate Menzies, what really matters is to determine relative quantums of influence. Far too many writers seem incapable of distinguishing between whether people were liked, and whether they had an impact. Far too few seem to notice, or at any rate to say, that the recorded attributes of Menzies' mother and father — the gentleness, good humour, and affection of the one and the stern, somewhat capricious and easily angered manner of the other — coincided with classic late Victorian stereotypes of parental roles.

It is true, and Menzies himself said so in his memoirs, Afternoon Light, that he and his brothers and sister were 'not a little frightened' of their father, and that they found their 'regular refuge in the embracing arms' of their mother.²⁰ But anyone who reads Menzies' chapter called 'A Portrait of My Parents' would be
singularly unperceptive not to see that by far the largest element in it is the picture of James Menzies. And probably the single most revealing paragraph in the book is the one in which Menzies relates how he felt about his father’s public performances. Menzies’ uncle, the Wimmera M.H.R. Syd Sampson, although obviously relevant as a secondary figure, and certainly admired for his willingness to talk seriously to young Bob about historical and political topics, was nevertheless a relatively remote influence.

But for a boy already beginning to think of himself as a future public figure — encouraged to hope for success by his mother’s belief in his ability, possibly by a visiting phrenologist’s prediction in Jeparit that he would be a barrister, and by his headmaster’s suggestion, when presenting the prize as dux of the fourth grade, that he might be Prime Minister one day — for anyone with such vistas stretching enticingly before him, it is hardly surprising that he should study very closely the model of a public man closest at hand, his father.21

The point is not whether Menzies felt happier with his father or mother. Nor are we looking for evidence of emulation. What is significant and salient is that something about his father’s behaviour affected his own. This is how he described it himself:

When my father went into the State Parliament, he was a mass of nervous energy. The nerves took charge when he made his maiden speech. After a few sentences he paused, and collapsed. He made a good recovery, but it was an inauspicious beginning. He did not become a Minister, but he was listened to. Even as a youngster, I thought he had some disabilities. He was eloquent, but over-emotional. He had no originating humour, and so took everything in the House too much au grand sérieux. The first ‘disability’, as I have called it, had a curiously contrary effect upon me. Temperamentally linked as I was with my mother, and although I have always had a lot of emotion in me, I learned to distrust its public expression. When my father was in full spate at some meeting, and drew the tears from his audience, I am ashamed to say that I used to shrink back in my seat and say to myself, ‘I wish Father wouldn’t do that!’22

Robert Menzies’ embarrassment had a lasting inhibitory effect on his own platform style. On the other hand, he remembered and admired his father’s ‘excellent habit’ of holding a public meeting in his electorate whenever his constituents disagreed with his parliamentary voting record. ‘His simple and accurate belief was that the
first function of a member of Parliament was to be a man and not a phonograph record, a guide and not a mere follower. As for his mother, what emerges from the available evidence is a conventional story of maternal fondness, warmth, and encouragement — explained occasionally by the suggestion that Kate Menzies had not wanted a child when Robert was conceived and that he subsequently enjoyed guilt-induced compensatory affection. Young Bob may have been a spoiled child. But to talk, in the face of the testimony of his reaction to his father, as though the family was matriarchal, is misguided and portentous. Some writers have, in all seriousness, looked for evidence of Cornish and Scottish temperament in Robert Menzies' behaviour — presumably transmitted as part of his genetic endowment. Lionel Lindsay, for example, pronounced that it was clear that Menzies' interest in art was 'congenital' because his father had planned to study painting in Paris when 'some family duty constrained him to stay in Australia'.

One physiological hypothesis that might be hazarded more profitably is that, whatever the proximate causes may have been, Menzies' adult body — which began to assume its mature proportions not long after he went to the Bar — could well have been as much a consequence of his mother's overfeeding of him as a baby as it was of his own later self-indulgence. He was a chubby infant. But there are photographs of him as a student which show him as bony-faced and lean of torso. Presumably student stresses compounded by an empty purse kept him thin until he could afford to be, as Ian Fitchett has described him, a hearty 'trencherman'.

After winning first-class honours and an exhibition in English Language and Literature, second class honours in British History, a non-resident exhibition at Ormond College and a government exhibition worth £40 a year for four years, Menzies entered Melbourne University in 1913. Of his university years, it should be noted that, despite his academic promise, he did not specialise in non-vocational studies of English, history, or classics. (The Professorial Board waived some new regulations to enable him to sit for final honours in the history school in March 1915, but he did not do so.) He adhered to his long-held goal of a career at the Bar — a path leading not to scholarly eminence but to financial security, perhaps modest wealth, and even a political future.

In passing, it may be observed that the importance of law,
especially constitutional law, in public life was probably much greater in the first three decades of the twentieth century than it had ever been in the nineteenth century or was to be for many years after World War II. The implications of the federal constitution were being worked out in the courts; and politics was suffused with such legal issues as industrial arbitration, marketing of primary produce, international trade treaty-making, and immigration.

Menzies' reputation as a successful law student and young barrister was an early and central element in his public image. His first class honours and string of prizes are frequently mentioned. The biographer, Kevin Perkins, reported in 1968 the opinion of Dr Thomas Coates, the then headmaster of Wesley College, that 'Bob Menzies with his achievements could have gone into university teaching, taken a Chair and become a Professor of Law with spectacular success'. No doubt. But again, spectacular as some of Menzies' achievements were, he was not as uniformly triumphant a student as later traditions have implied. At Wesley, he was, according to Percy Joske, 'pathetically weak at mathematics'. At the university he failed Latin I at the first attempt, but passed a supplementary examination. He managed only passes in European History and Political Economy. Subsequently, he graduated with first class honours in law and several prizes. He became an Ll.M. a year later. But as the archives of the University of Melbourne reveal, although in 1919 he earned 25 guineas tutoring returned servicemen in the law of property, he was twice unsuccessful in applications for part-time teaching appointments in the faculty of law. In February 1920 he was passed over for a correspondence tutorship in the Law of Property in Land and Conveyancing. And in May 1920 he was among thirteen rejected applicants for a lectureship in the Law of Contract and Personal Property.

Notwithstanding these disappointments, and the bleak financial future they foreshadowed for a young barrister about to be married, there was an even more significant outcome of Menzies' university days — the notoriety of his military career. Nothing else in his early life was to pursue him so relentlessly and so distressingly as the fact that, although he was a fit commissioned officer in the Melbourne University Rifles, and had earlier been a 2nd Lieutenant in the Wesley College cadets, he had not volunteered to serve overseas during the war. Members of the R.S.L. campaigned both clandestinely and openly against him when he first stood for the
Young Menzies

Victorian Legislative Council in 1928. When he moved to Canberra gossip followed him there. The American diplomat, J.P. Moffat, seeking guidance on Menzies' character, was told by an Australian friend in October 1935: 'of an incident that happened way back in 1917, when Menzies was a young man and declined to enlist, remarking "I have no intention of robbing Australia of a future Prime Minister"'.

The best known occasion relating to Menzies' non-enlistment was the attack made on him after the death of Joe Lyons by the interim Prime Minister, Earle Page. On 20 April 1939, in the House of Representatives, Page made a bitter personal onslaught on Menzies, whom he held partly responsible for the strain which contributed to the fatal illness of Lyons. Page questioned whether Menzies had sufficient 'courage, loyalty, and judgement' to command the respect and support of the Australian people. He drew attention to Menzies' recent resignation, ostensibly over national insurance. He reminded members of a speech on leadership five months earlier in which Menzies had seemed to many people to be criticising his own leader by implication. But, most wounding of all, he went on:

Some 24 years ago the right honourable member for Kooyong was a member of the Australian Military Forces and held the King's Commission. In 1915, after having been in the military forces for some years, he resigned his commission and did not go overseas . . . the right honourable gentleman has not explained to the satisfaction of the very great body of people who did participate in the war, his reasons, and because of this I am afraid that he will not be able to get that maximum effort from the people of Australia to which I have referred.

Menzies' reply in the House was dignified and effective:

I did not resign anything. I served the ordinary term of a compulsory trainee. I was in exactly the same position as any other person who at that time had to answer the extremely important questions — is it my duty to go to war, or is it my duty not to go. The answer to those questions cannot be made on the public platform. These questions relate to a man's intimate, personal and family affairs, and, in consequence, I, facing those problems, problems of intense difficulty, found myself, for reasons which were and are compelling, unable to join my two brothers in the infantry of the Australian Imperial Force.
By what looked a frank rebuttal of the Page charge, and by a claim for a degree of privacy on ‘intimate, personal and family affairs’, Menzies secured public sympathy and dispelled some malicious undercurrents of rumour.

However, this dramatic encounter did not put an end to public questioning and private slander of Menzies’ behaviour. The tenacious belief that he evaded a duty which was readily accepted by many of his contemporaries was expressed for years at election meetings and still surfaces in anonymous letters. And, in the writings of scholars who ought to know better, Page’s misleading accusations are resurrected as though they were undisputed facts.\(^3\) Strangely, in spite of the continued revival of this attack on Menzies’ character and the usually unstated but always intended suggestion of cowardice, there has been no serious attempt to find out what Menzies actually did in the wartime years. Nor have we anything but the most generalised account of what impact his experiences might have had on his subsequent attitudes and behaviour. Inevitably, much of what one might say here is conjectural. But the available evidence is enough to warrant the judgment that the years 1915 to 1918 saw the crystallisation of enduring traits in Menzies’ adult personality. He was exposed to intense social pressures and acutely embarrassing personal conflicts. He resolved his own dilemma, and coped with the questioning, hostility, loss of esteem and affection that his non-enlistment entailed. But what was the price? Characteristics no longer held in check in an environment of schoolboy directness — his eccentricity at Wesley had earned him the nickname ‘Dag Menzies’\(^3\) — were shaped and hardened. He became habituated to a posture of defiant superiority, retreating from public curiosity and contempt into private certitude or concealed doubt. His wit developed a savagely wounding edge.

Why should it have been so? First, it is essential to notice a crucial ambiguity in Menzies’ reply to Page. In answer to the charge that he had resigned his commission in 1915, he denied that he had resigned. He had, he said, served the ordinary term of a compulsory trainee. A reasonable interpretation of these statements was that his obligations ended in the middle of the war. In fact, however, the ordinary term of a compulsory trainee under the Defence Act continued until the age of 26. Menzies therefore remained a member of the Citizen Force until 16 February 1921.
And at that time he did relinquish his commission, although he could have elected under Australian Military Regulation 75 to transfer to the officers' reserve list.

It is puzzling that Menzies did not fully explain to Parliament the extent of his service. He had been commissioned in January 1915. Six months later he was provisionally promoted to the rank of Lieutenant, but it was not until nearly a year after the war ended, in October 1919, that his provisional appointment was confirmed. After he turned 25 on 20 December 1919, his training obligation for the final year was reduced to one muster parade or one registration. Curiously, Menzies served his entire time as a member of the Melbourne University Rifles, although Australian Military Regulation 204 (1) prescribed that 'on leaving the institution' members of the Citizen Force should 'be allotted to the units of the areas in which they reside'.

Menzies had no choice but to remain in the Citizen Force until 1921. He was not, of course, required to appear — as some contemporaries have alleged he did — in the University union in khaki, or to be seen at dances in an obviously well-tailored uniform. Nor was he in any way obliged to volunteer for overseas service. Yet the moral pressure to enlist was strong and unremitting. There were great recruiting campaigns. There was the example set by his peers. Old Wesley school friends, fellow students from Ormond College, the Law Faculty, and others whom he knew in the University Historical Society and as contributors to *The Melbourne University Magazine* were among those who joined up.

From the law faculty, J.M.O. Colohan enlisted before completing his course and left Australia in 1916. R.McC. Abernethy, who had been senior prefect and captain of boats at Wesley, completed second year law in 1914 and enlisted in the artillery early the next year. When war broke out, the outstanding law student, N.L. Campbell, enlisted; he had finished his second year with first class honours, as well as winning the Dwight prize in history, the Shakespeare Society's prize, and a Wyselaskie scholarship. The president of the S.R.C. and editor of *The Melbourne University Magazine* in 1915, Arthur Deans, became a sergeant in the artillery. Among the younger men, Frank G. Kellaway entered Ormond College from Wesley in 1914. He passed first year law, was a member of the University Rifles, became a corporal in the A.I.F. and was eventually commissioned. The poet, Geoffrey Wall, left
Wesley in 1916, sat special early examinations in law and joined the Royal Flying Corps after being rejected for the A.I.F. because of insufficient chest measurements. Three other Wesley old boys joined up in the ranks, gaining commissions later: F.M. Stirling went after only a few months of law study in 1915; W.E. Warne-Smith, from second year law in 1916, won the M.C. for conspicuous bravery at Herleville Wood; and Owen Lewis, who enlisted in the 10th Field Engineers, transferred to the Flying Corps in 1917.

Almost all of these men were dead by the time Menzies went to the Bar in 1918. They were among 251 Melbourne graduates, staff, and students who did not return. Of the survivors who had moved in Menzies’ circles, Esmond Higgins, although fiercely opposed to the war on political grounds, enlisted in 1917. Clem Lazarus, whose views were close to those of Higgins, sat for special examinations in arts in order to get into uniform more quickly. P.D. Phillips, later to be a close associate of Menzies in Young Nationalist circles, was decorated for bravery in 1918.36

From the Kew Presbyterian Church, ninety-six young men joined the armed forces, of whom eighteen were killed.37 Of thirty-five officers in the Melbourne University Rifles when Menzies was commissioned in 1915, only seven remained when the war ended. Twenty-five — more than 70 per cent — had gone on active service. Menzies himself, as editor of M.U.M., in May 1916, defended the enlistment record of the rifle corps as a whole:

Out of the total strength in July, 1914 . . . 50 per cent are enlisted men, and 30 per cent are medical students, leaving 20 per cent with potential ‘cold feet’. Of this 20 per cent half are veterinary or senior dental students, and several of the remaining remnant have failed to pass the requisite medical test.38

Thus the presence of a healthy, trained, officer at home until the end of the war would have been noticed even if it had not been flaunted. In May 1918, a Melbourne barrister, H.G. Macindoe, wrote to J.G. Latham, who was overseas on behalf of the federal government, that one of the ‘Eligibles’ — the contemporary term for men who could, but did not, join up — was ‘young Menzies’. Macindoe asked Menzies why he was not fighting. The reply was that his two brothers were. Macindoe asked if Menzies thought his brothers’ service would exempt him in England. Menzies is
reported to have replied that conscription had failed to pass in Australia. Macindoe also spoke to Owen Dixon, with whom Menzies was reading. Dixon defended his pupil, saying that Menzies was justified in remaining because his two brothers were in the A.I.F.39

More immediate still was the decision of Phyllis Lewis, an Arts student to whom Menzies had become engaged, to break off their engagement shortly after Owen Lewis, one of her four serving brothers, was killed in action in April 1918. Phyllis Lewis's engagement to Menzies had surprised her family and appalled her friends. She seemed to have little in common with her fiancé. She was effervescent and vivacious: he was very serious. Incompatible temperaments might have ended the engagement. But, according to one family observer, Menzies' resolute refusal to enlist provided more than a pretext for the break.40

Family tradition, conveyed in later biographies, maintains that Menzies remained in Australia because of a family decision. According to Kevin Perkins:

The truth is that although the decision to stay was finally his, it was based on the general wish of almost the whole Menzies family and in such a close group, that carried weight. The Menzies parents were in middle-age, with Jim Menzies not enjoying good health, and there was a prospect that in the not-too-distant future one son would be needed as the breadwinner . . . it was traditional . . . for one son to stay at home in a family of two or more.

But even more important . . . Kate and Jim Menzies were unhappy at that time over Isabel’s choice of a future husband and this had led to angry scenes . . . Isabel, a charming and gifted person but also a woman of strong feeling, had left home in order to show her determination. The family wanted Bob to stay home to sort out the situation and ease the burden of the parents who were unable to cope.41

Isabel Menzies' choice of husband certainly was regarded as unsuitable by her family.42 And Robert may have been an indispensable link between her and her parents. For the outside observer, sixty years later, it is impossible to be sure about the strength of ties of obligation and affection. What binds a man to his mother, father, or sister — and how imperative a family duty might have seemed — we are unable to say with precision. From the fact that he stayed, as well as the stories which purport to explain why, it
must be assumed that persuasion had been exercised by these people to whom he felt the deepest sense of duty. Emotion reinforced the logic of responsibility. But could a family compact have made his decision for him, or diminish his own responsibility for the decision that was made, whatever the need or disharmony that might have prompted it? Sir Keith Hancock, a nineteen year old private in the Melbourne University Rifles in 1917, has recalled the distress caused by his parents’ refusal to allow him to enlist — the youngest son under twenty-one could not do so without parental consent if his brothers had gone:

I stormed around the house demanding to be let go and whenever I stormed Mother would weep hysterically . . . what could I say to my classmates when they asked me whether we should all go along together to the recruiting office at the end of term? And what could I say later on when I met them in uniform and myself still in civilian clothes? I developed a furtive streak about the war which took me years to get rid of . . . .

Only in the extreme case of the withholding of parental consent — which Menzies, even if he had been the youngest son, would not have needed after he turned 21 in December 1915 — could a young man feel no responsibility at all for his non-enlistment.

If there had been at one stage family pressure to restrain him, there is reason to believe that one of his brothers did not sustain it. Athol Lewis wrote from France saying that, as his brother, Brian, later recalled: ‘Bob’s brother had asked him to write to Bob suggesting that he enlisted. Athol would not get involved in a family matter.’ Another contemporary, a member of the Students’ Representative Council and the editorial board of The Melbourne University Magazine, who was close to Menzies in 1916, also recalls hearing of the bewilderment of his older brothers at his resolute adherence to Melbourne. No matter what compact may once have been made, or what story may subsequently have been incorporated in family tradition, it seems clear that the Menzies brothers were not continuously agreed on the wisdom of Bob’s course.

In the light of the evidence that can readily be collected, it seems unlikely that Menzies could have been as untroubled in his decision — which by its nature was implicitly renewed every day until 11 November 1918 — as he affected to be. For all the composure, the
brash and witty exterior, there must also have been interior turmoil and self-doubt. He was too sensitive and sensible to have been unaware of the impact of his behaviour, ever to be completely reconciled to the path to which he remained committed. The real tragedy was not that he was a coward or a shirker, but that he could never be sure whether he was or not.

Because of his literary productivity and pugnacity, it is possible to reconstruct something of Menzies’ thinking on the war. In a ‘Sonnet’ published in June 1915 he noted:

Bold would he be who spoke of peace today
When a full thousand bugles loudly blare
And war-wolves roam abroad to hunt their prey^6

Neither as a poet nor as student orator was Menzies talking of peace. A contemporary recalls him making speeches, ‘lecturing the potential cannon-fodder about democracy’.^47 Another remembers that in 1916 ‘he effected his first political dentition on the vigorous promotion of the Yes cause in the first Conscription Referendum’.^48 Earlier, in a poem written on the death of Lieutenant J.R. Balfe of the University Rifles, who was killed at Gallipoli, he had recognised that Balfe had heeded:

An Empire’s message flashing o’er the sea —
   The call to arms! The blood of chivalry
   Pulsed quicker in his veins; he could not stay!^49

In ‘Frater Ave atque Vale’ — a hail and farewell to a departing brother — he spoke of ‘anguished fancies that I dare not speak’, contrasting the pride and courage of the departed with the dominion of sorrow at home.^50

For those who stayed behind, he predicted that J.R. Balfe’s death ‘on a field of honour will do much to foster the ties of loyalty which bind us to each other and the corps’.^51 Writing in the Wesley College student magazine, The Lion, in October 1914 Menzies noted that the Expeditionary Force that was about to leave contained many old public school boys and university men. ‘This fact is the more remarkable,’ he said ‘when we consider that in many instances a great sacrifice is involved in the giving up of the immediate prospects of a professional career’.^52 Some students chose the less remarkable course. The ‘University Letter’ from ‘R.G.M’ to his old school in August 1915 put the matter in perspective:

With us at the University things are fairly normal. Few students care to leave during term, but there is no doubt that
the conclusion of the examinations will see a large influx of 'Varsity men into the training camps. One day was set aside during the 'recruiting week', on which the profs. and lecturers were expected to exhort their students to enlist. The somewhat contradictory duty proved beyond most of them, though the temptation to 'spread' himself proved too much for one of the more recent additions to the staff. The whole business was just a little incongruous; University men should not need the popular devices of the recruiting poster and the platform to point out the line of their duty. They have all considered it well, and have arrived at their decision.53

For those in whom 'the blood of chivalry' was pulsing insistently, there were words of caution and sympathy in an unsigned M.U.M. editorial in June 1915. The majority of students, it was pointed out, 'have worried themselves into such a soul-confusing labyrinth of speculation that they finally enlist in desperation'. Yet when a student was close to finishing a course or near the end of a year 'to enlist when so near their goal would be palpable and pestilent folly'. Though being left behind might lead to being looked on as a shirker, 'very often in these cases there are private reasons that no man wishes noise abroad and shouted from the housetops'.54

Not that Menzies was noticeably inhibited about proclaiming his opinions. He wielded pen and tongue in regular defence of the British cause in the war, education, truth, beauty, justice and public service, as well as on historical and political themes. The war was justified in an editorial as a crusade against 'a system of deception, violence, and servitude'.55 On another occasion it was 'a war for law, for public right, for the preservation of Europe and the world against the doctrines of Clausewitz and Treitschke'.56

It was also a war against doubters at home, a defence of the 'moral loftiness of the Empire' against those, like his fellow law student, Guido Baracchi, who described the conflict as a power struggle between rival European capitalist nations which was not primarily Australia's affair. One night, on his way to address a meeting of the University Historical Society, Baracchi encountered a hostile crowd, angered by his attacks on the war. According to S. C. Leslie's recollections 'Young Bob put himself at the head of a majority of teenagers and medical students' and 'presided in the name of democracy' when Baracchi was seized and pushed into the university lake.57 Other eye-witnesses — including Baracchi himself
— maintain that Menzies was not present during the ducking in­
cident. Certainly, however, he was in the vicinity because he took
part in the same Historical Society meeting at which the dampened
radical eventually spoke.

Obviously baiting his socialist contemporaries, Menzies, in an
essay ‘Of Politics’, wrote that students must give up ‘dreams of a
Utopia somewhere in the distant future, and cultivate a closer
acquaintance with the wheat marketing scheme, and the Repatria-
tion question’. For democracy to succeed it was necessary for ‘we . . .
the public men of tomorrow’, to learn ‘to think and not to
dream’. If politicians were ignorant, it was the duty of students to
see that the next generation was a little better. ‘If there is one thing
that the Australian democracy lacks (in particular), it is clearness of
political thought.’ The condescension of this article — to be
repeated in countless ways in future speeches and writings — stung
Clem Lazarus to respond in verse echoing Chesterton’s attack on
F.E. Smith. After three slashing stanzas, Lazarus concluded:

It would soothe me much, I own,
R.G.M.,
If you left this theme alone,
R.G.M.
On the Empire pour your gush,
Throw the Shop a platitude;
Shower on Mister Hughes some mush,
Strike a \textit{Loyal} attitude.
Shake your world-redeeming sabre,
Dominate the cowering mob,
But Democracy! — and Labour! . . .
— Chuck it, Bob.

The Historical Society provided another forum for what its
President, the Professor of History, Ernest Scott, had called at the
first meeting on 27 March 1914, ‘creating friction of mind with
mind’. Menzies was defeated in the first ballot for secretary of the
society, and declined on the ground of insufficient financial ex­
perience, to accept nomination as treasurer. But he became a mem­
er of the committee and a frequent speaker in the debates which
were the society’s principal activity. He was elected a vice-president
in 1916. In a debate on ‘The Causes of the War’ held on 5 May
1915, he argued that the war could have been avoided. According
to a newspaper report:

Mr Menzies held that England had made an error in her
neglect to introduce conscription. While it was not the
primary cause, he thought it had a very great effect on Ger­
many, inasmuch as that nation, although she had a respect
for England's navy, had a contempt for her army. Had
England a large conscript army, the speaker thought Ger­
many would not have gone to war.

This contention did not impress Harrison Moore, the Professor
of Law, who intervened to say — in terms that could not have been
welcome to his student — that:

had England introduced conscription the war would have
come much earlier. Such a policy would, indeed, have been
provocative to Germany, and would only have increased that
nation's determination to bring about the war earlier. It
would only have made England a greater agent in bringing
about the conflict.63

A professorial enfilade of such crushing effect was rare. In com­
bat confined to his peers, Menzies would often be challenged; but
he carried too many guns and too thick an armour to be greatly
troubled by his opponents. (Though one member of the Law
Students Society — of which Menzies was successively secretary
and president — was able to get the last word when he reported
after a debate on conscription in October 1915 that 'Menzies [and
others] also spoke, but contributed nothing'.)64

In his final year as an undergraduate, Menzies chastened his con­
temporaries, not excluding himself:

We are all so anxious to 'grow up', so impetuous to taste the
fulness of life, with its ambitions too often unrealised and
illusive, that we are inclined to put away our childish things.
We learn to 'think big', and yearn, perhaps too much, after a
fanciful and bizarre originality.65

He himself could not have been accused of originality. He was
undoubtedly clever. He was an exceptionally able debater who
developed his skill with frequent practice. He had a care about the
use of words which ensured that he could say what he meant,
though he was still to learn the value of ambiguity and silence. But
he was not essentially a creative thinker. His poetry was derivative
and unsubtle. He was a talented self-publiciser with an unerring in­
stinct for the spotlight. He could be funny, but almost always at
someone else's expense rather than his own. He could perform im­
pressively in examinations and essays. He was a big fish in a
depleted pond. This is not to say that his accomplishments would
necessarily have been less had he been given the benefit of the presence of his absent contemporaries. Although it might not have been obvious at the time, he paid a double penalty during the war. He missed the character shaping of service life, the enlightenment of shared dangers with men of different classes, manners and beliefs, as well as the incidental education which exposure to England and real Englishmen might have imparted. (Unlike some of his political colleagues in the 1920s, and afterwards, he knew nothing, first hand, of the overseas world so familiar to many businessmen, soldiers, diplomats, and journalists.) But, like many insular Australians, not only did he imbibe idealised notions of British standards of conduct and the institutions of parliamentary government, he identified himself, and all Australians, as British. This sentiment, manifestly anachronistic in post ANZAC Australia, was transmuted into a dream of imperial unity that recurred as late as the Common Market era. The second deprivation in Melbourne was the absence of the stimulation of the young men of comparable intellect and energy whose choices and opportunities had led them elsewhere. Somehow it seems quite natural to find Menzies at the age of 21 expecting one day to look back, ‘with tear-dimmed eyes, to the days passed in joyous sunshine and the shadow of the great hall’. But it would be indefensible to quote such an effusion without indicating the extraordinary tensions, the deeply disturbing experiences, which it masked.

To a degree that was unparalleled among his contemporaries, Menzies’ private life was a topic of speculation and printed comment. In May 1917, *The Melbourne University Magazine*, in a mock children’s page, offered ‘an expurgated edition of the soul poems of R.G.M.’ as a prize for ‘the very cleverest answer to our monthly puzzle’. The author, ‘Aunt Lucy’, explained that ‘expurgated’ meant that ‘Mummy or Sisters can read it, but probably wouldn’t want to’. The same edition of *M.U.M.*, edited by Dorothy Meares Andrews, carried a ‘book review’ of ‘Secret Chapters’ (Phawd & Co., 2 vols., 8vo., 30/- or £1/10/6 posted):

> Despite the extent of the largely auto-biographical writings — published and unpublished — of that figure so well-known in the early decades of this century, Mr. Robert G. Frenzies, certain hitherto unknown facts concerning his life have leaked out, and form the material of a new book ‘Secret Chapters’.
In his freshman year his colleagues, overcoming his shy backwardness, heaped honours upon him. This period witnesses the commencement of the inflation of the Dominating Personality of our sunny metropolis. Subsequent chapters are devoted to remarkable developments in the psychology of our hero. First there is his friendship with the great Stret, a roue who graced eternally the lounges of the Vienna, known in his time as the worst man in Melbourne, but the immutable uprightness of Frenzies, noted in his boyhood, carried him through this pernicious period.67

'The great Stret' was Len Stretton, a fellow law student and assistant editor of *M.U.M.* during Menzies' editorship in 1916. Stretton remained one of Menzies' closer friends for many years. He married Norah Crawford, who was Vice-President of the Students' Representative Council when Menzies was president in 1916. It was, no doubt, Menzies' successive relationships with Norah Crawford and Phyllis Lewis (who were both preceded by Gladys McLachlan whom he had known at the Camberwell Presbyterian Church) which inspired the anonymous 'reviewer' of 'Secret Chapters' to invent a censored 'subtle analysis of his amazing amatory adventures'.

A chapter on 'Pessimism and Poesy: The Ibsen Phase' was alleged to depict 'the wild longings and frantic outpourings of the storm-tossed soul struggling stoutly for salvation'. Parodying a verse and prose style which had been lavished on readers of the magazine in the previous year, the reviewer reported: 'in dewy sunrise and shadow'd eye would he stand up to his ears in grass dreaming o'er the daisy, browsing o'er the buttercup . . .'.

Finally, it was revealed that 'scientific historical scrutiny' proved that many of the traditions relating to Menzies' career were fables. The belief that he had once been editor of *M.U.M.* was 'altogether groundless, as in the copies of the year 1916 (supposed year of office), no trace can be found of his electrical brilliancy, and the queerly haunting personal touches he so loved to introduce'.

From Jeparit to Ballarat to Melbourne, Menzies dominated ever widening arenas. He chose his battlegrounds with increasing judgment. Academically, socially and romantically, he learned — often painfully — when to retreat, and when to entrench. He understood the value of publicity, and was unabashed by mockery of his unveiled ambition. Experience showed that the man who perseveres, knowing where he wants to go, can usually defeat less resolute and
single-minded rivals. As the years went by, a Menzies ‘persona’ was moulded. Angularities and unfinished surfaces weathered. And as successes began to evoke respect as well as envy, he learned that popularity was not a prerequisite for advancement.

Toughened by early notoriety, confident that future triumphs would efface memories of past gaucheries and blunders, Menzies was well endowed to endure the adversity of politics. He contained his emotions, concealing (though not dispelling) sensations of nervousness. He often seemed content with audiences when other men craved friendships. He had grown to manhood in a time of mechanical revolution, war, and international upheaval. In a world that understandably questioned whether change was the same as progress, he fastened on simple verities: that the public school spirit ‘with all its noble emulations and ideals’ should be carried into university and public life; that ethical principles were better than political dogmas; that intelligence and hard work would be rewarded — as his own progress demonstrated; that well-educated people had a duty to enter public life. And the reiteration of these views in the following decades suggests that, however much they might originally have been self-consciously adopted or contrived, he came increasingly to believe them.

When he married Pattie Maie Leckie on 27 September 1920 Menzies was already on the verge of becoming a national figure. His celebrated victory in the High Court in the Engineers’ Case earlier in the year had ensured his rapid ascent in the legal world. ‘I got married on the strength of it’, he later testified. Professional success and domestic tranquillity could not but kindle greater ambition. As a member of the Young Men’s Bible Class at Kew Presbyterian Church, he had recently preached on ‘The Sacredness of the Secular’. Now, uplifted by his faith, a loyal wife, and powerful gifts, he could embark optimistically on the final passages to maturity.

Notes

2. ‘To the Australian People’, typescript speech, Commonwealth Archives, A981, Australia 94.


Robert Gordon Menzies', unpublished typescript chapter [1948], Denning MSS, NLA MS 5129, quoted by kind permission of Mrs Warren Denning.

The Sun (Melbourne), 19 Sept. 1966, p. 2.


Punch (Melbourne), 6 Feb. 1908, p. 183. I am grateful to Mr H.J. Gibbney for this reference.

He had passed the junior public examination in 1909 (at the same time as his brother, Frank) after only one year's preparation in extra subjects. (The Ballarat Star, 11 Dec. 1909); see also Ronald Seth, Robert Gordon Menzies, Cassell, London, 1960, p. 33. I am grateful to Professor Weston Bate for information about Grenville College and to Mrs J.H. Moore for recollections of her first husband's memories of A.A. Buley.

Sir Peter Heydon's recollections of a conversation with Menzies in 1938, Interview with Mel Pratt, NLA TRC 121/2, pp. 19-20.

Ibid., pp. 38-9; Brigadier Guy Moore has recalled: 'I was a year or two ahead of R.G. at school and in those days he had not made the deep impression that he did in after years.' (Letter to the author, 9 May 1977.) But, a younger Wesley contemporary, Sir Percy Joske, has testified that, within a week of Menzies' arrival, he was 'known to almost all'. (Sir Percy Joske, Sir Robert Menzies 1894-1978 — a new, informal memoir, Angus & Robertson, Sydney, 1978, p. 7.)

Brian Lewis, Sunday at Kooyong Road, Hutchinson, Melbourne, 1976, p. 90.

Once, having forgotten his ticket, and being short of money, Menzies sat all day in Yarra Park watching a scoreboard and listening to 'the crack of bat on ball'. Thus, he 'heard the mighty Armstrong make a century!' (Robert G. Menzies, 'The Gentle Art of Looking On', in

18. Lewis, Sunday at Kooyong Road, p. 91. Geoffrey Blainey, James Morrissey, and S.E.K. Hulme, Wesley College: The First Hundred Years, Robertson and Mullens, Melbourne, 1967, pp. 103-23, describes the pre-war regime of ‘strenuousness and sentiment’. I am grateful to Peter S. Wilkie, head librarian of Wesley College, for copies of pages from the Wesley College Chronicle and Year Book relevant to the career of student number 3997, R.G. Menzies.


21. For the phrenologist see Afternoon Light, p. 316 and the more elaborate version in Seth, Menzies, pp. 1-5. The headmaster’s remarks were mentioned to The Age reporter, Charles Meeking, in 1932 and recorded by Meeking in an interview with me in March 1976. The same story, unattributed and with slight variations, was published in Kevin Perkins, Menzies: Last of the Queen’s Men, Rigby, Adelaide, 1968, pp. 42-3.

22. Menzies, Afternoon Light, p. 11.


25. I am grateful to the Registrar of the University of Melbourne, and to Miss Cecily Close of the University Archives, for providing this and subsequent information from university records.


27. Joske, Menzies, p. 9. The degree of Master of Laws, which Menzies received in April 1918, was available one year after graduation to any candidate who had obtained an Ll.B. with honours.


29. Moffat’s diary, 24-25 Oct. 1935, Moffat MSS (microfilm), NLA, G7251. This story has appeared, with minor variations, in a number of places and is firmly embedded in oral tradition. However, I have been unable to trace it to its source.


31. Commonwealth Parliamentary Debates, Vol. 159, 20 April 1939, pp. 16-17, 19. An eye-witness, N.C. Tritton, recalls that Menzies gave the word ‘infantry’ a special emphasis, which was perceived by some listeners as an implicit thrust at Page’s medical (non-combatant) status during the war. (Conversation with the author, 7 June 1977.)

32. J.R. Robertson, for example, in F.K. Crowley (ed.), A New History of Australia, William Heinemann, Melbourne, 1974, p. 441, writes: ‘In 1915 Menzies had resigned his commission in the Australian Military Forces . . .’. Kevin Perkins, Menzies, pp. 30, 31, rightly says that Menzies served his full term as a compulsory trainee. But he gives
26  Australian Conservatism

no indication of what the full term was; and he wrongly promotes Menzies to captain. Joske, Menzies, p. 18, also writes that Menzies held his commission until he attained the age limit, but does not say what the age limit was.

33. Brian Lewis, unpublished typescript memoir, quoted by kind permission of Professor Lewis.

34. Through the kindness of Professor David Hambly, details of Menzies' military career and its context have been assembled for me from a variety of official sources by Mr Mark Richardson of the A.N.U. Faculty of Law. I am deeply indebted to Mr Richardson for his enterprising research and careful exposition of relevant Australian military law and the careers of officers of the Melbourne University Rifles. The Central Army Records Office, Melbourne, has also confirmed the dates of Menzies' commission and promotion to lieutenant.

35. The allegedly superior quality of Menzies' uniform has been attested to me by two eye-witnesses. Evidence of his appearances at dances and in the union is second-hand. The stories might not be true; but the fact that they were told at all, and not by political opponents, is noteworthy.


37. John A. O'Neill, The Church on the Hill: Presbyterianism in Kew 1874-1974, Mullaya, Melbourne, 1974, p. 40. Menzies and his parents joined the Kew church in March 1918. They had been members at Prahran from March 1916, and at Camberwell before that. (Information kindly supplied by the record secretary, Uniting Parish of Hawksburn.).


40. Lewis Memoirs and other confidential information.

41. Perkins, Menzies, p. 31. Frank Gladstone Menzies, a third year law student, was commissioned into the 24th Battalion, A.I.F., on 14 June 1915. He served in Egypt and France, as intelligence officer to the 3rd Infantry Brigade and at 2nd Division Headquarters. He became a captain in December 1917, was gassed in March 1918, and demobilised in April 1919. The oldest Menzies brother, James Leslie, followed Frank into the A.I.F. (Allen, The University of Melbourne Record, p. 208).

44. Lewis Memoirs.
45. Mrs L.E.B. Stretton, conversation with the author, 8 Dec. 1977.
54. ‘Volunteering’, *M.U.M.*, Vol. IX, No. 1, June 1915, p. 4. Although Menzies was only a member of the Advisory Board, and did not become editor of *M.U.M.* until October 1915, he subsequently defended the sentiments of this editorial as having ‘fairly . . . honestly and conscientiously’ stated the position of the undergraduate confronted by the recruiting problem. (*M.U.M.*, Vol. X, No. 1, May 1916, p. 16.)
60. Ibid., p. 20.
62. Minutes of the First General Meeting of the Melbourne University Historical Society, 27 March 1914, University of Melbourne Archives (henceforth cited as M.U.A.). The Historical Society records throw no light on the claim by both Seth (p. 43) and Perkins (p. 29) that Menzies conceived and inspired the creation of the society. Joske, *Menzies*, p. 18, says ‘it would be more correct to say that he was one of its earliest members.’
63. Unidentified press cutting, Historical Society Minute Book, 5 May 1915, M.U.A. Although he opposed compulsory military service in peacetime, Moore was in favour of conscription during the war.


In Australia’s rather limited world view, pre-revolutionary Russia was vast, mysterious, and — until transformed into an Ally in 1914 — menacing. After 1920 the increasing isolation of Russia made her again a mystery, to conservatives even more odious than before, and certainly no less threatening. But from March 1917 until 1920, events in Russia received unprecedented attention in the Australian daily press, scarcely any reported change in the Russian situation passing unremarked in the editorial columns. Russia ceased to be treated as a mystery, as the papers set out to make Russian affairs comprehensible to their readers.

This new approach was not without its pitfalls; not the least of which was that the complexity and indeed the novelty of Russian developments was such as to bewilder commentators far better informed than the editorial staffs of the Australian conservative dailies. Nonetheless, their attempts to interpret the Russian revolution are interesting in themselves, for what they reveal about Australian attitudes to society and social change, and for their role in shaping conservative opinion and attitudes that were to be relevant for the next half century.

Australian conservative ideas of historical development were dominated by the concepts of nineteenth-century liberalism:
revolutions were expected to lead, if by varying routes, to some form of constitutional democracy. Extremism was a phase, regrettably all too likely to occur when the people first tasted the heady wine of freedom (not everyone could be as efficient as the English in 1688) but one which would in time burn itself out. But extremism in Russia, far from faltering, continued to flourish, and revealed itself as a new phenomenon, the dictatorship of the proletariat. The consolidation of this horrifying system shattered conservatives’ faith in their basic assumptions about the path of political progress, and the underlying stability of society. Their disillusionment and consequent suspicion of radical social change (sometimes of any change at all) was to be of continuing importance in Australian domestic politics.

In the absence of a national daily press, I have concentrated on the editorial comment in three non-Labor dailies: The Sydney Morning Herald and The Age as papers with large circulations (over 170,000 and over 150,000 respectively) in the two main cities, and The West Australian as a paper reputed to have a particular interest in foreign affairs. A survey of a number of other non-Labor dailies suggests that it is possible to generalise about conservative attitudes to the Russian revolution. The papers might differ sometimes on domestic issues: The Age, for example, was inclined to take a more independent view of the politicians of its choice than did The Sydney Morning Herald; and The West Australian was always conscious of the special interests of the West, but as far as the Great War and matters pertaining to it were concerned the conservative papers were at one in their enthusiasm. (Indeed, in the early years of the war, the same could be said of the Labor dailies; it was only after the split over conscription in 1916 and the Labor Party’s subsequent loss of office that the Labor press showed any signs of adopting more radical views on the war and the Russian revolution.)

In fact, this overwhelming concern for the war, though by no means conducive to dispassionate analysis, probably did result in increased interest in Russian affairs. The progress of the revolution was not only interesting in itself, it was vitally important in its effect on Russia’s prosecution of the war, and hence on the fortunes of the Allies. Unfortunately, interest and concern, however intense, were no substitute for knowledge about Russia and the immediate circumstances of the revolution.
Although Russia had so long figured as the most consistent and formidable of the various bogeys which had disturbed isolated Australia's otherwise peaceful existence before the war, fear of Russia had not, it seemed, prompted Australians to learn more about her. Apart from routine reporting of official political and diplomatic news, interest seems to have been concentrated on the bizarre and the horrible. Russia, to the Australian daily press, was divided into the 'dark forces' of repression and corruption, exemplified by the bureaucracy and the secret police; and the good but backward peasants, the soul of Russia. Moreover, given these views of the essentially primitive nature of Russian society, there was no understanding of the practical implications. The papers might speak continually of Russian 'backwardness', but they seemed not to realise its significance for Russia and particularly the Russian economy in wartime.

The conservatives' reception of the Russian revolution was dominated by their overriding concern with the war. The war was not, of course, merely co-incidental to the Russian revolution. The war was of fundamental importance in further weakening the incompetent Tsarist regime, and in exacerbating existing widespread discontent to such a point that revolution, when it came, was achieved with the greatest of ease and the minimum of bloodshed.

To the Australian press, unaware of the real state of Russia — the economic collapse, the demoralisation of the army, and the desperate war-weariness — the speed and finality of the March revolution could have only one cause: 'The great war had done for Russia what nothing else could do. It had made the great armies, the great generals, the political leaders and the people think all alike. They all thought for Russia and against Germany . . .'. All the papers agreed that it was a pro-war movement, seeking to overthrow an inefficient and possibly treacherous regime in the interests of a more vigorous prosecution of the war.

The situation on the eastern front had been causing concern for some time, and the suspicion gained currency that the efforts of 'the great heart of the nation [which] still beats high' were being sabotaged, not only by incompetence, but also by German agents, working through the corrupt bureaucracy and the reputedly pro-German court. To many Western observers the main achievement of the revolution was to have wiped the dark forces from the slate — or, as the Prime Minister so picturesquely put it: 'It is the head
of the pro-German party in Russia that has fallen into the basket, struck off by the lightning stroke of the Slav guillotine.13

There was great enthusiasm for what a reinvigorated Russia might do for the Allied cause, but surprisingly little for Russia as a democracy. On 23 March 1917 The Sydney Morning Herald reminded its readers that ‘the importance of the Russian revolution is not to be measured entirely by its effect on the war’, but the caution went unheeded. Pro-war Australians, whether conservative or Labor, had shown few signs of sensitivity on the issue of the Russian alliance. They were satisfied that they were supporting Great Britain in a righteous cause, increasingly identified with the defeat of Germany, and that being so, the end justified the means. Most people, untrammelled by liberal doubts, were probably glad that the Russian military colossus was on their side, autocratic or not, for, as The Sydney Morning Herald wrote in bewilderment after Brest-Litovsk, ‘every great Power has looked for the support of Russia as essential to the success of its foreign policy’.4

Since alliance with despotic Russia had posed no moral problems, her joining the democratic club, though she was of course most welcome, could hardly be expected to have the same repercussions in Australia as it did in liberal circles in England and America. If to some American liberals the revolution meant that the ‘war can now be visualized, without embarrassing reservations, as a conflict between the principle of democracy and the principle of autocracy’;5 to The West Australian it meant the squashing of the ‘gibes’ of ‘pro-Germans and alleged democrats’, whose ‘favourite trick’ it had been to ‘twit the democratic Entente with the alliance with absolutist Russia’.6 Given this sort of attitude, it was not to be wondered at that there was little or no recognition in the Australian papers of the new dimensions of idealism added to the war by American liberals and Russian revolutionaries, and that the Russian attempt to revise war aims met with not only disagreement, but blank incomprehension.

Australian conservatives paid lip service to Russian idealism, but their enthusiasm for Russian democracy arose from their expectation that it would pay quick dividends on the battlefield. W.M. Hughes expressed the optimism shared by right and left: the revolution, he claimed, had sounded ‘the knell of doom’ to Prussian militarists, as, inspired ‘by the enthusiasm that will run like fire through its ranks at the glorious news, the Russian army
The Conservative Press

will prove irresistible’. In fact, nothing could have been less likely: the Russian military machine had collapsed; the only slogan to inspire the Russian soldier was ‘peace’.

No one was more aware of this than the soldier deputies in the Petrograd soviet, and it was the soviet’s primary aim to bring about an early general peace. (There was no thought, as yet, of making a separate peace: the Bolsheviks were to adopt this policy in April, but they remained for a long time in a minority in the soviet which was dominated by Socialist Revolutionaries and Mensheviks.) The soviet believed that the peoples of other countries shared the desire, if not yet the desperate need, for peace, but were compelled to continue the struggle because of the ambitions of their rulers. Germany’s obsession with aggrandisement went without saying, but even the Allies — fighting from the purest of motives — had not intended that virtue, if triumphant, should go unrewarded. To this end they had signed a number of secret treaties, binding them all to continue fighting until each had secured certain minimum gains — such as Constantinople in the case of Russia. Such an arrangement was not only abhorrent to socialist principle, but, the soviet believed, a major obstacle to an early peace. It feared that the Provisional Government, unwilling to antagonise its allies, would shrink from the task of persuading them to revise war aims, and allow the Russian army to continue its hopeless struggle in the field. On March 27, therefore, the Petrograd soviet forced the government’s hand and sent its ‘flaming greeting’ to the peoples of the world, calling on them to take the issues of war and peace into their own hands.

This was not at all the sort of message to appeal to the conservative papers. Nor was the Petrograd soviet the sort of organisation to inspire confidence. The social responsibility of urban masses was traditionally suspect (peasants, being by definition engaged in cultivation of the ground, were assumed to have both feet on it). Even in the first flush of enthusiasm for the new democracy, the papers did not forget the potential of those ‘forces of discontent which were opposed to the Court, less because it favoured Germany than because it opposed and oppressed the artisans in the great towns’ and it appeared that these suspicions were justified. The conservative papers would have been even gloomier had they shared the assessment of the Brisbane Labor paper, *The Daily Standard*, voiced as early as April 2, that the Duma was ‘taking a
subsidiary place to the Council of Delegates of Soldiers and Workers’. This insight did not continue to enlighten The Daily Standard’s assessment of the situation, though readers of more radical periodicals may have been better informed by the articles by Russian socialists in Australia as exiles from Tsarism, and who, encouraged by the revolution, had begun to propagate the philosophy of the soviets in sympathetic journals.9 The conservative daily’s did not come into this category: they continued to see the soviets as trouble makers, a menace to Russia’s war effort rather than a serious challenge to the Provisional government headed by Prince Lvov.

Although the crisis provoked in Russia by the demand for revised war aims (culminating in the resignation of Paul Milyukov, the Foreign Minister) received a good deal of coverage there was virtually no discussion of the merits of the war aims themselves, even when they became the declared policy of the Russian government. For conservatives, the significance of the new policy lay in its disturbing indications of the growing power of the ‘extremists’, the spokesmen for the masses, who were making their views known through their lone representative in the Provisional Government, Alexander Kerensky. It was becoming obvious that the influence of this extreme wing was not inconsiderable. ‘It may not represent the Russian people, or have any weight with the army, but operating at the seat of government it has forced the Ministry to a compromise which must have been distasteful to some of its members’.10 The Provisional Government had been forced to renounce its claim to annexations and indemnities, which it did in a statement of war aims released on April 10 — this did not become official policy in the form of a Note to the Allies until early May, but the implications were clear. That some Russians were apparently prepared to abandon the historic national ambition to control Constantinople was a shock: evidence of Russian expansionism, once so fearful an ogre, had apparently become a sign that her heart was in the right place.

The Age feared that idealism alone was not enough:

Henceforth Russia . . . is to fight for no other purpose than to defeat Prussia’s maniacal dream of world dominion and to keep faith with the Allies. Will such an aim, grandiose as it may sound and seem to the pure chivalric spirit, be likely to
sustain a nation to undergo further appalling trials and sufferings...?"11

This is a curious comment: after all, this policy, 'at once so high-flown and impractical' was, according to conservatives, very similar to that of the Allies. Actually the conservative papers were well aware that the Allies did not intend to be out of pocket (or territory) over saving civilisation, though naturally they did not see it in such a prosaic light, but rather as an extension of the wartime crusade to make the world safe for democracy. This was spelt out more clearly in discussion of the Stockholm peace conference.

This conference, initially proposed in April by the Bureau of the 'evolutionary' Second International, was later endorsed by the parallel initiative of the Petrograd soviet who, doubtless disappointed by the reception of their 'flaming greeting', hoped by a dramatic display of world socialist opinion to bring pressure on the Allied governments — even threaten them with internal upheaval — in order to persuade them to revise war aims, to tear up the secret treaties, and thus bring peace closer. The proposed conference, aiming as it did to involve groups from Allied countries in its peace-making, merited a more detailed defence of Allied policies than had the Provisional Government's unilateral revision of war aims.

The non-labour dailies were concerned at the attempt to impose a socialist peace on Europe. Such a peace would, they felt, leave the main aim of the war unaccomplished: the first step in making the world safe for democracy must be to destroy Germany's ability to provoke a second conflict of this kind.

All that would come out of a premature peace would be a short respite from war while Germany made ready for a new attack upon democracy and liberty. Even from the socialistic point of view such a peace would be a disaster, besides being a crime against the gallant dead.12

Such eloquence was on the whole irrelevant. Since the soviet desire that the conference be mandatory had been disregarded, in the interests of encouraging wider participation, there was little likelihood of its imposing anything on Europe.

While conservatives doubted the value of a socialist peace, they were also inclined to be suspicious of any such gathering of socialists. The Australian Prime Minister felt particularly strongly the unwisdom of encouraging socialist pretensions by allowing
Allied delegates to attend the conference, and cabled the colonial secretary to warn him. Hughes was especially concerned with the possibly disturbing effects of such a meeting on organised labour:

I regard this conference, at which the peace cranks of all countries, including Britain, and the secret agents of Germany, are masquerading as pacifists, and friends of Labor will be gathered together as a cunning trap set to catch the loyal British Labor representatives, and through them organised Labor now supporting the War.13

The Australian labour dailies welcomed the idea of the Stockholm conference. *The Daily Standard* had led the way, a lonely voice applauding the Provisional Government’s original move to reform war aims.14 While it is doubtful if their approval could conceivably have caused panic in official circles (the censor obviously did not think it jeopardised national security) it did indicate a certain diminution in Labor’s enthusiasm for the war. No one was in a better position to appreciate the reasons for this than Hughes himself. The issue of conscription had split the Labor Party; Hughes and his conscriptionist supporters had formed a Nationalist Government in alliance with the Liberal Party, while the Labor rump languished on the opposition benches.

However, in mid-1917 loyal labour was not to be put to the test, for the proposed conference never took place. Though most of the eligible groups (with the notable exception of the Bolsheviks) finally decided to send delegates, most of their governments finally decided not to allow them to go. The failure of Stockholm was only one of a series of failures of understanding which loomed so large in revolutionary Russia’s relations with the West; failures which demonstrated the impotence of the Provisional Government and ‘loyal’ socialists in their attempts to bring about a general peace along the desired lines by conventional means. The failure of Stockholm may not have made much difference to the length of the war, but it certainly contributed to the downfall of the Provisional Government: it had failed to bring peace to the war-weary Russian masses, and henceforth they turned increasingly to the extreme left, not because they were Marxists, but because they wanted peace.

Even before the final collapse of the conference, the lack of influence of the Provisional Government on the Allied conduct of the war was made apparent by the Allies’ response to the Russian request for a restatement of war aims. The British and American
replies agreed with the ‘no annexations and no indemnities’ principle within certain limits. In a note, which The Age considered ‘should materially assist the new Republic to cement its purposes and make an end to anarchy’, and which could not fail ‘to carry cheer to the hearts of all civilised mankind’, Britain denied that she had entered the war for conquest, or that she had continued it for that reason. Her aim had always been to defend her existence and to enforce respect for international engagements. Additionally, she now intended to liberate subject nations suffering under German (and Austrian) oppression and to seek a settlement that would ‘secure the happiness and contentment of the peoples and remove all legitimate causes of future wars’. President Wilson concurred, and further warned Russia, and her extremists in particular, that the time had come when Russia must either conquer or submit to Germany, for there would be no place for her new democratic liberties under German domination.

The Australian press rejoiced at this plain speaking. The Age was especially happy that the ‘sordid trade war’ stigma had been so convincingly shown up as the ‘damnable assertion’ that it was. The papers approved wholeheartedly of the limitations: The West Australian considered that the British and American notes complied ‘with the most exacting construction of the “no annexation and no indemnities” thesis, but it does not concur in any and every foolish deduction which may be drawn from the proposition that peace should be made on an “as you were” basis’.

The other Allies had no time for a peace which they claimed would perpetuate the conditions that had provoked the war; the Russian socialists had no time for conditions and terms that would delay peace talks. The conservative papers regarded the Russians as being idealistic and short-sighted. They still apparently had no inkling of Russia’s desperate straits. Though increasingly aware of and disturbed by evidence of opposition to the Provisional Government, they saw this discontent as being essentially peripheral. Occasional references to the soviet as constituting a second government did not indicate any depth of understanding of the situation. The Provisional Government did appear to be weathering the various storms which beset it; agitation for peace was mere idealistic irresponsibility — encouraged by the machinations of German agents — but nothing that could not be quelled by the actions of a strong leader. The conservative dailies never openly
reached Hughes’ disillusioned conclusion that a Tsarist despotism, committed to the Allies, was preferable to a democracy that would not or could not fight, but they fully agreed that Russia needed a strong man, with the power if not the position of a dictator.

The papers placed their faith in Kerensky, and, perhaps because they had always regarded him as an idealist, tended to overestimate his influence with the forces of the left. The disastrous collapse of the Russian offensive in July nearly succeeded in awakening Australia to the plight of the Russian forces but then seemed almost to be outweighed by the outcome of the ‘July days’. In mid-July Petrograd erupted into violence. The Provisional Government was at the mercy of the demonstrating masses; only the fact that the soviet leaders were unwilling to assume governmental responsibility (even the Bolsheviks preferred to bide their time) saved it from collapse. It did survive, however, and the resulting cabinet reorganisation, which saw Prince Lvov replaced by ‘Cromwell Kerensky’ (as the Hobart labour paper, The Daily post, described him on July 23) greatly heartened conservative observers. There was another reason for optimism: at the height of the disturbances, the Russian Ministry of Justice released documents purporting to prove that Lenin and his associates were in the pay of Germany. These documents, though of dubious authenticity, helped the government to regain nominal control of the capital, and contributed to the creation of a popular sentiment that made it possible to drive the Bolsheviks underground for nearly two months. In spite of the miserable failure of the offensive, there were still grounds for hope in the Russian situation. The extreme left seemed to be in retreat; Kerensky was master of the country: ‘All the various parties have so far composed their differences as to submit themselves to the leadership of Kerensky, who is now a dictator, subject to all the dangers and responsibilities of his office.’ This, at last, was a step in the right direction, Russia having ‘accepted the single and despotic control which is said to be necessary for every nation in war time’. So much for the enthusiasm of March, based on the contrary assumption that democracy was the best medicine for Russia’s ailing war effort.

This optimism was short-lived, for at the beginning of September Riga fell; a city fifth in importance in the Russian Empire, and a mere 360 miles from Petrograd by rail. The Age described the ‘melancholy event’ as a ‘black stigma on Russia’s arms’;
West Australian despaired of the revolution which had so signally failed to provide 'a reasonably efficient democratic successor' to the 'inefficient and intolerable bureaucratic despotism' it had overthrown. Not for the first time it cast a wistful eye back over the centuries to revolutionary France: 'Strong men, ruthless men, narrow men, seized the uncertain helm of State, and guided France through a sea of blood...to the harbour of national security. History may repeat itself.'

Since the papers were so ready to espouse the strong man's cause, it is surprising to find them so ambivalent about General Kornilov's attempt to impose a military dictatorship on Russia. The failure to welcome him more wholeheartedly was not due to misgivings about his unconstitutional behaviour, but rather to regret that he and Kerensky, both loyal to the Allies, should have fallen out. Had Kornilov succeeded they would have been delighted, but Kerensky's victory was almost equally cheering: civil war had been avoided, and the leftist groups had rallied to Kerensky in his hour of need. This was misleading. To protect himself against Kornilov, Kerensky had been forced to arm the leftist groups who, not altogether unjustifiably, took the credit for saving the day. The Bolsheviks in particular found their position greatly strengthened, and within a week of the rout of Kornilov, voting in the Petrograd and Moscow soviets for the first time revealed a Bolshevik majority. In the test of strength between Kornilov and Kerensky, the real victor was Lenin. Within two months the Provisional Government was no more, and the Bolsheviks had seized power.

Australian newspaper readers had, it is true, heard a certain amount about the Bolsheviks, but the reports of the outward and visible signs of their re-emergence after the setbacks of the July days were scarcely sufficient preparation for the coup of early November. Events moved with bewildering speed, and by November 7 Petrograd was in the hands of the Bolsheviks. On November 15 Moscow followed suit. The ease of the takeover today appears as testimony to the utter inadequacy of the Provisional Government in the face of determined armed opposition. But to contemporaries, the very suddenness of the coup could have been just an instance of unstable Russia's penchant for overthrowing governments, in which case the Bolsheviks might be expected to suffer a similar fate before too long.

Although the assumption that the Bolsheviks must soon fall was
implicit in much of the comment on the situation, the conservative dailies showed a marked disinclination to extract more than the chilliest crumb of comfort from the Russian news; to them the separate peace was as good as signed. The *West Australian* declared the Russian people to have proved themselves 'hopelessly unfit for liberty in the sense that the democratic nations of the West understand the word'. It had no faith in the social revolution, the Bolsheviks or the soviets and bemoaned the lost opportunities of the Kornilov revolt.

When on December 5, a preliminary armistice was signed, conservative condemnation knew no bounds:

Russia, physically the greatest of Germany’s antagonists, has sued for a separate peace, thereby abandoning the cause of civilisation, deserting Servia, and callously betraying unfortunate Roumania — whom she drew into the struggle.

One would not expect the conservative press to enthuse over the Bolshevik coup, still less to welcome the armistice agreement, but even so it is surprising to find no trace of that indefatigable optimism which had hitherto usually managed to surface, however gloomy the tidings from Russia. The reason was not far to seek, for the Nationalist Government was to hold a second conscription referendum on December 20. The *coup* which brought the extremist, peace-at-any-price Bolsheviks to power could hardly have been better timed for the purposes of conscriptionist propaganda.

This was just what the anti-conscriptionist Labor press had feared. Even before the *coup*, and before the plebiscite was announced, *The Daily Post* had accused the Nationalists of trying ‘to fasten upon the state of Russia to make needless slaves of Australians’. Certainly the Labor papers felt inhibited in evaluating the Bolshevik takeover: they were in general opposed to it (‘there is such a thing as an idea being born before its time, and therefore, having mischievous effects’ as *The Daily Standard* remarked on November 13); but the exigencies of the conscription campaign disinclined them to spell out why in too much detail. In fact, Russian considerations were probably quite overshadowed in the voters’ minds by the general emotionalism of an extremely passionate campaign. The opponents of conscription again triumphed, but the campaign left a nasty taste in many mouths: in particular the no-holds-barred tactics by the Prime Minister did nothing to improve relations with his erstwhile colleagues.
By the time the dust of the conscription campaign had settled, Bolshevik power in Russia was an established fact, and Australian interest now centred on the sort of peace Germany was likely to impose on Russia. The peace treaty finally signed at Brest-Litovsk on 3 March 1918 fully lived up to Allied predictions as to the sort of terms a victorious Germany would exact. The only occasion for surprise was the prolonged nature of the proceedings, which led to some temporary softening of the implacable hostility to the Bolsheviks and to the occasional expression of sympathy for Russia's plight. Perhaps remorse played some part in this:

It must bring a blush of shame to all true Australians to think that in the most critical time the Empire has ever had to face we are doing practically nothing to help. Australia, like Russia, is out of the war; but Australia has not half the excuse Russia has.25

However, as time passed, conservative guilt over the failure to introduce conscription tended to find relief in taking a sterner view of Russian failings. It was not, as The Age wrote on 13 March 1918, 'desirable to minimise the importance of Russia's reported surrender in its bearing on the case of the Allies'. Certainly The Age could not have been accused of taking Russia's defection lightly.

One issue at least was clarified by the treaty of Brest-Litovsk: it seemed conclusive proof of the impossibility of making peace by negotiation. The harsh terms exacted by the victors were the best possible argument for military victory by the Allies as an essential pre-condition for peace-making. But important though the peace was for propaganda purposes, its implications for Allied policy towards Russia were even more important. The Allies wanted to save the world for democracy. Brest-Litovsk suggested that Germany could be saved only by military defeat (for her own good) but Russia presented a more complex problem. President Wilson's policy of 'standing by' Russia was enthusiastically acclaimed, but, as sometimes happened with the President's utterances, it tended to mean different things to different men.

To most of the conservative press, 'standing by' Russia meant military intervention to prevent a German takeover of Russia and to assist 'loyal' Russians in restoring order. Labor papers considered sympathy for Russia best manifested by leaving her alone. While Labor papers tended to ignore the existence of any German
threat to Russia, the conservative dailies saw it everywhere. Ger­
many was the universal enemy, and any person, group or country
who displayed the slightest hesitation in fighting her tended to be
branded 'pro-German'.

The Australian conservatives’ justification for intervention
rested on the assumption that the peace treaty did not represent the
desires of the Russian people. It was upon ‘the soul of Russia, . . .
strong in faith and purpose’ that the Allies were forcing the hand
of friendship. A corollary of this was the belief that the Bolsheviks
were an illegal, unrepresentative government (look how they had
treated the Constituent Assembly), ultimately to be rejected by the
people, but in the meantime doing irreparable harm to Russia, and
(of course) tarred with the brush of pro-Germanism. The non-
Labor press seemed to regard Bolshevik pro-Germanism as self-
evident. The Sydney Morning Herald, for instance, greeted the
Allied landing on the Murmansk coast with the headline:
‘RUSSIA/ALLIES SEND TROOPS/ANTI-BOLSHEVIK MOVE/
TO THWART TEUTONS’. In fact there were various possible
degrees of association between Bolsheviks and Germans, and the
interventionists were all too inclined to slip from criticising the
Bolsheviks for their inability to fight the Germans into accusing
them of being accomplices of the Kaiser. Internationalism had as
yet no place in the Australian scheme of things.

There were, of course, a number of Australians who believed
Lenin and Trotsky to be little more than the paid agents of Ger­
many. One such person was Dr Kent Hughes, whose experiences
with the Red Cross in Petrograd during the war had led him to
believe German gold to be the mainspring of the revolution. These
views were not well received by socialists and Laborites generally,
nor did the conservative dailies take them too seriously. Though
they were free with accusations of treachery and pro-Germanism,
the papers seem to have been nonetheless aware that there was
more to the Bolsheviks than German gold.

During the war Russia’s position as an ally had been of para­
mount importance. After the war, interest in the fate of democratic
Russia was overshadowed by concern for the possible repercussion
of the Russian experiment on Australian society. The question of
what to do about Russia no longer commanded the same attention.

‘I don’t like a quitter’, wrote Joynton Smith; and there were
many Australians who simply dismissed Russia as ‘that country
[which] threw in the towel and began weltering in its own blood'.28 Some felt more strongly: Russian exiles complained of victimisation by employers, as well as of the oppressive policies of the federal government. Only the Labor press paid much attention to the plight of unhappy Russians in Australia; nor were the conservative papers much more interested in that of Russians in Russia — even more unhappy if the columns of the conservative papers were to be believed. The papers had accepted intervention during the war as a necessity. But once the war was over, they began to lose interest, especially since there was no immediate prospect of victory. Moreover, the defeat of Germany had rendered Russian affairs 'a source of serious embarrassment' to the Allies.29

It had seemingly taken _The Age_ more than twelve months to appreciate this, but _The Sydney Morning Herald_ and _The West Australian_ were quicker to question the raison d'etre of post-war Allied policy in Russia. While not denying that the former Allies had a duty to keep the peace in Europe they were perturbed at the extent to which the Allies had drifted into 'a definite intervention in Russian political affairs in opposition to the de facto Government'.30 'Russian Bolshevism is no mere isolated manifestation'; declared _The West Australian_, 'it is apparently the strongest force existing in the polyglot nation'.31 Now that peace had removed the original motive for intervention, the question arose as to whether the Allies had 'the moral right to interfere with Russia’s national self-development'. 'If Russia chooses to acquiesce in Bolshevist control it is after all her own affair', concluded _The Sydney Morning Herald_.32 And even if the Russian people were not acquiescent, but were 'the victims of unscrupulous tyrants', why should Allied men and money be spent to 'curb what history tells us is a natural revolutionary development.'33 After all, there had been no question of intervening on behalf of the millions of downtrodden victims of oppressive Tsardom.

Intervention had proved a thankless task; expensive, unpopular, and above all, unsuccessful. The non-Labor papers were unanimous in blaming the failure of intervention on the shortcomings of Allied policy — 'so indefinite and vacillating as hardly to deserve the name of a policy at all'.34 Labor papers preferred to picture Allied policy as Machiavellian rather than inept. In their efforts to convince others that intervention was in fact 'the most discreditable chapter in the world’s history of the past five years',35 they adopted
those very methods of exaggeration and abuse for which they so of­
ten criticised the conservative press. The Whites were not merely
counter-revolutionaries, but ‘the subsidised champions of reac­
tion’. Kolchak was not just a reactionary, he was ‘the outrageous
pimp of monarchy’. He was also an ‘infamous murderer’ and he
and Semyenov were regarded by The World as

immoral, cruel, and licentious rogues, whose faces should be
red for shame, as mistress keepers and brothel runners, wet
with vodka, who are reasonably suspected of being the paid
instruments of yellow dominance over a white race . . ..

It was really not surprising that conservatives became alarmed by
signs of Labor extremism.

Though conservatives were becoming resigned to the existence of
Bolshevik Russia (at least for the time being), any Australian ex­
pression of sympathy with Bolshevism or Bolshevik methods was a
very different matter. This was particularly striking in the case of
The Sydney Morning Herald, which combined a moderate policy
on intervention with an inordinate suspicion of the intentions of the
Australian Labor Party. It must be admitted that Labor, or at any
rate the Labor press, did not always make its position altogether
clear.

Each side blamed the other for the bitterness of the argument
over Russia. Russia was in any case a controversial subject, made
more so by the lack of reliable information about what was
happening. From 1920 onwards, individual and group visits to
Russia again became possible, and there was a marked lessening of
the general tension and distrust once the reports of moderate
observers, such as the British Labour Delegation became available.
But until this time, and quite often after it, information about
Russia was not only inadequate and biased, but seen to be so. The
Sydney Morning Herald assured readers that it took all reports
from Russia with a grain of salt. The West Australian went one
better; reports from Russia (especially those of American
correspondents) ‘must be taken with, not grains, but bushels of
salt’. It was frustrating enough for non-Labor dailies, but for
their Labor counterparts it was intolerable to be dependent upon
such sources. They endeavoured to redress the balance, partly with
headlines eloquent of their disbelief in the following news items,
and partly with a constant stream of articles from overseas
journals, designed to discredit intervention, to counter specific
slanders, and to explain the working of the soviet system to Australian workers. The conservative press also welcomed first-hand information about Russia, Arthur Ransome's dispassionate account of the revolution in his *Six Weeks in Russia* being particularly well-received. *The Age* considered it essential reading for 'the many people in Australia who talk so glibly about Russia'. Its advice does not seem to have been taken. More than a year later the popular image of the Bolsheviks remained unchanged:

To us in Australia they appear as masters of iniquity, hypocrites fitted for the seventh division of purgatory, and bloodthirsty cut-throats, inaugurating a campaign of murder and rapine. We have learned to think of them as huge, fierce men, with fiery eyes and bristling hair and whiskers — a type of modern ogre who eats a sheep a day.

As a picture of a 'Bolshevik' this is familiar enough, but it bears little resemblance to the later stereotype of a communist. In this respect it is not without significance that although the Bolsheviks adopted the title of communists in March 1918, the term was not in general use in Australia until the end of 1920, when the Australian Communist Party was formed.

Australian conservatives' ideas about communism and socialism were vague. Communism was seen as being essentially naive and utopian, whether looking forward to the millenium or backward to some long-vanished society like that of the Incas of Peru. The social and economic program of the Bolsheviks received little attention. Bolshevik hostility to private property was scarcely mentioned, and though the refusal to pay the debts of the Tsarist regime incurred disapproval, and indeed constituted a decisive reason why Bolshevik Russia should not be accorded diplomatic recognition, this was treated as a sign of unworldliness. Bolshevism was dismissed as being unrealistic. But it was surviving, and the conservative papers were forced to give some consideration to the 'daring experiment in social organisation.'

Bolshevism had not been expected to last. It had been feared, not as an inspiring example of communism, but as an example of chaos, which, though disturbing, contained within it the seeds of its own destruction.

To the Australian papers, which derived their ideas on political philosophy from the liberalism of nineteenth-century Europe
rather than from the social theories of Marx — that 'uncompromising and bigoted idealist' — the ultimate radicalism was anarchism; and it was primarily as anarchists that the 'extremist' Bolsheviks were depicted. General ignorance about Marxism, communism and socialism made such misconceptions easy. The conservative dailies' glib references to the 'class war', the 'bourgeoisie', and the 'proletariat' did not mean that they had grasped more than the terminology of Marxism. Bolshevism was an 'iconoclastic creed', a sort of baneful admixture of Marxian Socialism, revolutionary syndicalism, and communist anarchism, in brief, 'self-determination without discipline'. In spite of such confusion, Bolshevikism was scarcely ever equated with the doctrines of the Industrial Workers of the World, though 'Bolshevik' and 'I.W.W.' were comparable terms of abuse.

The notion of a revolutionary regime that was also centralised and bureaucratic was an alien one, and difficult to accept. Revolutionaries were supposed to be opposed to all restraints, especially those of the state. It was the attraction of Bolshevikism for 'the man with a grievance' which initially particularly worried conservatives, for in the immediate post-war years there were many such men.

Thus, as it became apparent that Lenin, far from distrusting the state as a good anarchist should, was prepared to extend its powers, not only over property but over the freedom of the individual as well, it was possible to detect a small sign of relief amid the pious exclamations of horror which greeted 'the conversion of Sovietism into a dictatorship'. The papers condemned 'sovietism' for introducing (or re-introducing) 'conscription, forced labour . . . and a swollen bureaucracy which governs as arbitrarily and tyrannically as did the Czar's officials', which furnished another proof that complete state regulation of life 'is consistent neither with human liberty nor progress'. Nevertheless, as the significance of what Lenin was doing in Russia sank in, conservatives did seem to find it easier to accept the new Russia, with all its repulsive features, as a fact of post-war international life. Bolshevism, at least as The Sydney Morning Herald had known it, 'was simply an interlude between two tyrannies'. The new government might be as despotic as Tsarism, but dislike of prerevolutionary Russia's politics had not prevented the democratic
West from recognising and trading with her. Conservatives were not in favour of according Russia diplomatic recognition in 1920, but they urged trade with Russia on the basis of the ‘good old British principle . . . : If it is no use fighting a man, give it up and trade with him.’ Intervention had helped only the Bolsheviks, and prolonged segregation from the outside world would further hinder the restoration of production and stability, as important to the rest of the world as it was to Russia.

In this new tolerant atmosphere, the Bolsheviks became (from time to time) ‘Majority Socialists’ rather than a lunatic fringe; and Lenin and Trotsky were declared ‘no worse, nay, rather better, than the tyrants of any other age or clime’. It was even conceded that there might be ‘the germs of a democracy suitable to the Russian character in the Soviet system’. This acceptance of Bolshevism in Russia was partly a result of the belief (expressed most consistently, indeed, almost ad nauseam by The West Australian) in the due processes of the historical cycle; partly an unwillingness to be further involved in the remote confusion of Russian affairs; and partly, no doubt, because so pointed a recognition of Bolshevism as suitable for Russia thereby emphasised the total unsuitability of the system for the very different conditions in advanced democracies like Australia.

The relevance of the Russian revolution was a question much vexing Australian Labor. The split over conscription in 1916, and the party’s subsequent loss of office in New South Wales as well as in the federal sphere, and the second conscription campaign from which Labor emerged triumphant but bitter, combined with Labor’s increasing frustration at its impotence in international affairs led to disillusionment with conventional means of achieving reform and rendered Labor particularly susceptible to radical ideas. During the war this manifested itself in the increasing identification of the labour movement with socialist peace proposals. This in itself was enough to arouse quite unusual hostility on the part of the government, and the War Precautions Act was used with severity, especially towards those who symbolised their position by waving a red flag. So alarmed (apparently) was the manager of the Brisbane Tramway Company at the prevailing official sensitivity to red, that he exchanged all the red ‘danger’ flags at the cross-roads for yellow ones to be sure of avoiding prosecution.
This sort of hysteria gradually diminished after the war, but suspicions of Labor, particularly of industrial labour, still remained. Labor was on balance more sinned against than sinning, but conservative alarm was not totally disingenuous. The Labor dailies certainly did not call upon Australian workers to emulate their Russian comrades, regarding such methods as unnecessary in the Australian context; but some militant groups did not share this optimism, and were determined to revolutionise the labour movement. And although the Labor dailies were by no means militant journals, the intemperance of their language in defending the Russian regime from the attacks of a hostile capitalist press did nothing to reassure nervous conservatives.

The Labor Party did take some time to disavow Bolshevism unequivocally. For one thing, Laborites found it hard to believe the cabled reports about Russia. The fact that the regime had survived indicated that reports of ‘muddle and murder’ had been grossly exaggerated. Moreover, they were not anxious to find fault with the revolution. When they first hailed it as the new dawn they did not think it would last, and when it did they were almost hypnotised by its success — its shortcomings being easily attributable to the struggle for survival in a hostile capitalist world. They were unwilling to surrender the initial romantic enthusiasm and solidarity which the revolution had inspired. They were also unwilling to risk further dividing the party by open discussion of the relevance of revolutionary tactics. By the end of 1920, however, Labor had made its decision: the revolutionary impulse was temporarily exhausted (in spite of the Socialisation Objective of 1921); the militants had left the party. But to Labor’s opponents, the decision came too late and left too many ends untied. Labor, though rejecting Bolshevism in the Australian context, continued to voice socialist aspirations, and retained for use those ‘catchphrases of what was true international Socialism’ which were to render it so electorally vulnerable to red scares.

In the years to come, conservatives were to exploit this to the full. The reasons why the Australian public (though reluctant to ban the Australian Communist Party) remained so susceptible to this sort of propaganda are beyond the scope of this essay, but it is perhaps not altogether fanciful to suggest that early conditioning by the conservative press at the time of the revolution played some part. The lack of understanding of conditions in Russia and of the
breakdown of conventional 'constitutional' government which enabled the Bolsheviks to seize power, together with the initial easy dismissal of Bolshevism as 'extremism' meant that the establishment of a communist state took Australians by surprise. Their unwillingness to be again caught napping rendered conservatives hypersensitive to the possibility of communist inspiration in every manifestation of social unrest. The consolidation of the Russian state, apparently tireless in its advocacy of communism to the workers of the world, did nothing to allay their fears. If Australians had felt menaced by the vast mysterious Tsarist autocracy, how much more threatening was the Russian bear in her new communist guise. Russia had become almost a synonym for evil; a horrid revelation of the fact that constitutional democracy was not the last word in political development.

Notes

1 *The Age*, 24 March 1917.
3 *The Argus*, 17 March 1917.
6 *The West Australian*, 30 March 1917.
7 *The Age*, 17 March 1917.
8 *The Sydney Morning Herald*, 21 March 1917.
10 *The Sydney Morning Herald*, 13 April 1917.
11 *The Age*, 10 April 1917.
12 *The Argus*, 4 June 1917.
13 Quoted in *The Daily Post* (Labor, Hobart), 16 Aug. 1917.
14 *The Daily Standard*, 14 April 1917.
15 *The Age*, 13 June 1917.
16 Ibid.
17 *The West Australian*, 13 June 1917.
Australian Conservatism

18 The Sydney Morning Herald, 7 Aug. 1917.
19 Ibid., 9 Aug. 1917.
20 The Age, 6 Sept. 1917.
21 The West Australian, 5 Sept. 1917.
22 Ibid., 12 Nov. 1917.
23 The Age, 10 Dec. 1917.
26 Ibid., 21 Jan. 1918.
27 Ibid., 16 July 1918.
28 Smith's Weekly, 19 April 1919.
29 The Age, 2 Jan. 1920.
30 The Sydney Morning Herald, 19 April 1919.
31 The West Australian, 9 Jan. 1919.
32 The Sydney Morning Herald, 3 April 1919.
33 The West Australian, 16 Feb. 1920.
34 The Sydney Morning Herald, 11 June 1920.
37 The World (Labor, Hobart, succeeded The Daily Post), 10 June 1919.
38 Daily Herald, 13 Nov. 1919.
39 The World, 10 June 1919.
40 The West Australian, 2 May 1919.
41 The Age, 26 July 1919 (review).
42 Ibid., 11 Dec. 1920 (article).
43 Ibid., 19 May 1920.
44 The Sydney Morning Herald, 23 Jan. 1918 (War Notes).
45 The West Australian, 8 Feb. 1919.
46 The Sydney Morning Herald, 11 April 1919.
47 The Age, 24 March 1920.
48 The Sydney Morning Herald, 4 Nov. 1920.
49 The Age, 19 May 1920.
51 Ibid., 23 Jan. 1920.
52 The West Australian, 28 Sept. 1920.
55 The Daily Standard, 7 Oct. 1918 (news item).
59 The Age, 26 Oct. 1920.
The period between the wars is generally accepted as one of conservative ascendancy in Australian politics. In 1915 the Australian Labor Party controlled the commonwealth and five of six state parliaments; not until 1942 was it again in such a strong position. The simple picture of the intervening years is that Labor blew out its brains in the conscription split, went into the wilderness and, except for 1929-31 (the period of the ill-fated Scullin government brought down by further splits), remained there until World War II. Greenwood has said of the first half of the period: ‘Certain features gave to the 1920s a peculiar individuality. One of the more obvious was the failure of Labour in national politics to command the allegiance of the electorate.’ He attributed this failure to changing Labor attitudes and policies as well as the loss of able and experienced leaders. The defection of such leaders both in 1917 and 1931 is sometimes seen as contributing to the invigoration and reconstruction of non-Labor forces.

But the dramatic schisms within the A.L.P. have tended to obscure the fact that the period was one of splits, divisions, and realignments on all sides. Election results show a conservative electoral ascendancy, but it was allied with a considerable breakdown of the two-party system. It was not the ascendancy of a single party — the conservatives built no steady organisation, no
continuous electoral machines. There were struggles over leadership and alliances. Non-Labor governments were a changing mixture of conservative, ex-Labor and Country Party men. They often had narrow majorities and in struggling for their continued existence they sometimes sought to adapt existing electoral methods. The inter-war period is marked by considerable change in such methods. Since none of these was introduced by the Scullin government they were all the creatures of non-Labor as also were the two redistributions of commonwealth electoral boundaries of 1922 and 1934-7.

The first part of this essay attempts to give an account of the electoral disunity of the conservative forces related to changes in voting systems and the rise of the Country Party. The second part looks at the contribution of the various states to the conservative ascendancy in federal politics; the third is concerned with the interplay of federal and state electoral politics and the question whether the conservative ascendancy existed in politics at the state level.

The first decade of federation saw a rapid rise in support for the A.L.P. In 1910 it formed majority governments in both the commonwealth and N.S.W. Before the conscription split it had governed in all states (though extremely briefly in Victoria). The fusion of 1909 had, in federal politics at least, established a fairly definite two-party system: Labor versus anti-Labor, though not all anti-Labor could be termed conservative. Of the Protectionists in the House of Representatives who opposed the fusion, J.M. Chanter of Riverina joined the A.L.P., William Lyne of Hume became an Independent with Labor support, and B.H. Wise of Gippsland shifted between Labor and independence. It is noteworthy that all held country seats.

In the federal elections of 1910, 1913 and 1914 there were two-way contests in most seats. The handful of independent and socialist candidates made no marked impression on the results and few were won without an absolute majority of votes. The conscription split did not destroy this two-party system; the elections of 1917 had the same outward features as the three preceding ones with most seats two-way contests between A.L.P. and Nationalists (excluding old Liberals plus ex-Labor men). Most of the seats lost by Labor were in rural areas and included those held by Chanter and Wise who had joined the Nationalists. The extent of party
realignment differed from state to state, but has probably been exaggerated at both state and federal level. In any case the realignment of parliamentarians was greater than the realignment of voters; most of the seats held by ex-Labor men reverted to Labor. By 1922 Hughes and Bamford were the only National Labor members left in the House of Representatives and Senator Pearce was the only ex-Labor member of the Bruce-Page government.

At state level in 1910-17 party competition was not so clear nor so dual as at federal. But it is often not appreciated that at the time of the conscription split the House of Representatives was the only house of an Australian parliament being elected by simple majority (first-past-the-post) voting in single-member constituencies. Queensland was using contingent voting, Western Australia and Victoria preferential, N.S.W. a system of second ballots, Tasmania one of proportional representation while South Australia still had two and three member constituencies. Sometimes these methods had been introduced before party lines were clearly developed, but in most cases they were responses to the great electoral and organisational advantages which the Labor Party had developed through its tight methods of preselection and pledges to ensure single candidatures. Partly because of the electoral methods multiple non-Labor candidates were more common in state than federal elections and there was less pressure at state level for amalgamation of Liberal and National Labor forces. In N.S.W. some Labor conscriptionists stood as Independents while some joined the Nationalists; in South Australia there was a very loose alliance between the two groups; in Western Australia there were separate National Labor candidates well into the 1920s.

But if the methods operating in state elections permitted National Labor men to compete among a variety of non-Labor candidates they had also allowed candidates from the emerging country parties to do the same. The two-party system at federal level was modified by pressure from these groups rather than by the conscription split which had been absorbed. What now appears remarkable was the extent of electoral discipline achieved by non-Labor at federal level from 1910 to 1917. The war doubtless encouraged Nationalist unity, but with its end there were increased demands for preferential voting. Promises for its introduction had been made in 1914. Legislation was actually passed in 1918 as part
of a bargain whereby the Country Party withdrew its candidate from the Flinders by-election.²

The change to preferential voting produced some increase in candidates in 1919 (Table 1) and assisted the election of several Country Party members from Victoria and Western Australia.³ But the new system was not fully exploited until 1922 when there was a great increase in candidates including many independents, multiple Nationalist candidates and triangular contests between A.L.P., Nationalist and Country Party candidates. In N.S.W. a split in the A.L.P. produced a group of 'majority Labor' candidates. In South Australia there were contests between Nationalists and Liberals and the last of the National Labor men were defeated. In Victoria dissident Nationalists had formed a Liberal Union which contested several seats including Kooyong where almost 90 per cent of A.L.P. preferences went to the Liberal, J.G. Latham, enabling him to defeat the sitting Nationalist member. If this demonstrated some of the problems of preferential voting for the Nationalists its real dangers were shown to be in Senate elections.

Table 1: House of Representatives Elections
Uncontested Seats and Number of Candidates

<table>
<thead>
<tr>
<th>Year</th>
<th>Total seats</th>
<th>Uncontested seats</th>
<th>Number of candidates</th>
<th>Candidates per contested seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>1910</td>
<td>75</td>
<td>4</td>
<td>157</td>
<td>2.2</td>
</tr>
<tr>
<td>1913</td>
<td>75</td>
<td>3</td>
<td>154</td>
<td>2.1</td>
</tr>
<tr>
<td>1914</td>
<td>75</td>
<td>13</td>
<td>127</td>
<td>2.0</td>
</tr>
<tr>
<td>1917</td>
<td>75</td>
<td>10</td>
<td>134</td>
<td>2.1</td>
</tr>
<tr>
<td>1919</td>
<td>75</td>
<td>2</td>
<td>181</td>
<td>2.5</td>
</tr>
<tr>
<td>1922</td>
<td>75</td>
<td>5</td>
<td>194</td>
<td>2.8</td>
</tr>
<tr>
<td>1925</td>
<td>75</td>
<td>1</td>
<td>164</td>
<td>2.2</td>
</tr>
<tr>
<td>1928</td>
<td>75</td>
<td>12</td>
<td>138</td>
<td>2.2</td>
</tr>
<tr>
<td>1929</td>
<td>75</td>
<td>9</td>
<td>151</td>
<td>2.3</td>
</tr>
<tr>
<td>1931</td>
<td>75</td>
<td>4</td>
<td>226</td>
<td>3.2</td>
</tr>
<tr>
<td>1934</td>
<td>75</td>
<td>1</td>
<td>260</td>
<td>3.5</td>
</tr>
<tr>
<td>1937</td>
<td>75</td>
<td>4</td>
<td>205</td>
<td>2.9</td>
</tr>
<tr>
<td>1940</td>
<td>75</td>
<td>1</td>
<td>267</td>
<td>3.6</td>
</tr>
</tbody>
</table>

Although proportional representation had been promised for Senate elections it was a complex system of preferential voting
which was brought in. It soon became clear that in the multiple-
member Senate constituencies (i.e. the states) competition between
non-Labor groups could not be practised as freely as in House
elections. In 1919 in N.S.W. a single Farmers' and Settlers' candidate polled 15.5 per cent of first preference votes and prevented the Nationalists winning the third seat, which went to Labor. In 1922 grouping of party candidates was introduced. There were rival Nationalist and Country Party teams or candidates in all states except South Australia where there were rival Nationalists and Liberals. The A.L.P. with less than 46 per cent of first preference votes won 11 of 19 Senate vacancies. The lesson was quickly learned by their opponents. From 1925 joint National-Country Party Senate teams became the norm. They usually consisted of two Nationalist and one Country Party candidate though there were experiments with different numbers in some states and dissident Country Party groups ran separately in Victoria in 1934 and 1937.

Compulsory voting, introduced in 1925, probably assisted non-
Labor slightly. It is difficult to find any clear effects on party voting for the House of Representatives, but the percentage of women voting rose markedly and doubtless boosted the conservative vote for the Senate. Moreover while voting remained voluntary the turnout for Senate elections was usually very low in constituencies uncontested (or not contested by two major parties) for the House. Since these were mostly safe non-Labor seats compulsion here also gave a boost to the conservative Senate vote. The new voting methods were accompanied by a big increase in informal voting, particularly in Senate elections — informals, then as now, tended to be highest in safe Labor seats and this gave a further slight advantage to the conservatives.

But it was not only Senate results which must have worried the Nationalists. The A.L.P. had made a rapid recovery in South Australia by 1922 and in N.S.W. even earlier in 1919 when it won 14 of the 27 seats, regaining its strength of 1914. Recovery was also strong at state level where Holman's Nationalist government was defeated and the A.L.P. returned to power in 1920, despite the introduction of a system of Proportional Representation which boosted the Country Party. The redistribution of 1922 partially countered Labor recovery at federal level, but the Country Party held the balance in the House after the election of that year.
The Country Party was a vital factor in the maintenance of non-Labor power in the 1920s and remained so for most of the 1930s. Part of its success (and its potential power) lay in the fact that it won or contested most of the rural seats lost by the A.L.P. in 1917 (including Riverina and Gippsland). Labor recovery depended on recapturing rural votes. The Country Party impeded that recovery for though it won some non-Labor strongholds it also won or kept insecure seats which might otherwise have gone to Labor. In the inter-war years the seats that changed hands in elections other than those of 1929 and 1931 were almost entirely rural seats where the role of the Country Party could be crucial. In the early years of preferential voting the Country Party often played the role of a centre party and received preferences from both Labor and Nationalist candidates. This was particularly so in Victoria where the Country Party was not clearly allied with the non-Labor forces. In state elections the heavy weighting of rural votes was aiding the development of a peculiar three-party system. Labor organisation in rural areas was weak and the combination of compulsory and preferential voting delivered many Labor (or potential Labor votes) to the Country Party in both House and Senate elections.5

While the redistributions of 1922 and 1934 slightly reduced the number of country seats, they tended to reinforce a natural electoral bias against Labor which was increased by the successes of the Country Party. Extra-metropolitan seats were normally smaller (in number of voters) than were metropolitan. As long as Labor was winning a reasonable number of these (as before 1917) differences in the size of seats did not discriminate against it. After the emergence of the Country Party there was a fairly consistent tendency for Labor members to represent (on average) more voters than non-Labor members. But the non-Labor advantage lay mainly with the Country Party. Since the 1920s the ranking of average size of party seats from smaller to larger has usually been Country Party, Labor, Nationalists (and their successors). Again this was most noticeable in Victoria where A.L.P. strongholds were almost entirely in the metropolitan area and where the A.L.P. did not have even the minimum share of the over-representation of rural areas which its control of pastoral and mining seats gave it in the other mainland states.

But the Nationalists were paying dearly for the compromises with the Country Party. Not only were they losing seats and being
forced to share Senate tickets but preferential voting made it extremely difficult for them to control their own ranks. Multiple Nationalist and ‘Independent Nationalist’ candidates became common whereas it was only in Tasmania that the A.L.P., conditioned by operating under proportional representation in state elections, was prepared to engage in multiple endorsement. The formation of the Bruce-Page government at first facilitated cooperation and electoral agreements. Triangular contests became unusual except in vacant or Labor-held seats. The number of candidates dropped in 1925 and 1928 but then rose sharply. The combination of compulsory and preferential voting enabled the A.L.P. to give some assistance to the Nationalist rebels who brought down the Bruce-Page government in 1929 (though two of them were defeated). The unity of the coalition parties had been shaken by the referendums of 1926, as it was again in 1937. In 1928 Labor increased its strength. In 1929 it won its greatest victory in the House of Representatives (though confronted by a hostile Senate). In 1931 it suffered its greatest defeat when it split three ways.

In the elections of 1929 and 1931 a number of normally safe seats (mainly in the cities) changed hands and the role of the Country Party was less crucial. From 1931 to 1934 the newly formed United Australia Party governed without the Country Party but in 1934 the coalition was re-formed. The movement of Labor members into the U.A.P. was far less than into the earlier National alliance. The changed electoral conditions were illustrated when some Labor defectors were not granted electoral immunity by their new colleagues but opposed by both Labor and non-Labor candidates. Most of the defectors were not prominent for long. When Lyons died in 1939 J.L. Price alone remained; he died in 1941. In N.S.W. there were no defections to the U.A.P., but state and federal Labor parties engaged in electoral civil war in 1931 and 1934. The slump in Labor support obscured the extent to which preferential voting cushioned the internecine strife. Rival Labor candidates exchanged preferences reasonably tightly (they were less tightly exchanged in N.S.W. state elections of 1932 and 1935). The same was true of the smaller groups of Labor dissidents in 1940 when three rival Labor Senate teams did not prevent the A.L.P. winning all vacancies in N.S.W. The order of party teams upon Senate ballot papers was until 1940 decided by alphabetical order rank averages. In 1937 the
A.L.P. in N.S.W. selected a team of ‘unbeatable A’s’, thus securing first position and the advantage of the ‘donkey vote’. It won all Senate vacancies but only 11 of 28 House seats. The appearance of the Communist Party in 1931 and the Social Credit Party in 1934 also increased the candidates on the left. These candidates were rarely significant, but on a few crucial occasions gave preferences solidly to Labor. Most notable was the case of the Queensland Senate elections of 1937 when the Social Credit Party played the ‘alphabetical game’, secured first place and 9.6 per cent of first preference votes, but delivered preferences to the A.L.P. which won all vacancies. Parties of the left were now successfully using (and even manipulating) voting systems introduced by the conservatives.

But the increase in candidates from 1931 (Table 1) was not all due to divisions on the left. Multiple non-Labor candidates increased particularly in N.S.W. There the U.A.P. engaged in multiple endorsements from 1931 and in 1940 both it and the Country Party fielded large numbers of rival candidates (or warring factions). In many contests it was Labor supporters who decided, either by their initial vote or by allocation of preferences, between alternative non-Labor candidates. If 1940 was the beginning of the disintegration of the U.A.P. it was also the culmination of the failure of non-Labor to develop disciplined preselection methods. The extent of conflict at the electorate level is indicated by the fact that, of sitting non-Labor members of the House of Representatives defeated from 1919 to 1940, 38 per cent were defeated by other non-Labor candidates. If the elections of 1929 are omitted the figure becomes 45 per cent. If Country Party members are omitted the respective figures are 33 per cent and 40 per cent. Neither the Nationalists nor the U.A.P. managed to build electoral organisations which secured single candidates as did the Liberals from 1910 to 1917 and from 1946 on. Since rebels were usually admitted or re-admitted to the party room it was difficult for discipline to be maintained either within the Parliament or within the electorate. Only the system of Senate elections forced some co-operation and discipline. Those who rebelled within the Parliament or were elected against endorsed candidates included not just odd backbenchers but some of the most important figures of the period such as Hughes, Groom, Latham, and Spender. The non-Labor leaders of the period well illustrated the absence of
coherent party organisation — none rose through such an organisation. Hughes and Lyons were ex-Labor men and the only leaders other than Menzies who had served in state parliaments. Latham was first elected in opposition to the party machine. Bruce and Page had little parliamentary experience before becoming leaders and Page, unlike some of his Country Party colleagues, had not previously been in the Nationalist Party.

Divisions within the Country Party were probably less important. Multiple candidates were less serious for a party which was a third party, which had some ideological objections to pre-selection and was gaining most from preferential voting. The early and successful formation of the Bruce-Page government meant that the federal party was not split over questions of strategy and coalition as were most of the state parties at various times. It was only in Victoria that these questions intruded into federal politics and rival Country Parties sometimes opposed each other at both political levels. Elsewhere Country Party representation was relatively steady; overall it constituted a stable element in the non-Labor forces (Table 2). From 1919 to 1940 the Country Party won 30 per cent of the total seats won by non-Labor. This contribution can be compared with that of ex-Labor men who won 10 per cent (from 1917 to 1940). But the strength and mixture of the elements

Table 2: Non-Labor Men Elected to House of Representatives

<table>
<thead>
<tr>
<th>Year</th>
<th>Total non-Labor</th>
<th>Independents or splinter groups</th>
<th>Country Party</th>
<th>ex-A.L.P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1917</td>
<td>53</td>
<td>—</td>
<td>—</td>
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<tr>
<td>1925</td>
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<td>1</td>
<td>14</td>
<td>0 (1)</td>
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<td>1934</td>
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<td>1937</td>
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<td>1940</td>
<td>38</td>
<td>1</td>
<td>14</td>
<td>0 (2)</td>
</tr>
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</table>

In the last column the first figure is the number of ex-A.L.P. members still holding the seats they held for Labor; the bracketed figure is the total number of ex-A.L.P. men.
constituting the electoral ascendancy varied from state to state as did the strength of that ascendancy.

It is difficult to assess party voting for the House of Representatives because of uncontested seats, independent candidates, etc. The best single indicator of party support (despite different problems of turn out and informal votes) is the party Senate vote. Table 3 gives (with slight adjustments) the Labor percentage of first preferences votes in each state for each of the nine Senate elections. The average figure for each state may, however, be somewhat low as an indicator of Labor support since there were no Senate elections in 1929 when Labor polled best.

Table 3  Senate Elections
Labor Percentage of Votes in Each State
(Votes for splinter Labor groups have been included and adjustments made for Socialist, Communist groups, etc.)

<table>
<thead>
<tr>
<th>Year</th>
<th>N.S.W.</th>
<th>Vic.</th>
<th>Qld</th>
<th>S.A.</th>
<th>W.A.</th>
<th>Tas.</th>
<th>C'wealth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1917</td>
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<td>48</td>
<td>43</td>
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<tr>
<td>1928</td>
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<td>47</td>
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<tr>
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<td>1940</td>
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<td>44</td>
<td>43</td>
<td>38</td>
<td>43</td>
<td>47</td>
</tr>
</tbody>
</table>

Average 48 44 46 43 42 41 46

Table 4 shows (inter alia) the percentage of seats won by Labor in each House election but there are problems in making comparisons because of the small number of seats in some states. Table 5 shows (on average) how each state’s share of seats compared with its share of Labor and non-Labor seats.

While none of these is a reliable indicator alone, they do add up to a general picture of the distribution of Labor support. No state shows a high level of such support — none, on average, gave a majority of Senate votes or House seats to the A.L.P. New South Wales alone contributed more than its share of Labor seats; in each of the other states the percentage of non-Labor seats was equal to or exceeded its share of seats. When the percentage of voters in
Table 4  Percentage of Seats Won by Labor in Each State at Federal and State Elections

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<td>34</td>
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<td>34</td>
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</table>
each state was compared with the percentage it contributed to Labor and non-Labor Senate votes the results were broadly similar. New South Wales always contributed proportionately more to Labor, Victoria more to non-Labor; the smaller states fluctuated but usually contributed more to non-Labor.

Table 5  
**House of Representatives Elections**  
Percentage of Seats in Each State Averaged for 10 Elections 1917-1940

<table>
<thead>
<tr>
<th>States</th>
<th>Seats won by Labor</th>
<th>Seats won by non-Labor</th>
</tr>
</thead>
<tbody>
<tr>
<td>N.S.W.</td>
<td>37</td>
<td>46</td>
</tr>
<tr>
<td>Vic.</td>
<td>27</td>
<td>26</td>
</tr>
<tr>
<td>Qld</td>
<td>13</td>
<td>11</td>
</tr>
<tr>
<td>S.A.</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>W.A.</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>Tas.</td>
<td>7</td>
<td>4</td>
</tr>
</tbody>
</table>

On any of these indicators N.S.W. was the strongest Labor state and Western Australia and Tasmania the weakest. But even in N.S.W. the A.L.P. gained a majority of votes in only three of nine Senate elections and a majority of seats in only four of ten House elections. The two redistributions make it difficult to discuss party strength within states, but a few general points can be made. In N.S.W. roughly half the seats did not change allegiance. The safest seats were held by Labor in inner Sydney, Newcastle, Wollongong, and the far west. The safest non-Labor seats were in the outer suburbs of Sydney and what became three Country Party strongholds in the rural north. Some city seats, normally secure, changed hands in 1929 and 1931 but ‘swinging seats’ were almost all rural. Triangular contests were quite frequent, but the Country Party was clearly anti-Labor and exchanged preferences tightly with other non-Labor candidates. It often won seats lost by Labor in the conscription split. The history of Gwydir (which moved between it and the A.L.P.) and Riverina (which it held from 1922 to 1940) illustrate how the Country Party prevented the recovery of Labor rural strength — a recovery marked by the winning of these two seats in 1937 and 1940 respectively.
In Victoria the proportion of 'safe' seats was higher, but the A.L.P. strongholds were all in inner Melbourne and were outnumbered by those of non-Labor in the wealthier Melbourne suburbs and in country areas. The concentration of Labor voters meant that the A.L.P. often fared better in Senate than in House elections. It has already been stressed that it was the Victorian Country Party which gained most from preferential voting. Despite internal schisms it contributed a disproportionate share of Country Party representatives to the federal Parliament but their allegiance to non-Labor was sometimes dubious. This was on occasion illustrated by reluctance to serve in non-Labor governments and finally when A. Wilson, Independent Country Party member for the Wimmera, helped the A.L.P. to office in 1941.

Queensland conformed least to the general pattern. It was little affected by the splits in the Labor Party and party support in both House and Senate elections often moved in a different direction from the majority of states. As with the other less populous states there was often no change in House seats in the 1930s and the personal hold of individual members seemed important. Thus while old Protectionist or Labor seats (such as Maranoa, Darling Downs and Wide Bay) were shifting to the Country Party such changes occurred at by-elections after the death of sitting members. From 1934 two of the three safest non-Labor seats were held by the Country Party which was becoming the stronger of the two non-Labor parties.

In Western Australia there was no doubt that the Country Party contributed most to non-Labor strength. It held two seats in which it was often unopposed. The seat of Perth was always non-Labor and the A.L.P., therefore, never won more than two of the five seats.

In South Australia and Tasmania the Country Party had no continuous existence, but their members of the House of Representatives included a high proportion of Labor defectors who held their seats for non-Labor after 1917 and after 1931. Of the seven seats in South Australia four were held by defectors between 1917 and 1922 and two from 1931 to 1934; of the five in Tasmania three were so held in the first period and two in the second. Only two seats in South Australia did not change party affiliation — both were non-Labor strongholds in rural areas. Tasmania was different from all the other states (and particularly from Western Australia
which also had the minimum of five seats) in that none of its seats was 'safe', all changed party affiliation and sitting members were frequently defeated (Table 6). Since its seats were smaller in number of voters than those of the mainland states and all could 'swing', Tasmanian voters could be said to have a disproportionate influence on the outcome of House elections. While the nature of Tasmanian seats may be explicable on economic and geographic grounds, it is noticeable that Senate voting also fluctuated more than in other states.

<table>
<thead>
<tr>
<th></th>
<th>House of Representatives</th>
<th>State Assembly</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>C'wealth</td>
<td>77</td>
<td>16</td>
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<tr>
<td>N.S.W.</td>
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<td>19</td>
</tr>
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<td>Vic.</td>
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<td>13</td>
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<tr>
<td>Qld</td>
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<td>W.A.</td>
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<tr>
<td>Tas.</td>
<td>66</td>
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</tbody>
</table>

To what extent did these differences between the states reflect the interplay of state and federal politics? A common generalisation about the inter-war years is that though the A.L.P. governed only briefly in the commonwealth it often achieved power within some states. Thus Greenwood added to his picture of the 1920s.

In State politics, however, where national issues were of less significance, there was a strong resurgence of support for Labour. In the twenties not only were the outstanding personalities within the Labour movement men active in State politics, Theodore in Queensland and Lang in New South Wales, but the more positive advances in social welfare were brought about by the State legislatures.6

The assertion that it is easier for the A.L.P. to win office in some states than at commonwealth level has not been limited to this period. W.A. Holman had expressed the belief that Labor would govern in N.S.W. and be able to implement its policies there before it achieved control of the federal parliament. His opponents,
arguing for greater commonwealth powers, had stressed that conservative Upper Houses would prevent reform at state level and that the commonwealth was the more promising field for Labor programs. For more recent times S.R. Davis has examined how and why it was easier for Labor to govern in some states.7 In the 1920s and 1930s there were quite long periods when some states were exceptions to the general conservative ascendancy. But were these the states where Labor fared best in federal elections? Table 4 compares the percentage of seats won by Labor in federal and state elections in each state. Table 7 shows the percentage of the period Labor governed in the commonwealth and each state and compares this with estimates of the period it might have governed if House or Senate elections had determined the composition of state governments. Table 6 is an attempt to give some comparison of the flexibility in the various state and federal elections. Table 8 shows the different mix of non-Labor representatives in lower houses.

Table 7 Periods of Labor Government
January 1918-December 1940 (288 months)

<table>
<thead>
<tr>
<th></th>
<th>Actual Labor rule</th>
<th>on Senate</th>
<th>Estimates</th>
<th>on House</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>months</td>
<td>vote</td>
<td>on Senate</td>
<td>seats</td>
</tr>
<tr>
<td></td>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>C'wealth</td>
<td>26</td>
<td>9</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>N.S.W.</td>
<td>42</td>
<td>15</td>
<td>26</td>
<td>38</td>
</tr>
<tr>
<td>Vic.</td>
<td>28 + 18*</td>
<td>10 + 6*</td>
<td>25(0)</td>
<td>25</td>
</tr>
<tr>
<td>Qld</td>
<td>257</td>
<td>89</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>S.A.</td>
<td>72</td>
<td>25</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>W.A.</td>
<td>164</td>
<td>57</td>
<td>12(0)</td>
<td>25</td>
</tr>
<tr>
<td>Tas.</td>
<td>134</td>
<td>46</td>
<td>12</td>
<td>12</td>
</tr>
</tbody>
</table>

♦Minority government
(Bracketed figures give estimates if occasions when Labor won just 50% of votes or seats are omitted)

It can be seen from Table 7 that in no state was the conservative ascendancy complete; even in Victoria Labor governed for a few more months than in the commonwealth. The overall picture is that Labor did fare better at state level; if state elections had determined the composition of the House of Representatives Labor might have governed the commonwealth in 1925-6 as well as for most of the actual period of the Scullin government. In Queensland and
Table 8  Seats Won by Non-Labor in House of Representatives and State Assemblies 1917-40 — Percentage which were Won
(A) By members of the Country Party*
(B) By ex-ALP members

<table>
<thead>
<tr>
<th></th>
<th>Country Party*</th>
<th></th>
<th>ex-ALP</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Federal%</td>
<td>State %</td>
<td>Federal%</td>
<td>State %</td>
</tr>
<tr>
<td>N.S.W.</td>
<td>34.1</td>
<td>31.1</td>
<td>9.9</td>
<td>3.2</td>
</tr>
<tr>
<td>Vic.</td>
<td>22.7</td>
<td>34.6</td>
<td>3.1</td>
<td>3.7</td>
</tr>
<tr>
<td>Qld</td>
<td>25.9</td>
<td>19.6†</td>
<td>6.2</td>
<td>—</td>
</tr>
<tr>
<td>S.A.</td>
<td>10.5</td>
<td>4.7†</td>
<td>22.7</td>
<td>2.9</td>
</tr>
<tr>
<td>W. A.</td>
<td>58.1</td>
<td>45.6</td>
<td>8.3</td>
<td>9.7</td>
</tr>
<tr>
<td>Tas.</td>
<td>9.4</td>
<td>3.6†</td>
<td>24.3</td>
<td>1.4</td>
</tr>
<tr>
<td>C'wealth</td>
<td>30.22</td>
<td></td>
<td>9.8</td>
<td></td>
</tr>
</tbody>
</table>

*The calculations for the Country Party exclude the election of 1917.
†In these states the Country Party did not consistently run candidates distinct from other non-Labor candidates.

Western Australia there was no conservative ascendancy, but a Labor ascendancy. In Queensland Labor governed for 89 per cent of the period and held on average 61 per cent of seats in the State Assembly. In Western Australia it governed for over half the period and averaged 49 per cent of the seats. Tasmania was most divided with Labor in office for 46 per cent of the period and averaging 53 per cent of seats. These three states show very great discrepancies in party support at the two levels.

It is only in Tasmania that voting at state and federal elections can be directly compared since the state House of Assembly consisted of thirty members, six elected by proportional representation from each federal constituency. When such comparisons are made the variations appear far less than the tables might suggest. The state government often had a majority of only one or two, constituencies frequently returned an equal number of Labor and non-Labor members, or Independents held the balance. At state as at federal level, Tasmania was in some respects the most flexible of the states (Table 6). Despite the long period Labor governed in Tasmania there is no indication of widely different patterns of voting at state and federal elections. But it is clear from Table 8 that while ex-Labor men contributed a good deal to Tasmanian representation at federal level they were relatively unimportant in
the House of Assembly. This may suggest that personalities were as important as parties or that state politics were very divorced from federal questions.

South Australia shows a similar contrast in the role of ex-Labor members. Though the state Labor Party was seriously split twice, the defectors in the state parliament were usually defeated. Despite changes in the state electoral system it was (through over-representation of rural areas) biased against Labor so it is perhaps surprising that discrepancies in federal and state representation were no greater. Figures for the two levels usually moved in the same direction and rapid recovery from the conscription split characterised both.

Some partial explanations can be suggested for the great discrepancies in federal and state representation in Queensland and Western Australia. These two states alone had electoral systems which clearly favoured Labor by over-representing pastoral and mining areas. It is probable that, for at least part of the period of Labor rule, a majority of seats did not represent a majority of votes. In Western Australia the Country Party tended to win safe non-Labor seats and triangular contests were rare in state elections. But those areas which provided two safe Country Party seats in the House of Representatives were not likely to provide 40 per cent of state seats for the same party. There were enormous differences in the number of electors in state seats and the small pastoral and mining constituencies which provided solid support for Labor only furnished one reasonably safe seat at federal level. Personalities, frequent uncontested seats and Independent members complicated the state election picture with relative flexibility at both levels. In Queensland there were some similar factors but they do not explain the peculiar movements in Queensland voting at federal levels. Detailed study of voting figures and electoral boundaries might throw some light on this question but there can be little doubt that in Western Australia and particularly in Queensland more voters were consistently supporting Labor at state than federal level. (There have of course been frequent suggestions that party politics and competition have tended to be very state oriented in Queensland.)

It is only in N.S.W. that Labor appeared to poll better at federal level than at state. For most of the period there was some bias towards the conservatives in federal electoral boundaries. At state
level votes were of roughly equal value under proportional representation from 1920 to 1925; from 1927 there was a bias against Labor which was small compared with the gross inequalities of the other mainland states. The splits within the A.L.P. and the role of the Country Party were much the same in state and federal politics. Though there were a few more swinging urban seats at state level, rural seats were as important as at federal. Support for the parties moved in similar patterns; different timing of state and federal elections produced different results. New South Wales was the strongest Labor state on federal voting yet Labor governed only for short periods within the state and sometimes with bare majorities. The nature and achievements of the Lang governments plus the battles with the Legislative Council have tended to an exaggeration of the A.L.P. electoral successes in N.S.W. There is no reason to suppose that a large body of N.S.W. voters showed different party preferences at state and federal elections. Holman's prediction held good for this period: Labor was more likely to govern in N.S.W. than in the commonwealth — it was also more likely to win a majority of votes in N.S.W. whether at state or federal elections.

Since N.S.W. and Victoria together accounted for nearly two-thirds of House seats they were most influential in deciding federal elections. Politics in these two states might be expected to come closest to the overall federal pattern. This was broadly true of N.S.W. but not of Victoria. The figures presented in the tables can give no real indication of how Victoria differed from the other states and how this affected her role in federal politics. Rural over-representation, minority governments and frequent alliances between Labor and Country parties at the state level not only kept Labor weak. It also meant that votes for a party often supported by the A.L.P. at state level contributed to the conservative ascendancy at federal level.

This discussion of the conservative electoral ascendancy between the wars has suggested a number of features which need further investigation. More detailed work has to be done on the analysis of voting and changes in the electorate and on the organisation of National and U.A.P parties at federal, state and electorate level. Yet it is clear that the conservative electoral ascendancy from 1917 to 1940 was very different from that of 1949-72. The enlargement of the federal Parliament reduced the importance of both rural
The Conservative Electoral Ascendancy

seats and the Country Party. The Liberal Party developed a far more effective organisation and preselection machinery than its predecessors. The continuance of preferential voting did not prevent this — the increasing similarity of voting methods at federal and state level may have helped. The peculiarity of Victoria's role declined as her politics came nearer to a two-party system with more frequent majority governments — though the D.L.P. was another story.

Whatever the positive policies and achievements of the Bruce-Page and Lyons governments, the non-Labor electoral forces between the wars do seem to have merited the description of parties of resistance. They were based on a relatively loose collection of anti-Labor groups. It has been shown that the strength of non-Labor representation from the less populous states depended greatly on the Country Party and ex-Labor men. Outside N.S.W. and Victoria there were probably few strong and continuing organisations of other conservatives at the electorate level. Yet in federal elections Labor was, on average, in a minority in all states. Differences in party support at federal and state level were greatest in Queensland and Western Australia where the Country Party tended to be the stronger of the non-Labor parties at federal level and where there was a Labor ascendancy in state politics. Despite the assertions of writers on this period, N.S.W. showed no such striking differences, but a pattern of party politics and party support broadly similar at state and federal level.

Notes

Australian Conservatism


The United Australia Party and its Sponsors

Lex Watson

'The Committee had little difficulty in discovering that sources of funds for political parties and candidates are shrouded in mystery'.

The links between Australia's conservative parties and the financial interests supporting them have been a source of continuing speculation. That speculation, and the allegations and rumours surrounding the connections between money and interests and the non-Labor parties, reached their height in the days of the United Australia Party from 1931 to 1944. 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.

Guesses can be made about the least important question, which is how much money was raised. The next question — where did the money come from? — remains very much a mystery for all non-Labor parties, especially the predominantly urban parties, and in this they differ markedly from the Labor Party. But the most important question is rather different. It asks not about the money itself, but about the price tag put on it by the donors.

Throughout the 1930s, and until the creation of the Liberal Party in 1944, the questions about the control exercised by the financial
interests behind the U.A.P. were repeatedly put and never satisfactorily answered. The perhaps most obvious assumption, that the financial backers sought to dictate policy to the party, appears not to be sustained by the evidence. The party sponsors preferred a more general control through more indirect means.

Given non-Labor parties' preference for hierarchical and undemocratic internal party organisations, for structures in which the leader or leaders have a great deal of say and ultimate autonomy so long as they retain the confidence of their supporters and hence remain in office, it would seem probable that access to the leader and some influence over the choice of leader should be the main concern of the financial backers of such parties. Even with this hierarchical structure, the extra-parliamentary organisation may have influence over policy or control over preselection of candidates; hence the organisation should also be of interest to the outside influences.2

It is clearly of great importance to consider who really influences or even dictates policy and other decisions to popularly elected political parties and governments. Financial control is central to the exercise of such power or influence. In structuring the new Liberal Party in 1944 Robert Menzies and its other architects were at great pains to avoid the situation which faced the U.A.P. because they recognised how damaging the allegations and publicity about the financial structure of that party had been. Australian conservative parties have been very reluctant to examine the potentially undemocratic aspects of outside financial influence, and have not joined in the growing debate and disclosure overseas about the ways political parties are and should be financed, and the dangers inherent in the present system.3

The Financial Sponsors
Like its predecessor the National Party, the United Australia Party4 throughout its history from 1931 to 1944 was financed in most states by self-appointed and largely secretive groups of men independent of the extra-parliamentary organisations.6 The sponsor organisations were similar to financial groups backing conservative parties in several other countries both in their relationship with the party and their predilection for grandiose and altruistic titles.6

Party membership was small, and membership fees were rarely
more than Is. The major income was from donations which if sent to the party were redirected to the sponsor organisation. The major income was from donations which if sent to the party were redirected to the sponsor organisation. Most finance was donated directly to the sponsor organisation having been solicited at a private meeting, a select dinner, or most commonly by a circular letter sent to selected people and organisations. At its most sophisticated this last system included in the circular an assessment of how much the firm or individual was expected to pay, based on the turnover of the firm, or its profits, or the number of employees it had. A.N. McDonald, one time secretary of the WA Consultative Council, maintained in an interview in 1967 that this 'assessment' system was objected to by some of the donors — they felt it was presumptuous and an invasion of privacy.

Who donated and how much they gave are not known. However, the sponsor organisations did not have much staff, sometimes none at all specifically employed by them. In Victoria the National Union had a full time secretary, first E.H. Willis and then G.S. McLean. The Institutes of Public Affairs in New South Wales and Victoria had full time directors, D. Cahill and C.D. Kemp respectively. The Consultative Council in New South Wales shared its secretary, H.W. Horsfield, with the party organisation. In Western Australia, the Consultative Council relied solely on the staff employed in the office of its president, Sinclair J. McGibbon, who was an accountant. From this it can be surmised that emphasis in soliciting donations was on a relatively small group of large donors.

The major Victorian sponsor organisation was the National Union. It was formally affiliated with the United Australia Organisation (U.A.O.) 'from its inception', had three representatives on State Council (of a possible maximum of seventy-three) and two on the Central Executive (from a total of twenty). Though it was a small group of half a dozen, self-selected and entirely unanswerable to anyone, the National Union was not as compulsively secretive as some of its interstate counterparts. Hollway, as U.A.P. parliamentary leader, claimed not to know who these men were, but this seems highly unlikely as the three presidents of the Union, respectively Sir William McBeath, Sir George Fairbairn and Sir Robert Knox, readily identified themselves in public and Fairbairn addressed one annual conference of the Australian Women's National League (the separate women's organisation in the
In New South Wales, the sponsor organisation was called the Consultative Council. Unlike the Victorian situation it was not formally affiliated with the U.A.P. and the party constitution made extensive provisions for the control of its financial affairs. The party was supposed to have two honorary treasurers, appointed by the State Council on the nomination of the State Executive, and a finance Committee of Council among the functions of which was to ‘undertake the work of raising funds’. Furthermore the General Secretary was obliged to hand over all moneys received by him to the Honorary Treasurers, to be banked by them in an account operable only by those persons designated by the Council of the U.A.P.

Despite these constitutional constraints, the Consultative Council and not the party solicited and collected all the funds except...
membership fees, and any money donated directly to the party, either for elections or for general administrative expenses, was redirected to the sponsor organisation — a situation of which senior party officers such as T.A.J. Playfair, who was deputy president of the U.A.P., were fully aware. This arrangement was assisted by the dual role of H.W. Horsfield as secretary of both the party and the sponsor organisations.

In 1943, as a result of the moves started in the previous year to form Institutes of Public Affairs in several states, the Consultative Council gave way to the I.P.A. as the New South Wales sponsor organisation. The exact relationship between the two sponsor bodies is unclear. There appears even to have been a projected third sponsor group which did not eventuate, but basically the I.P.A. in Sydney was a reconstituted Consultative Council. The I.P.A. financed the U.A.P. and its successor, the Democratic Party (formed of an amalgamation of the U.A.P. and the newly formed Commonwealth Party) in the 1943 federal and 1944 New South Wales state elections but not the other two dissident non-Labor parties that had been founded — the Liberal Democratic Party and the One Parliament for Australia Party. The I.P.A. contributed substantially to the United Country Party election funds in these years as well. Like its Victorian counterpart the I.P.A. sent only observers to the formation conferences of the Liberal Party, but unlike the Victorian body it was unwilling to renounce its control of party funds and its sponsor function, and made an attempt to gain control of N.S.W. Liberal Party funds in 1945 which failed.

Secrecy was something of an obsession with the Consultative Council and its successor. The sponsor’s name virtually never appeared in the press except when allegations of its existence were being made, and it was not mentioned in the United Australia Review, the party journal. Such mentions as the body got did not give names of members, though F.N. Yarwood, D.W. Roxburgh, E. Telford Simpson, S.G. Roe and Sir James Murdoch were probably members, and Charles Lloyd Jones may have been also, or may have joined when it became the I.P.A. During the 1920s the personnel controlling the sponsor and the party were largely the same, and this situation may well have continued into the 1930s, though Sir Sydney Snow, who was long president of the U.A.P., was not a member of the sponsor. The N.S.W. I.P.A. have continued this tradition of secrecy until the present, refusing to con-
firm or deny a list of members of its council published in the press in 194323 and declining to give the present list of its council, whereas the Victoria I.P.A. publishes the list in each issue of its journal. Why New South Wales and Victorian sponsors are so contrasting in their attitudes to secrecy is unknown. It is also puzzling to note that, despite all this secrecy, Edward Telford Simpson listed in Who's Who the fact that he was chairman of the Consultative Council from 1936 to 1941.

The original West Australian National Union went out of existence before 1925. Largely at the instigation of S.M. Bruce, a Consultative Council was formed in 1925. The primary aim of this body was 'to foster and encourage the union of all political parties opposed to Communism in all its various forms'.24 In October 1930, the party organisation decided to collect its own finances, recruited A.N. McDonald who had been secretary to the Consultative Council to be the party secretary (and he came complete with a copy of the sponsor's subscriber list), and called publicly for donations. The sponsor was not willing to renounce control and continued at least until the following year, to the puzzlement of the party President, but then quietly folded up.25

Its place was taken in 1932 by a group called the Emergency League of Western Australia. Formed in July or August it had the immediate aim of collecting funds for the April 1933 state election. Though successful in this task, the Emergency League folded up after the election and within a month of the election the party was again collecting funds in its own name and there was no sponsor organisation operating in 1934 when the Legislative Council elections were held.26

In 1936 yet another National Union was formed in Perth, this time largely at the instigation of G.F. Pearce (Western Australia's leading non-Labor politician in federal politics) with the assistance of H.W. Horsfield.27 This body controlled the party's finances until the creation of the Liberal Party, but it lingered on until 1954 when it handed over £1943.3s.7d., being the balance of its funds, to the Liberal Party. After the formation of the Liberals, though it does not seem to have attempted to retain control of party funds it was not entirely quiescent, claiming to have arranged the election of David Brand, subsequently non-Labor Premier, to the Legislative Assembly.28 The West did not join in interstate moves to
The United Australia Party and its Sponsors

establish a local I.P.A. because ‘some members of the commercial community attached to other organisations were not wholeheartedly in favour of the project’.29

The formal connections, if any, between the sponsor and party organisations in Western Australia, in the years when a sponsor existed, are not known. No copy of the party constitution can be traced now; but almost certainly no formal connections existed. Informally they were complex — not only did the party apparently ‘poach’ their secretary from the sponsor, but also an ex-member of the first National Union and also of the Consultative Council, Harold Boas, was honorary treasurer of the party for a year from 1931 to 1932.30 It was not until 1944, when the decision to ‘put the National Union out of existence’ was made, that the party first set up its own finance committee,31 thus the informal understanding between the two bodies can be presumed to have been well understood and deliberately kept implicit.

Secrecy was the byword for the existence and activity of both the Council and Union in Western Australia. To the astute observer, they were not totally unknown, but they did not appear publicly in this guise. Occasionally the press reported a dinner of ‘notable citizens’ who were all members of the sponsor organisation, and had gathered together for reasons directly related to the sponsor — there was one such in October 1931 which was a fund raising exercise organised because the party had insufficient funds to cover the salary of McDonald, the party secretary and his typist that week. There was another in late 1943, almost certainly to discuss the possibility of an I.P.A. in Perth.32 The 1931 dinner, just one year after the party had decided to put its sponsor organisation out of existence and eight months after the president of the party had professed ignorance about the reason for the continued existence of the Consultative Council as an organisation, raises some very interesting questions about the degree of informal contact between the two bodies and about the extent to which the public statements, especially from the organisation side, were meant only as a public relations exercise. When the second National Union was formed it avoided the overlapping jurisdiction of the party secretary by being run almost entirely from the professional office of its president, McGibbon; but the informal links would have remained as strong as before, especially given the auspices under which the new sponsor was established.
In Western Australia the sponsors alienated some of their supporters by their system of 'assessing' the expected contributions of donors and mentioning the sum of money they sought. Equally they played a major role in financing the Country Party as well as the urban party, and since from its inception in 1912 there had been a considerable degree of friction between the anti-Labor forces, the search for unity was a major role for the sponsor.  

Non-Labor Party organisation during the U.A.P. period showed a remarkable diversity in the six states, and similarly the history of the sponsor organisations differed greatly. In Queensland there had been a National Union in the 1920s, but by the time of the U.A.P. it had died. This paralleled the general lack of party organisation in the state, which was so bad that the Country and Progressive National Party, a loose amalgamation of the urban and rural non-Labor parties, actually closed its head office in Brisbane in late 1935 and virtually went out of business leaving no other organisation to take its place. When a U.A.P. was established in 1936 it started from nothing organisationally, and finance for the new party was arranged directly from Sydney. It had been standard practice for the two most populous states to finance, wholly or partly, the four peripheral ones primarily because many of the large companies had their head office in either Melbourne or Sydney; and since most donated to political causes only direct from head office the sponsor in Melbourne or Sydney would collect the money centrally.

Thus Queensland collected much of its political finance from Sydney through the Consultative Council, and some came from Melbourne. An I.P.A. was established in 1943 but it was vestigial and played no part in party financing. This was possibly because by 1943 the U.A.P. in Brisbane had collapsed and been supplanted by the Queensland People’s Party, which was a rather populist urban non-Labor party with its own wealthy backers (though it was always short of funds) who had little to do with traditional non-Labor supporters and sought to establish a mass party with extensive membership and a wider spread of smaller donations as its financial base. The Country National Organisation, the last version of the non-Labor amalgamation which started in Queensland in 1925, was by this time virtually defunct, and the Country Party drew its funds from traditional grazing and farming interests. Though the Q.P.P. was opposed to sponsor arrangements, it did
draw the bulk of its funds to fight the 1944 referendum proposals from sponsor bodies somewhat like the I.P.A. — the Australian Constitutional Leagues of Victoria and New South Wales. The Q.P.P. was so suspicious of the traditional non-Labor parties, including the new Liberal Party and the conservative forces in the south, that it refused to join the Liberal Party until 1949 — this may have been partly a personality clash, however, between Chandler, the leading light and founder of the Q.P.P., and Menzies.

In Tasmania conservative politics were even more disorganised and dormant than in Queensland. It had had a National Union in the 1920s, but by the 1930s this had ceased to exist and the National and United Australia Organisation was almost totally dependent on the Victorian sponsor for funds. In 1932 they had to ask the Victorian National Union for £231 to pay the salary of an organiser for the N. & U.A.O. — a request which was refused.

The conservative experience in South Australia during the 1930s was almost totally different from that of the other states. The National Union of S.A. voluntarily dissolved in 1923 and no attempt was made to resurrect any similar body. After 1923 the party organisation (in the 1920s the Liberal Federation and from 1932 the Liberal and Country League which was an amalgamation of the Liberal Federation and the Country Party) had its own finance committee elected by the Executive (with about 350 members meeting monthly). It collected funds for the ongoing administration of the party organisation but almost certainly got part of its election funds from the National Union in Victoria, and the Consultative Council in New South Wales.

The formal structure in itself does not differentiate the L.C.L. from its counterparts in the other smaller states in so far as we know much about them, and it is worthy of note that no party records, not even a copy of the party constitution, appears to have remained in existence for the parties in Queensland, Western Australia or Tasmania. What does distinguish the L.C.L. is that the party was continuously active as an organisation having through the U.A.P. period a financial membership of around 20,000, and suffering none of the vicissitudes of decay and reformation that blighted most of the other states. In 1945 it joined the new Liberal Party unchanged in structure, without need to dissolve or reform or expunge unwanted elements. It was in fact the model that the other states followed.
Because of this stability, and because it has preserved its records, we know that in 1934 there was something of a hiatus in fund raising and the N.S.W. Consultative Council regretted that ‘owing to the falling off in the collections in New South Wales, it was not practicable to carry out its desire to make a further contribution to the funds in South Australia’. This letter refers to election funds and demonstrates a common phenomenon of politics which is that when the party appears reasonably safe at election the flow of funds is much tighter — funds were plentiful in 1931 for non-Labor when a change of government was desired, but by 1934 the urgency had passed and the conservative forces were under no serious threat at the election.

The L.C.L. raised the vast bulk of its election finances in these years, unreliant on either the interstate sponsors or local bodies. Despite this, an I.P.A. was formed in South Australia in 1943. The L.C.L. helped to establish it with a loan of £2,000, which was refunded shortly afterwards and the I.P.A. soon after ceased to exist in this state, having achieved nothing, attempted little, and succeeded only in troubling the L.C.L. slightly.

At the federal level conservative political organisation in the 1930s was organisationally non-existent even though the United Australia Party controlled the government in Canberra for almost all of the period. The U.A.P. had no federal organisation of any kind. Interstate meetings of those responsible for financing federal elections were held in 1934 and the S.A. L.C.L. attempted to have a national level finance committee established. When the matter was raised in May 1934 with Knox and Willis of the National Union in Victoria, the L.C.L. representatives reported back to their organisation that they ‘were advised that no further organisation for the collection of funds was desired. There would probably be an arrangement for a reasonable distribution of funds from companies which have Interstate Branches’. At a further meeting in 1934 in Melbourne of the financial representatives it was reported that representatives from Victoria, New South Wales, Tasmania and South Australia attended the conference. It was stated that assistance had been given to Western Australia, Tasmania and Queensland at previous elections — these States relying entirely on finance from Victoria and New South Wales. It was suggested that a Federal National Union
be formed which would not in any way interfere with funds collected by each state but would deal with the co-ordination of the collection of these funds on a federal basis and the distribution of these funds between the state organisations, the co-ordination of expenditure in connection with federal elections, and the oversight of the proposed expenditure budgets of the state bodies.50

No moves were made, and when the 1937 election was approaching talk was restarted on a possible national finance committee, but again no action was taken.51

One of the aims of the Institutes of Public Affairs when they were formed was to establish a federal body as well as I.P.A.s in every state. This project foundered partly because it did not prove possible to get viable groups in any state other than Victoria and New South Wales and partly because these two state bodies fell out over the issue of their proper relationship with the political party organisations. Victoria sought to give the parties their independence while New South Wales sought to retain control.52

The Functions of the Sponsors
The sponsors' self-appointed functions were to finance the conservative parties, or most of those parties, by acting as the collecting agency for the U.A.P. and often for the Country Party as well, and to generally promote the anti-communist cause (and the anti-Labor cause — they were rather loose in their distinctions between communism, socialism and the Labor Party) by ensuring the health of the parties fighting that cause. Had the sponsor bodies confined themselves to this function they may have attracted very little attention, but in the nature of the exercise it would have been impossible to act simply as a neutral conveyor of funds. Decisions had to be made about which parties to finance (not all anti-Labor parties received funds), and how much should be spent where and on what. Conflict was inevitable.

 Allegations about the role and functions of the sponsors went rather further than this. As early as 1935, J.A. McCallum, in discussing the economic basis of the U.A.P., thought that an outside body such as the Consultative Council either controlled or seriously influenced U.A.P. policy and averred that the outside influence exerted continuous pressure on the party's leaders through their power to give or withhold funds. And since big business was the solid core of the party's financial base, it was their views which
had to be heeded. The role of the sponsor gave it such power that
the parliamentary leader had to be 'of iron fibre to ensure that
“principles” will not be swamped by “interests”’.53

Later writers on Australian political parties and history have
alleged even wider functions for the sponsor organisations than just
collecting and distributing finance.54 They have claimed that the
sponsors exercised an embarrassing dominance over the party, that
sponsors had at least a desire to affect party policy or more
seriously that they tried to coerce the party on policy issues or even
at its most extreme that the party was reliant on the finance in-
terests for its policy. Parker said that the sponsors were ‘an
irresponsible junta who would expect services rendered for value
received’. There are claims that sponsors played a part even in the
selection of candidates for election, in choosing leaders, and even
in actually organising the formation of new parties during times of
party disintegration and disunity.

These claims raise two separate issues. First, the strength or
nature of their activity — were they merely offering advice to the
party organisation and politicians or was it something stronger: in-
fluence, domination, or even total control? The second con-
sideration relates to the areas in which they sought to exercise in-
fluence — were they concerned with policy, preselection, parlia-
mentary leaders, the party organisation itself, or coalition politics?
Under this latter classification, each of these areas can be subsumed
within the general concern of sponsors to fight ‘communism’ and
the need to take out political insurance against the chance that
Labor might come to power.

At least one politician of the period has denied that the sponsors
ever stepped out of line and sought to exercise any influence over
the party: but this claim from Sir Frederick Eggleston is clearly in
conflict with the recollections of Sir Robert Menzies. Menzies said
that the N.S.W. Consultative Council ‘did not hesitate to say what
policies should be pursued’ while apparently conversely the Vic-
torian National Union ‘did not, in my experience, give orders’.55

The Consultative Council in Sydney played a fairly active role,
and did not hesitate to express its views. The Sydney Morning
Herald in 1943 was not happy with its role saying that the ‘party
leaders paid a good deal of heed to [the sponsor’s] views’.56 The
leaders did not slavishly follow those views, however, and the
Herald noted as an instance that the public works policy pursued by
the U.A.P. Premier, Sir Bertram Stevens, and Spooner was 'too liberal for influential party supporters'.

It appears likely that the sponsor played a role in the New South Wales U.A.P. leadership struggle of 1938-9. Spooner challenged Stevens' leadership over unemployment relief policies and the role and influence of the Country Party in the coalition ministry. The challenge deposed Stevens, but he was replaced by Alex Mair, who was as pro-Country Party as his predecessor. The hand of the sponsor can be suspected in their concern to maintain coalition unity, 'anti-communist' unity, and to exclude Spooner who took a more aggressive position in support of urban concerns.

Concern with anti-Labor unity led the N.S.W. sponsor to organise a unity conference in 1943 aiming to unite the three urban non-Labor parties, and possibly to include the Country Party as well. When the Country Party realised that the intention was to seek amalgamation rather than discuss better relations it withdrew from the conference. The other three parties, the U.A.P., the newly formed Commonwealth Party and the Liberal Democratic Party, participated in the conference which led to an amalgamation of the U.A.P. and Commonwealth parties into a new Democratic Party. The L.D.P. remained independent because it was not prepared to accept the old U.A.P. staff and particularly Horsfield as party secretary, and there was a great deal of acrimonious debate about finances for the new party. The L.D.P.'s objections were based directly on a concern that the old links with the sponsor organisation via Horsfield and others would not be broken in this new arrangement.

The sponsor was also consulted about the timing of elections. In 1941 Menzies considered an early election to overcome the problem resulting from the 1940 election after which two independents held the balance of power. He consulted the Consultative Council, no doubt about the supply of campaign funds and probably also about general strategy. It is not hard to see that the supply of funds gave a major say to the sponsor in overall party strategy.

In Victoria the National Union did not hesitate to intervene in policy matters. In 1934, for instance, Walter Massy-Greene (Victorian U.A.P. Senator) 'had an experience I won't easily forget'. The issue was a projected rural indebtedness policy and was part of the price insisted on by the Country Party for a combined non-Labor policy in the forthcoming federal election. The National
Australian Conservatism

Union was opposed to the policy and at a meeting at which Massy-Greene was present by invitation, they decided to send a delegation to Canberra to put their case. Consultations followed, involving Knox, Darling, Cohen, Willis and Menzies on the National Union side and Lyons (the Prime Minister), Casey and Massy-Greene on the side of G.F. Pearce, the minister whose policy it was. From these discussions a compromise was reached.

Several observations can be drawn from this incident. First, a formal deputation is not the normal approach used by a group who control the government, even though in the end the dispute was resolved rather more informally. Second, given that the scheme was a major demand of the Country Party, the sponsor here was working against conservative party unity. Third, the incident corroborates Eggleston’s view that members of the sponsor organisation ‘know so little about politics’, ‘they have no ideas, and no guts’ because they had no positive alternative to the plan, apparently misunderstood it, and did not think in electoral terms — they can be seen acting in a defensive and negative fashion, concerned to stop legislation but not to promote it. Fourth, the sanction that the sponsor held was to withhold funds and this threat, implicit or explicit, was recognised by Massy-Greene privately when he wrote to Sir George Pearce on 14 July 1934 that ‘I appreciate that the sinews of war have got to be found’. Sixth, this incident raises a question about the view of the sponsor as clearly distinct from the party. Menzies was apparently the moving force behind the National Union position, though he was at the time Deputy Premier of Victoria. Pearce, whose policy was being attacked, was not sufficiently disenchanted by this experience to avoid sponsor arrangements in the future, and was instrumental in establishing such a body in Perth two years later. The whole idea of sponsor versus party conflicts may be simplistic in the light of this incident.

Later, in 1939, it has been suggested that the National Union was instrumental in having the National Insurance scheme shelved. If this is true then two points need to be noted. First, that on this occasion the sponsor’s intervention supported coalition unity, as the Country Party was very unhappy with the scheme. Second, Menzies’ connection with the National Union may have been tenuous, since the failure to implement this scheme was the reason given by Menzies for his resignation from the ministry in 1939. Perhaps the
Union had learnt the value of coalition unity, and Menzies — seeking the leadership — had realised the threat to his power from such bodies. He was to play a role later in their demise when the Liberal Party was established.

Frequent intervention in detailed policy, especially if Eggleston was right in his assessment of their competence, was not of great interest to the sponsors. They were more concerned to have a safe leader who would follow the right line, and to whom they had good general access when needed, thus they could exercise their influence and also they could enjoy the feeling of power and importance that access to government thinking via the Prime Minister gave. For these reasons, the sponsors played a role in selecting and changing leaders at various stages.

The National Union played some role in the translation of Joe Lyons from the A.L.P. to the leadership of the new U.A.P. in 1931, but it was not a major one, partly because they were not really in support of the idea. As one of the National Union members put it in a letter to a friend —

Confidentially the National Union in Melbourne have a grip on the situation. They may be bending somewhat but not the slightest sign of breaking. Lyons of course cannot carry on without a few of the best Nationalists. Comparison between Lyons and Latham is stupid. The one with every qualification that makes a true man including honesty to a maximum extent, the other honesty and for this he is to be crowned. A virtue which every man should possess is to be the deciding factor.65

Ex-Labor leaders, one might surmise, were also not likely to be particularly appealing to the intensely conservative men in the sponsor groups.

Just how much of a grip the National Union had can be seen by the accession of Lyons to the leadership and the arranged elevation of Latham to the High Court. The initiative in this leadership change rested with the so-called ‘Group’ who wielded no financial interest in the party apart from being contributors to the Union, with the Citizens’ League of S.A. who were the first to publicly acclaim Lyons as the leader Australia needed in its hour of need, and with Latham and the parliamentary National Party.66 In the face of the press campaign in favour of Lyons, run especially by the Herald and Weekly Times group, the popular support from the populist
organisations and the political calculations of the politicians, the National Union’s views did not count.

Lyons, once in office, did consult with and was advised by the National Union as well as with many others; in Sydney his main communication channel was through the party organisation rather than with the Consultative Council. The sponsor-leader relationship was not as close as the sponsor would have wished, however, and when Lyons expressed a wish to retire in the late 1930s the National Union were quickly in search of a possible new leader and they started moves in 1939 to have S.M. Bruce return to parliament — in the hope that he would become leader or at least a back-room boy in Cabinet. These moves sprang from the sponsor’s concern with the government’s appeasement foreign and defence policy which they sought to have changed to one of active preparation for war. In the circumstances Bruce was an odd choice since he had publicly supported Lyons’ appeasement stance and the attraction of Bruce may have been simply a desire to get a ‘sound’ and thoroughly conservative leader back. In the event, Bruce declined re-election, Lyons died, and Menzies took over the Prime Ministership.

At state level in Victoria, the National Union also attempted to exert influence on the party to change its parliamentary leader in 1941. Moves against Hollway, the leader, started with an attack on him by the President of the U.A.O., T.S. Austin, at the annual conference in 1941. Hollway had proposed a parliamentary alliance with the Labor Party to remove A.A. Dunstan, the Country Party leader, who was the minority Premier of Victoria for most of the decade from 1935 to 1945. Austin said:

the party [i.e. Organisation] would not stand for a political alliance with the Labor party. The U.A.O. prided itself that it allowed its representatives to enter Parliament without restrictions. Members were not responsible to the organisation but to the electors. The organisation was not opposed to Labour, as electorates could only be won by the support of a large section of the working class, but an alliance with the Labor party would be in conflict with the ideas of the organisation.

Austin followed this rather contradictory statement with a public letter saying that the U.A.O. had two disabilities in state politics: the first was disaffection with Hollway’s proposal to work with the
Labor Party, the second was the U.A.O. Council's 'complete lack of knowledge of the reasons that have so far prevented Mr. Hollway from joining the ranks of the second A.I.F.' In reply Hollway characterised the attack as 'dirty' and the following month he volunteered for the R.A.A.F. thus becoming the only Australian party leader to volunteer for service during the war.\(^7\)

Hollway went on to claim that the real disagreement was between himself and the National Union over control of party funds which gave them a stranglehold on the U.A.O., and that the union believed him to be too liberal in policy areas. He proposed that the solution to the present problems was the creation of an active men's political organisation along the lines of the Australian Women's National League — the independent and very active women's non-Labor political organisation in Victoria. Such a new party should give its members a say in party policy and in preselecting candidates.\(^7\) Austin tried to avoid further public damage to the party and wrote to Hollway saying that the whole row was a misunderstanding and should be settled by private negotiation. The U.A.O. Council felt differently and passed a motion approving Austin's initial letter, denying the allegations of control of policy and preselection and generally 'slamming the door' in Hollway's face. To Hollway this merely showed that the U.A.O. Council was entirely beholden to the National Union, and A. Michaelis M.L.A., the U.A. parliamentary party secretary, backed his leader with the claim that the U.A.O. was nothing more than a central office shared with the National Union at 395 Collins Street, Melbourne, plus a few live branches and a number of dummy branches.\(^7\)

Unanimously, the parliamentary party backed their leader (which raises questions about the control of preselection) though one M.L.A., T.K. Maltby, disassociated himself from this line three weeks later and twenty-one months later again became U.A.O. General Secretary.\(^7\) The Young Nationalist Organisation likewise backed Hollway and only narrowly missed the two-thirds majority needed under their constitution to turn themselves into the new, separate party along the lines suggested by him.\(^7\) The A.W.N.L. deplored Austin's personal attack but remained neutral.\(^7\) The dispute led to discussions with the Victorian federal U.A.P. M.P.'s, notably Menzies, and a plan to revise and reconstruct the party policy and organisation. These moves in November 1941 were interrupted by Pearl Harbour, and on the ground that
such a critical juncture in the war was no time to indulge in inter­
terneic strife, the *status quo* was allowed to persist. 7 7

Hollway remained party leader, and leader of the opposition, be­
coming deputy Premier in a coalition in 1943. His war service was spent on the reserve list. An early move to eradicate the polit­
cally damaging aspects of the U.A.O.’s sponsor relationship was nipped in the bud.

Several interesting matters arise out of this Victorian incident. First, the National Union, in the face of a united parlia­
mentary party and with a determined and independent leader, had to work publicly through the party organisation (which may have been its pawn, as alleged) to remove him, and failed. This was also despite the presence in the parliamentary party ranks of one member, or possibly ex-member of the National Union, Colonel H.E. Cohen (M.L.C. 1929-35, M.L.A. 1935-43). Second, the references to Hollway’s ‘liberalism’ as an issue may be relevant to the formation of the I.P.A. in Victoria a year later. Third, Menzies is again seen apparently in conflict with the role of the sponsor, contrary to his later statements and contrary to his own role earlier in the U.A.P.’s history when he acted in conjunction with the sponsor against the parliamentary party’s independence.

The final question that arises about the 1941 incident deals with the allegations of preselection practices and the weakness of the branch structure of the U.A.O. The U.A.O. Constitution of 1932 contained an innocent looking clause 44 which provided that votes at selection conventions must be sealed and posted to the party secretary for counting. With a little help from dummy branches, and given the close physical proximity (if nothing more) between party and sponsor offices, the allegations about preselection prac­
tices at the very least gain a degree of credibility.

Whatever the truth of the allegations about preselection practices in Victoria, there can be no doubt about the sponsor’s interest in preselections in Western Australia in the late 1930s. In August 1937 the National Union sent out three circular letters on successive days outlining its aims and organisation. They aimed to finance the National Party for election expenses common to all candidates, to cover office expenses, and to grant special financial assistance to ‘approved individual Candidates’. So that there was no ambiguity, the circular went on to spell out the reasons behind this — ‘We make no secret of the fact that in some of the seats at present held
by anti-Labor, improvements in representation could be effected . . . Part of the work of the National Union will be to search for, and find if possible, suitable candidates and if funds are available to help in defraying their election expenses’.

The basis for a major conflict was explicit in this position taken by the Union. Their subsequent activities led to numerous allegations of interference in party workings and preselections, but it was not until 1943 that the conflict blew up publicly. The challenge that was launched then by a defeated candidate for preselection led to a court hearing which revealed a good deal about the operations of the National Union.

The National Party of W.A. adhered almost religiously to multiple endorsement for state elections. They endorsed anyone who fulfilled the conditions for candidates, yet could finance none of them — that was the sponsor’s role. For its part, the Union financed the candidate of its choice and the rest of the field, armed only with the benefit of the party appellation, had to fend for themselves. For federal elections a single endorsement policy was pursued, so clearly here the Union had to have a say, indeed demanded it, and threatened openly to use financial sanctions if its wish was not followed. It was.78

In several instances the National Union of W.A. did not approve of any of the eligible candidates, and their approach shows a certain impressive deviousness. In the 1942 Legislative Council elections F.E. Gibson stood as an independent and spent lavishly on his campaign and won one of the Metropolitan-Suburban province seats. The National Union claimed, apparently correctly, that they financed none of the candidates for this seat. They did, however, while paying out none of their money to any candidate, absolve from their annual subscription that year any of their subscribers who contributed directly to Gibson’s electoral fund.

There were two earlier preselection incidents. The first surrounded the Sussex by-election in 1938, when the sponsor felt that the National Party (as the U.A.P. was known at state level in W.A.) should not contest the seat at all, and finance was made available only after a number of representations from the party organisation. The Nationals won the seat. In 1939, when Irwin-Moore fell vacant the Union successfully opposed the organisation’s wish to preselect candidates, in part because it was supposedly in breach of an electoral pact with the Country Party. The result was that an in-
dependent, attached to neither the National or Country Party, won the seat.

The 1943 Senate preselection showed further sponsor interference. The Union did not like any of the originally nominated candidates, and so sought an extension of the closing date via allies in the party organisation and parliamentarians. At the last minute before the closing of nominations, T.S. Louch and J. Paton put their names into the ballot and they each won a place. The third place was reserved for the Country Party candidate. The validity of this selection was challenged when F. Wentworth Downes, a member of the Executive which did the selection but not a candidate himself, sought a court injunction to restrain Louch and Paton from standing as endorsed Nationalists. He argued that as they were not financial members at the time of nomination, and as they did not fulfil the requirement for candidates, which was that they should be financial members for twelve months prior to selection, their endorsement was *ultra vires* the constitution.79 Downes' challenge was dismissed by the court. It found that while the party constitution was being stretched to the limit, it had not been broken. The party had the right to waive the financial membership rule though there is some doubt as to whether in this case it had been done. The court also found that there was a degree of ambiguity in the party rules concerning eligibility to vote in the preselection ballot, and these rules had been interpreted in favour of the National Union nominees. In his evidence to the court, C.L. Harvey, the party secretary, openly admitted that all funds were controlled by the National Union, that nominations had been extended at the behest of the Union to allow them to find suitable candidates, and that it had been whispered around that if their choices were not approved no money would be forthcoming for any candidates.80

Even before this court challenge had been resolved, Louch and Paton were publicly announced as Nationalist candidates, though not endorsed by the party, and it was declared that they would run on a joint ticket with the preselected Country Party candidate.81

The impetus behind this challenge to the role of the National Union came from J.J. Simons, who was Chairman of the party's Executive Committee, and had been a declared candidate for preselection since 1942. He had considerable support within the party,
and had been chairman for five years. During the war years, he had taken over much of the job of party president, Eric Isaachsen, and consequently had been in direct contact, and conflict with the sponsor. Isaachsen apparently conceived of his role as largely to consult with the Union and having ascertained their wishes, to gain party support for what appeared to be his own ideas. Simons was less pliable and hence not acceptable to the union.

There were other objections to Simons. He owned the Sunday Times, Perth's only Sunday paper. This paper had criticised certain war contracts awarded to eastern states firms for work to be done in W.A. Simons thought the contracts should go to local firms, but the firms that had gained the contracts were allegedly major contributors to party funds in Melbourne and Sydney and disliked the criticism. The paper had also criticised W.M. Nairn, M.H.R. for Perth, who had been Speaker of the House under Menzies from 1940 and had retained the position when Labor took office in 1941 in order to help them with the numbers on the floor of the House. (From 1940 to 1943 the parties were tied 37 seats each, the balance being held by two independents who originally supported the U.A.P.-C.P. but switched in 1941 to support for Labor.) The sponsor also felt that Simons' Labor past — he had left the party over twenty years before and joined the Nationalists — made him suspect though similar doubts were not raised about G.F. Pearce. Finally, and perhaps the most damaging were whispered rumours about Simons' personal life.82

As a direct result of the publicity surrounding the 1943 Senate preselection and the failure of the court challenge Simons and Vic Courtney, editor of the Sunday Times, resigned from the party. The party itself was embarrassed by the adverse publicity, even more embarrassed when three of its long-time safe seats went to Labor in the 1943 election as did the three Senate seats, and a committee was established to investigate its relationship with the National Union. This reported to the May 1944 annual conference that the party should collect its own funds, which was approved. A finance committee was established, but because one of its members was Stan W. Perry, honorary secretary and acting chairman of the National Union, and because his appointment was allegedly forced on the party organisation, C.L. Harvey, the party secretary, resigned in protest.83 Perry has subsequently maintained that Harvey was impossible to work with because he wanted everything his
own way — a revealing complaint from the head of the sponsor organisation about the party secretary.  
Harvey, when resigning, further alleged that the sponsor had been guilty of withholding funds for general organisational work and had thus caused the party’s activities to languish. Simons claimed that the sponsor actually chose the secretary, and when McLean, Harvey’s predecessor, was judged to be unsuitable and refused to take a salary cut, he was threatened with the sack but resigned first. They also cancelled a regular Sunday party radio program without reference to the party organisation, though both Labor and the Country Party continued their broadcasts. The union refused to continue financing the party’s monthly journal, The Nationalist, and it suffered a six month hiatus from February to July 1940 inclusive, reappearing in August 1940 carrying advertising for the first time. Simons and Harvey had rescued it from oblivion by the decision to solicit advertising revenue. The union refused the money needed to reprint copies of the party rules and constitution — which to the suspicious mind would seem like the ultimate Machiavellian move to secure party ignorance and non-obstruction. They also refused to finance a field organiser for a drive to increase branch membership.

Not only compliant party secretaries were of importance to the sponsor body. In the contest for party president when Isaachsen stood down, Simons was to be a candidate following a request, he claimed, from 80 per cent of the party executive. Tom Brimage, a vice-president, also sought the position, but realised he had no chance and suggested they both stand aside in favour of a mutually acceptable candidate — Senator Collett was nominated and won. It appeared subsequently that Collett was the National Union choice and Brimage had been acting at the behest of the sponsor.

The parliamentary leadership was also of concern to the W.A. National Union. In late 1937 it was becoming increasingly necessary to find a replacement for Norbert Keenan, then parliamentary leader, who was 71 and in failing health. The union saw this as a perfect opportunity and wrote to G.F. Pearce, who had been defeated at the 1937 Senate election, to see if he would be prepared to return to Perth and enter state politics. McGibbon on behalf of the union wrote saying the decision had been made after giving ‘serious consideration’ to the ‘future of politics in this State’. It was clearly intended that Pearce would become
parliamentary leader, which would have been very satisfactory to the sponsor given his past involvement in their establishment. Pearce was not unsympathetic to the approach. But in late March 1938, Keenan announced his intention to retire, and in April Ross McDonald was elected the new leader. Despite his considerable age and ill health, Keenan was induced to accept the deputy leadership. At least in Simons' eyes McDonald (for whom he had a great liking) played a National Union game in the preselection events of 1943, most clearly in moving, when the time for Senate nominations was extended, that the word 'financial' be dropped from the repeat advertisement, so that non-financial members might be considered in the final ballot. It would appear that he was aware of the sponsor's intentions well in advance of the nominations of Louch and Paton, indeed must have been since Louch worked in the same office and for the same legal firm as McDonald.

One other interesting question arose out of the W.A. party brawls, and that is the role of Menzies as party leader. One suggested resolution of the conflict over the Senate preselection was to refer the issue to Menzies for arbitration. This was agreed to by the party executive and opposed by McDonald, Collett and Brimage, according to Simons; but Menzies failed to respond to the request. From this it would appear that Menzies was not well liked by the sponsor, especially as Collett appears to have talked to the National Union in Victoria and had their backing for the W.A. Union's moves.

Menzies' position as party leader was further revealed in incidents involving F.R. Lee who had come to Perth from Melbourne for the 1940 election and had run as an independent against the leader of the opposition, John Curtin. Lee had a considerable financial backing from the National Union. In 1943 he reappeared at the critical moment when nominations were being called and on May 26 The West Australian conveniently flew a kite in an article in which they noted that the closing date for Fremantle had been extended by the party because they were looking for the strongest possible candidate for the seat. The article also noted that Lee had recently made a trip to the West to explore the local situation but had returned without making any decision. The same month the party journal carried a one and a half page transcript of a radio talk by Lee. However, he was not endorsed for the seat and returned in
July, two months before the election, to declare himself again as an independent Nationalist candidate for the seat. Again he had very considerable financial backing.90 His opening campaign meeting was chaired by Gibson, the National M.L.C. and Mayor of Fremantle, whose candidature for the Legislative Council had been heavily backed by the Union in 1942 when he ran as an independent.

A week later, when Menzies was in Perth campaigning, McGibbon hosted a dinner party at which the whole of the National Union (including McGibbon, Perry, Sandover, Temperley, Vincent and Winterbottom) were present, as well as Menzies and Lee. It would seem unusual for Menzies to be publicly associated with a dinner party involving an independent candidate who was running against his own party’s endorsed candidate. Lee, however, was to claim that Menzies had said in a radio broadcast that had he not been standing against Curtin in Fremantle, Menzies would not have come to the West.91

Western Australia may be atypical but only in the extent of the sponsor’s interference and the size of the problems that it caused. Queensland non-Labor parties shared with the W.A. National Party a pitifully weak and disorganised party structure which was allowed to languish, starved of funds for publicity, organisation, and elementary office expenditure and unable to expand its membership. Shortly before the Country and Progressive National Party closed its head office in 1935 the Victorian National Union refused its request for £1,000 for the annual salary of a state secretary.92

However, the sponsors should not carry the whole blame for the decrepit state of several of the U.A.P.’s state party structures. Queensland did not, for most of the 1930s, have a local sponsor group and there was no obvious impediment to the local party actively collecting its own funds from Brisbane firms and individuals and ensuring its own survival. The same criticism applies to Western Australia where the party, during the hiatus between 1931 and 1937 when there was no sponsor, allowed its organisation to degenerate. Under the trauma of losing power the W.A. Nationalists lost heart, and shortly before the 1935 Annual Conference there were only two active party branches in Perth.93

It may be that the hierarchical ideology of the non-Labor parties
predisposed them to take direction from the leaders of the party, to look to the sponsors in Sydney and Melbourne for direction, rather than to take the initiative for themselves. It would certainly be true that since many of the large firms were based in Melbourne, they gave directly to the sponsor there and expected a proportion to be forwarded to the less populous states and this made it more difficult for the smaller states to collect money; but the task was far from impossible as South Australia proved.

After the Liberal Union of South Australia, the sponsor organisation, had voluntarily gone out of existence in 1923, the local Liberals took over the complete running of the party. The Liberal and Country League (as the party was called from 1932) was structurally indistinguishable, both on paper and in reality, from the Liberal Party formed in 1944. It maintained a mass party membership of around 20,000 throughout the U.A.P. period. Financially the party was independent of the sponsors for its general organisational expenses, raising around £5,000 a year from a multitude of small sources. The largest single donation each year to the organisation fund was £200, and the Finance Committee minutes notes only one annual subscription (from G.J. Coles) forwarded to Adelaide via the National Union in Melbourne. For federal elections funds did on occasion come from Melbourne and Sydney, though the party was largely self-sufficient even here and usually made a profit on election campaigns which was used to supplement the general organisation fund which, as with all political parties, was rarely adequate for the demands made on it. For membership fees and general organisational expenses the L.C.L. made extensive use of the bank order system, though they had been advised by Sinclair McGibbon of the controversial assessment contribution scheme used by the sponsor in W.A. in 1928 and had been impressed by it. The L.C.L. followed the conservative, Burkean notion of party structure in repeatedly stressing, particularly at Executive Committee meetings, the adage that the rank and file must respect the absolute independence of the politicians, and the rank and file observed this injunction and there was an almost total absence of motions from branch members at the Annual General Meetings of Delegates. Such a placid façade, with a quiescent membership, allowed the party leaders to play a rather different game. In 1930, following the election, Collier Cudmore, M.L.C. and President of
the Liberal Federation (as the party was then called), sought to oppose the proposal of the party leader R.L. Butler for a referendum on the hours of hotel closing. Cudmore’s major aim in this was to start moves to depose Butler from the leadership in the House of Assembly and he was concerned that the moves should not be seen to come from the party organisation. He failed in both attempts. In similar contradiction to the principle of non-interference, the organisation set up a Commercial and Industrial Committee specifically intended as a channel for business grievances against proposed legislation of the Liberal government newly elected in 1933. It considered only twelve matters between 1933 and 1944.

Preselection was the most controversial area for the liberal forces in South Australia. The L.C.L. used the apparently ultra-democratic system of plebiscite ballots which should have been above suspicion. However, there was considerable criticism of the practice in the press. Some of it originated from the Proportional Representation League, which was particularly strong in S.A. and had a special gripe since, unlike its W.A. and N.S.W. counterparts, the L.C.L. adhered rigidly to the single endorsement policy. The P.R.L.’s criticism was primarily ideological, but some of the criticism was due to alleged corruption and undue interference in the 1938 election.

Whether such practices occurred in 1938 or not, they certainly occurred in the 1934 federal election preselections. Cudmore wrote to C.A.S. Hawker (U.A.P. M.H.R. for Wakefield) on 13 July 1934, ‘Barker I did my utmost to avoid the selection of M.D. Cameron . . . Unfortunately we only had the one nomination, and on Petherick’s enquiry and subsequent assurance that M.D.C. was fit the Committee would not vote against him. The only hope now is to persuade him to withdraw’. Just a week later it was reported that Malcolm Cameron had withdrawn ‘owing to continual ill-health, [as he] does not want to endanger the seat’. Archie Cameron, with whom Cudmore had discussed a provisional nomination prior to Cameron’s selection, then nominated and won the seat.

Boothby, another S.A. seat, was equally interesting. Here there was a contest for preselection in 1934, and the executive ruled that in view of the lack of time, a decision should be made by the local federal electorate organisation rather than by plebiscite ballot. In the same letter to Hawker, Cudmore had mentioned this problem
saying 'Boothby This is worse. The Committee apparently divided into two factions young-Libs and anti Young-Libs . . . and if Wilson [K.C. Wilson] is selected today's par about selection by the 80 rather than the 8,000 will beat him before he starts'. When the ballot was held ten days later, a tie was announced between K.C. Wilson and J.L. Price. Such a result might seem singularly convenient to the ruling élite of the L.C.L. had it not been that The Advertiser, in its apparent enthusiasm to help the conservative cause, sought to explain what was going on. Their report said 'The idea of allowing both Messrs. Price and Wilson to contest the election has been canvassed for a considerable time, and it is considered by several members that this course would have been decided upon in the first place had not Mr McLeay's nomination complicated the position.'

McLeay was the third candidate in the preselection ballot.

In the ensuing 1934 election, Price retained the seat he had held since 1928. Wilson had to wait until the 1937 election when he won a seat in the Senate. Price had been a Labor Premier of South Australia, and he entered federal politics as a Labor M.H.R. He had followed Lyons across the floor in 1931 and had his seat guaranteed in the 1931 federal election by the deal struck in Adelaide between the Emergency Committee, which co-ordinated the non-Labor forces for that election, and the various non-Labor political parties. Those parties had accepted the deal then, but had been concerned to replace ex-Labor M.P.s with more appropriate people when they could. Wilson, with backing from the Young Liberals, was a much more acceptable candidate. In view of the decision to prefer a committee rather than a plebiscite to choose the candidate, and the press speculation in advance about the motives, plus Cudmore's letter, there can be no serious doubt that the party élite was determined to rig the outcome of this ballot. In opting for a tie and a dual ballot they decided to field two candidates for the same seat for the first time in the organisation's history. However, they were at least scrupulously fair and agreed to treat both candidates in all ways equally.

South Australia's experience of conservative politics in the 1930s serves as something of a cautionary tale. First, despite the formal appearance of a democratic party structure it was still possible for the party élite to intervene and effectively manipulate preselections, and to influence (albeit unsuccessfully in this case) party
leadership questions. The difference may have been solely in the amount of public criticism and comment that such intervention might occasion. Second, it then follows that structural changes, such as those in 1944, and in various states during the 1930s, did not necessarily resolve the conflict within the party between the interests of the financial backers of the party and other interests — rank and file or parliamentary. Without a sponsor, it seems likely that the people who would have been part of that body simply moved inside the formal structure. Western Australia experienced this in 1944 with Stan Perry, and the S.A. L.C.L. was long controlled by the establishment figures one would expect to find in a sponsor body. Third the ‘Boothby mess’ as Cudmore called it should warn against a too simplistic view of the élite, or powerful forces behind the conservative parties. The Advertiser was strongly backing Price’s candidature, as was Lyons, and it was this factor that persuaded Cudmore and the other leaders to run him as well as Wilson. With total press opposition they felt that Wilson would lose the seat to Labor.6

Who Were The Sponsors?
It is tempting to regard the sponsors’ members as being a group of back-room boys, eminences grises, who manipulated politicians and politics without being prepared to become directly involved. This picture is at best oversimplification, and in some cases quite untrue. Menzies’ complex role has been noted. At times, such as 1931 and 1934 he appeared as a member or close ally of the sponsor in Melbourne and later as both ally and persona non grata to the W.A. sponsor. From 1941 on he appears in the central role of ending the sponsor arrangement. W. Massy-Greene similarly was not taken with the sponsor organisation in 1934 but was a foundation member of the I.P.A. in Victoria. In his case the very different perception of its proper role that the Victorian I.P.A. held was probably critical to his decision to be involved.

Sir George Fairbairn, President of the Victorian National Union in the early 1930s, had previously been a politician, first as M.L.A. for Toorak from 1902 to 1906, then M.H.R. for Fawkner from 1906 to 1913, and finally as a Senator from 1917 to 1922. H.E. Cohen, another National Union member, and the only member of it credited by Eggleston with any political nous, was simultaneously a Victorian politician being first an M.L.C. from 1929 to 1935 and
then an M.L.A. from 1935 to 1943. Such an arrangement would not have been possible in Western Australia since the National Union established there in 1937 in its constitution specifically excluded members of parliament, candidates for office and members of the party's executive from being on the sponsor committee.

Where politicians were not actually members of the sponsor, their attitude to the sponsor was not necessarily hostile. McDonald in Western Australia is an example, Pearce was another even though he had had his differences with the Victorian sponsor in 1934. S.M. Bruce had been instrumental in establishing several of the sponsor bodies in 1925 to aid his campaign. In Victoria under Hollway, the parliamentary party was almost unanimously against the sponsor, though Maltby broke ranks and sided with the U.A.O. and its sponsor.

Party secretaries also played a complex role. It has been noted that Horsfield in Sydney was secretary to both the party organisation and the Consultative Council at the same time. In Victoria the National Union secretaries had a close working relationship with the party but organisationally stayed formally separate. In the West the story is different again. A.N. McDonald was secretary to the Consultative Council in the late 1920s. He became party secretary in 1930 with the apparent aim of putting the sponsor out of business, and then became a Senator in 1934. Harvey when he was National Party secretary seemed happy to be implicated in the role of the sponsor, handing over all money received by the party and then begging for its return when needed, until the events of 1943 and 1944 when he criticised their involvement and resigned in protest.

Conclusion
The conservative parties' financial backers, through the sponsor organisations of the 1930s, sought to intervene in almost all areas of the United Australia Party. Choice of parliamentary leaders, choice of candidates, extra-parliamentary party office bearers, party secretaries, organisational questions, policy and the relationship with the Country Party were all of interest to the sponsor at some time or other, and in all areas they did not hesitate to say their piece.
In several of these areas, the sponsors had direct control and used it. They chose party secretaries, they decided many organizational questions by their decisions on funding priorities, they effectively vetoed certain candidates by refusing to fund their campaigns. In other areas their control was rather more tenuous — they could only influence the election of party leaders, the choice of policies and the selection of party office bearers. Their real power in preselections was often at best post facto, though they could exert influence prior to the decision. For preference, however, the sponsor sought to decide leadership questions, parliamentary and extra-parliamentary, so that they could work through pliable and to them reliable middle men to ensure that the other decisions taken were acceptable to them. Given the hierarchical structure of the conservative political parties, leadership wishes were usually decisive in resolving any dispute or issue.

Why did the U.A.P. tolerate this interference in its affairs from undemocratic outside bodies? In part it allowed the situation to continue because many in the party were unaware of the situation especially where the leadership was very compliant; in part the party at times sought to encourage the relationship because it absolved the organisation from the arduous task of collecting funds; in part the party saw the connection as legitimate because it fitted in with the hierarchical and deferential style of conservative politics, seeing big money and big business as properly having a right to major influence in government. For all these reasons, few objections were raised, and even fewer publicly, to the role of the sponsors in conservative party politics.

Where members of the party saw fit to oppose sponsor interference it was primarily because of personal rather than principled reasons. The criticism arose when one or more members of the party was in conflict, unsuccessfully, with sponsor wishes. The critics may not have liked the relationship before that, but had remained silent until they were crossed. They may also have realised that the cost of dispensing with the sponsor connection, or of trying to do so, was great — funds were not easy to collect as the West Australian and Queensland parties found, and if the sponsor chose to try to continue in that role as well as the party then the task of the party organisation was well nigh impossible. However, it remains surprising that the party did not on occasion take a tougher line with the sponsor than it did — would the sponsor really
withhold funds for a general election and risk serious damage to the ‘anti-communist’ cause over a dispute on a relatively minor matter?

When the party finally came to something of a consensus that the sponsor arrangement was dysfunctional it was primarily for pragmatic reasons. The Sydney Morning Herald felt that the major disadvantage was the adverse publicity that resulted and the public accusations and brawling of the 1941-43 period can have done the party no good electorally. Behind the thinking of Menzies, Hollway and the I.P.A. in Victoria in their moves to reform the party from 1941 on was a wider concern that the decrepit state of the party organisation was not an electoral asset. Central to the new Liberal Party was the idea of a large membership, mass-based party — a structure in strong contrast to the weak, low membership, party faithfulness style of the U.A.P. which resulted directly from the priorities set by the sponsors. For the U.A.P. the sponsors saw fit to spend only on election campaigns, and were very reluctant to fund general organisational work of any kind.

Notwithstanding the neglect of party organisation in most states, and the adverse publicity in 1941-43, the dismal performance of the party at the federal elections of 1943 cannot be laid wholly at the feet of the sponsors. There is no apparent correlation generally between the degree of organisation, number of members and general efficiency of the party machine on the one hand and electoral success on the other. For the U.A.P. this would hold true. Thus the election results in 1943 compared to 1940 show that the swing against the U.A.P. and Country Party was smallest in Victoria, it was below the national average in Tasmania, about average in New South Wales and Queensland, above average in South Australia and well above average against the National Party in West Australia. On the 1943 Senate figures, the U.A.P.-C.P. team in Victoria scored the highest percentage of the total vote while its counterpart in New South Wales scored the lowest percentage of any state. Not all things are equal in such situations so the various state results cannot be directly compared, but the figures as they stand do not look promising for any thesis which would seek to relate sponsor activities to poor electoral performance.

It may be that in moving from a sectional based party to a party with a broader image the conservative forces were implicitly recognising that party politics had to be seen to be more democratic and open than before as the electorate became more sensitive to the
internal workings of the political parties. The conservative parties in Australia have shown a consistent history of slowly adopting the trappings of internal democracy pioneered in the nineteenth century by the Australian Labor Party. They have also followed a trend noted overseas for political parties, especially of the right to move from cadre type parties based on narrow sectional interests to membership style parties. This trend has also been accompanied by a diversification of the sources of support.

These changes are in the form and structure of the party, not necessarily in the reality of power relationships. The South Australian Liberal Country League is a good example of how a democratic organisation can be a mask for an élite control, and just as the distinction between sponsor and party was not as clear as might be expected, so the unanimity of the new style conservative may not be as great as might be expected.

The greatest damage the sponsor arrangement did to the conservative parties may have been their total lack of ideas and interest in generating new policies. Consistent with their very negative approach to politics — to stop 'communism' rather than to initiate any new policies — the sponsor groups seem not even to have made significant demands on conservative governments to introduce policies of direct benefit to themselves. They were truly conservative. Consequently, with the weakness of the party organisation, there were no new ideas and policies coming into the party, and so it was unsuccessful in appealing to the uncommitted electors that it needed to woo in order to win elections. Once the tenuous unity imposed by the need to fight the great economic threat of the depression disappeared, the party had no rationale for its existence, and no ground on which to appeal to the electorate. The very conservatism of the sponsor arrangement may have been its greatest failing.

Appendix

Biographical details of members of the sponsor organisations.

Though it is possible to identify only a few members of the sponsors, they are largely the leading members, and their occupations and business interests are of some interest. The percentage of
professional men is relatively high, though they also tended to have directorships in some of the leading Australian companies. Several, in addition to their activities listed below, also served in an advisory capacity to the government on economic policy and planning, especially during the war years.


**Harold Darling:** head of John Darling and Son, grain merchant. Chairman of Directors, Broken Hill Pty Ltd; director Imperial Chemical Industries.

**Sir George Fairbairn:** President of the Victorian National Union after McBeath. A pastoralist with interests in Queensland, New South Wales and Victoria and interests in the meat industry in Queensland. Held directorship in Dalgety and Co., A.M.P. Society, Union Trustee Co. of Australia.

**Sir Robert Knox:** Fairbairn's successor in charge of the National Union. A company director and merchant. In 1944 he was a director of Dunlop (Aust.), Commonwealth Steel Company Ltd, Commercial Banking Company of Sydney (Victorian Board), Metropolitan Gas Co., and National Mutual Life Association; governing director of Knox, Schlapp Pty Ltd, Melbourne, Sydney and Adelaide. He was President of the Associated Chambers of Commerce of Australia (1934-6), President of the Melbourne Chamber of Commerce (1928-31), and Australian Employers' Representative at the International Labour Conference, Geneva, 1936.

**Sir William George McBeath:** President of the Victorian National Union in the 1920s. A merchant, five times Mayor of Camberwell. Chairman of Makower, McBeath and Co. Pty Ltd; chairman of the Commissioners of the Victorian Savings Bank; chairman of the Bankers' and Traders' Insurance Co. He included his Presidency of the National Union in his 1929 *Who's Who* entry.

**Sinclair James McGibbon:** President of the W.A. Consultative Council and National Union. Accountant. Foundation and General Councillor of Institute of Chartered Accountants (Aust.).
Australian Conservatism

Director of Hoyts Theatres, N.Z. Forest Products, several trading companies. Member, Australian Broadcasting Commission.


David William Roxburgh: Solicitor, public notary and company director. Director of G.S. Yuill and Co., Corimal Coal Co. President of N.S.W. Law Institute, 1923-5.


Frank Nelson Yarwood: Chartered accountant. Chairman Permanent Trustee Co. Ltd of N.S.W. and director of other companies.

Notes

1 Report of the Committee on Election Expenses, Queen's Printer, Ottawa, 1966, p. 33.


The term U.A.P. is used here generically to denote the U.A.P. and Democratic Party in N.S.W.; the U.A.P., United Australia Organisation (U.A.O.), Australian Women's National League (A.W.N.L.), and Young Nationalist Organisation (Y.N.O.) in Victoria; the National and United Australia party and the A.W.N.L. in Tasmania; the Liberal and Country League in S.A.; the National Party in W.A.; the Country and Progressive National Party (C.P.N.P.), the U.A.P., the Country National Organisation (C.N.O.), the Queensland People's Party (Q.P.P.) and the Queensland Women's Electoral League in Queensland.


6 A.J. Heidenheimer and F.C. Langdon, Business Associations and the Financing of Political Parties, Martinus Nijhoff, The Hague, 1968, distinguish between ‘sponsor organisations’ who collect from diverse sources for one party and ‘conveyor organisations’ which are peak formal interest associations contributing to several parties.


9 Interview with D. Cahill, secretary of the N.S.W. I.P.A., 1 Nov. 1967.

10 United Australia Organisation Constitution 1932, clause 16 — it is not referred to by name but as ‘an affiliated body affiliated with the Organisation’.

11 The Argus, 14 and 21 Nov. 1941; The Woman, 1 June 1931, pp. 79-99; Edwards, Bruce, p. 185.

12 The Argus, 13 Nov. 1941; and U.A.O. Constitution, 1932, clauses 11 and 27(b).


15 Provision for affiliated organisations existed in the N.S.W. U.A.P. constitution but they were clearly envisaged to apply only for the U.A.P. Speakers' organisation and the women's and youth groups — United Australia Party (N.S.W.) Constitution, 1936 and 1940, clauses 77, 78, 86, 93 (d).

16 Playfair interview, 29 June 1966.

17 Cahill interview, 1 Nov. 1967; S.M.H., 12 May 1944; Men, Parties and Politics, reprinted from the S.M.H. (1943), p. 14: ‘In fact, it is the Consultative Council with a new facade.’

18 S.M.H., 12 May 1944, and in interviews with J.D. Fell, 3 Nov. 1967 and O.D. Bisset, 5 Nov. 1967, who were Liberal Democratic Party
candidates and claimed that they collected their campaign funds from themselves and friends.


22 H. Boas to W.Y. Cooke (Sec. W.A. National Union) 12 Dec. 1923, Boas MSS.

23 *Daily Telegraph*, 3 Nov. 1943.

24 H. Boas, Memoirs (typescript) and *Western Australian Consultative Council: Objects*, 29 June 1925, Boas MSS.


26 W.A. Gibson to A.M. Aylwin, 6 Aug., 17 Nov., and 1 Dec. 1932, 29 March 1933; Aylwin to Gibson, 25 March 1933, 27 April 1934; A.N. McDonald to E.H. Willis, 4 June 1933. Gibson was the General Manager and Aylwin the Perth General Manager of Goldsborough Mort. Goldsborough Mort MSS.


28 C.P. Bird to S.W. Perry, 7 April 1954, acknowledging receipt of the money (Perry MSS). Interview with S.W. Perry, 30 Jan. 1967.


30 *W.A.*, 26 Feb. 1931, 23 March 1932; Boas to Secretary W.A. Consultative Council, 20 April 1928, Boas MSS.

31 *Nationalist*, July 1944, p. 16.


33 Perry interview, 30 Jan. 1967; Boas to W. Balston, 4 July 1925, Boas MSS.; *W.A.*, 20 Oct. 1931.

34 Hart, J.A. Lyons, p. 158 claims there were sponsor organisations in all states but offers no documentation; see also Graham, ‘The Place of Finance Committees’, pp. 373-5.

35 *Courier-Mail*, 16 April 1936.


37 Interview with Clive Harburg, 28 Feb. 1969.

38 Q.P.P. Executive Committee minutes, 12 Jan., 25 Feb. and 6 March 1944.

39 Ibid, 7 July and 6 Nov. 1944.

The United Australia Party and its Sponsors

41 Liberal Union, Finance Committee minutes, 26 April and 31 May 1923.
45 L.C.L. Finance Committee minutes, 8 Oct. 1934.
46 The Advertiser, 9 June 1943; L.C.L. Finance Committee minutes, 7 Oct. and 2 Nov. 1943; L.C.L. Organising Committee minutes, 7 Oct. 1943; L.C.L. Publicity Committee minutes, 6 Dec. 1943 and 23 Jan. 1944.
47 J.R. Williams, 'The Emergence of the Liberal Party of Australia', Australian Quarterly, Vol. XXXIX, No. 1, p. 15, wrongly implies the existence of such a body.
48 L.C.L. Finance Committee minutes, 22 Feb. 1934.
49 Ibid., 17 May 1934.
50 Ibid., 16 Aug. 1934.
51 Ibid., 22 July 1937.
52 Kemp, Institute of Public Affairs, II (5).
56 Men, Parties and Politics, pp. 12 and 14.
58 S.M.H., 2, 5, 10, and 24 Nov. 1943.
59 Ibid., 22 July 1941 — the comment appears to have been a slip of Horsfield's tongue.
60 Hart, J.A. Lyons, pp. 170-3.
61 Eggleston, Reflections, pp. 135-6; Parker, 'Group Interests', p. 387.
63 Ibid.
64 Sun-Herald, 24 May 1959, pp. 27 and 80 in an article by F.C. Green.
65 H.G. Darling to C.A.S. Hawker, 24 April 1934, Hawker MSS.
66 Hart, J.A. Lyons, pp. 85-121; The Advertiser, 21 Feb. 1931; see also J.R. Williams, John Latham and the Conservative Recovery from Defeat, 1929-1931, A.P.S.A., Sydney, 1968, for an account based on published sources.
Hart, J.A. Lyons, Ch. 4, especially pp. 148-9, 156, 159-60.


70 The Argus, 7 Nov. 1941.
71 Ibid., 13 Nov. and 24 Dec. 1941.
72 Ibid., 14 and 18 Nov. 1941.
73 Ibid., 20 and 21 Nov. 1941.
74 Ibid., 13 Nov., 3, 4 and 8 Dec. 1941; S.M.H., 22 Sept. 1943.
75 Argus, 14 and 28 Nov. and 10 Dec. 1941.
76 Ibid., 14 and 26 Nov. 1941.

78 *W.A.*, 12 April 1935; *Nationalist*, 30 Jan. 1938, p. 11; S.M.H. 22 July 1943; *S.T.*, 1 and 8 Aug. 1943; J.J. Simons to T.A. Hartrey, 19 Aug. 1943, Hartrey MSS; this is an 11 page typed quarto letter: it is the basis of the ensuing section and the allegations made by Simons.

79 *W.A.*, 30 June 1943.
80 *S.T.*, 18 July 1943.
81 Ibid., 11 July 1943.
82 Interview with C.L. Harvey, 31 Jan. 1967.
83 *W.A.*, 4 May 1944.
84 Interview with Harvey, 31 Jan. 1967.
85 Interview with McDonald, 16 Jan. 1967.
86 Simons to Hartrey, 19 Aug. 1943. Hartrey MSS. Simons was obviously soured by his failure, but the substance of his charges, where there is corroborating evidence, has proved accurate.

87 S.J. McGibbon to G.F. Pearce, 24 Nov. 1937; Pearce to McGibbon, 29 Nov. 1937. Pearce MSS.
89 *W.A.*, 26 May 1943.
90 *S.T.*, 1 Aug. 1943.
91 Ibid., 8 Aug. 1943.
92 Hart, J.A. Lyons, p. 164.
93 *W.A.*, 7 May 1935.
94 L.C.L. Finance Committee minutes — for example see 14 March 1935; L.C.L. Financial Statement — for example see 1 July 1932 to 30 June 1933.
95 S.A. Liberal Federation Finance Committee minutes, 19 Jan., 16 Feb. 1928.
96 L.C.L. Executive Committee minutes, 14 Feb., 13 June 1935; L.C.L. A.G.M. minutes, 1931-44 passim.
The United Australia Party and its Sponsors

97 C. Cudmore to Hawker, 5 May 1930, Hawker MSS.
99 The Advertiser, 3 and 10 Feb. 1933.
2 Cudmore to Hawker, 13 July 1934, Hawker MSS.
3 The Advertiser, 20 July 1934.
4 Ibid., 13 and 23 July 1934.
5 L.C.L. Campaign Committee minutes, 11 June and 2 Aug. 1934; Report of the Campaign Committee to the L.C.L. Executive, 20 Sept. 1934.
6 Cudmore to Hawker, 31 May 1934, Hawker MSS.
The Piper and the Tune

Philip Hart

The relationship between the non-Labor parties and the businessmen who provided their funds has long been the subject of great curiosity. The comments of two people with political experience of the period covered by this essay, the Prime Ministership of J.A. Lyons (1932-1939), illustrates both some of the common views that are held, and also the difficulty the historian faces in examining the various legends. Frank Green, then Clerk of the House of Representatives and a personal friend of Lyons, recalled that in 1938 ‘the Melbourne financial group which controlled the United Australia Party . . . instructed [Lyons] not to proclaim the [National Insurance] Act without the permission of this financial group — generally known as “the Temple Court Group” ’.¹ In support, he quoted from a ‘recent’ letter to him from an unnamed Country Party member of the Lyons government:

Lyons had a bad time from the Melbourne king-makers. I saw how the poor man was drawn on the rack many times in Cabinet. I have seen Cabinet decisions made and a few days later rescinded because Melbourne had disagreed with them during the weekend and ordered their cancellation. That is what happened to National Insurance after the Cabinet and Parliament had agreed to it.²

But Sir Robert Menzies’ recollection was quite different. He stated that at no time did the Melbourne-based National Union issue orders, whereas the Consultative Council of Sydney ‘did not hesitate
to say what policies should be pursued’. To make sure that his new Liberal Party was not regarded as the servant of ‘Big Business’, it was emphasised that it would raise and control its own finances. So although both writers claimed that policies for the federal Cabinet were laid down by those who provided the funds, they totally disagreed on the geographical origin of this dictation. There is also the problem of whether the ‘Temple Court Group’, the ‘Melbourne king-makers’, and the National Union were all one and the same group, and the necessity of giving faces to these faceless organisations. But even if it is possible to decide who was giving orders, it is then necessary to find out what orders were given, and whether they were in fact so readily obeyed. And the rather crude concept of ‘orders’ needs to be examined to discover whether gentler concepts like ‘influence’, ‘suggestion’, or ‘persuasion’ should replace it.

Students of this topic have largely discounted the legend of orders and obedient servants. B.D. Graham, dealing with the years 1910 to 1930, noted pressure on non-Labor governments from interest groups, but found no evidence that the non-Labor parties’ finance committees ever supported an interest group. The finance committees normally restricted their political involvement to assisting non-Labor unity or helping to remove a Labor government. R.S. Parker, after studying the 1930-45 period, emphasised the conflicts of interest between owners of capital. These conflicts were one important reason why the leaders of business, finance, and the professions could provide ‘little in the way of positive guidance’ for the politicians; assistance was limited to the provision of ‘pocket money’. Also writing on the years of the United Australia Party, J.R. Williams stated that ‘monied interests did not provide the determining influence on the party’. J.A. Lyons did ‘thrash out his own ideas’ to the National Union, which therefore had ‘some’ influence on him, but Williams depicted the main role of the national Union as a meeting place for politicians and businessmen to resolve their misunderstandings. Indeed, the existence of finance committees enabled the U.A.P. to maintain its complete independence from outside pressure, for parliamentarians had no idea who provided funds nor the extent of individual contributions. A 1937 National Union of Western Australia letter, reproduced with commentary by Lex Watson, strengthened the
argument that such finance committees had no more detailed policy than to assist the return of non-Labor governments which would rescue the business community from the ‘class legislation’ of Socialist governments.7

Despite this scholarly caution, the legend has continued. Kevin Perkins stated baldly that Sydney’s Consultative Council ‘told the Party what to do’, while Lyons was the ‘prisoner’ of ‘the Collins House group’ until they pushed him aside for R.G. Menzies.8 Don Whitington portrayed Lyons as dominated both by ‘the powers behind the National Union’ and by Keith Murdoch of the Melbourne Herald. The latter is apparently ‘proved’ by Lyons’ habit when in Melbourne of calling on Murdoch at his office.9 However unproven, these statements are more dramatic than the academics’ picture of finance committees providing a useful service that normally gave them minimal influence on the parties they financed. To assess the validity of the legend and the scholarly questioning of it, this essay will examine the experiences of J.A. Lyons, using several different sources to see what each can reveal.

One source of information concerning the relationship of Lyons and his financial backers is the recollections of his associates. The survivors from the 1930s with whom I talked in the mid-1960s were all agreed that to talk of Lyons merely as a puppet was far too simplistic an interpretation. There was certainly a close relationship, some felt rather too close, with the finance committees of both Melbourne and Sydney, and marginal involvement with the Adelaide one. Sydney, it was agreed, was less influential than Melbourne, its influence being confined almost solely to New South Wales politics. Lyons occasionally was the guest of the Consultative Council to lunch or dinner, when he would discuss his government’s policies and plans, but such meetings were infrequent. Sir Sydney Snow (the leading retailer) was agreed to be close to Lyons, who in general appeared to be on good terms with Sydney’s business leaders. There was general agreement that the closest personal friend Lyons had in Sydney business circles was a fellow Catholic and ex-Labor man, T.G. Murray, M.L.C., but he was seen by most more as a personal than a political friend.10

Melbourne, then, was more important: but precisely who in Melbourne? All informants were agreed that the Chairman of the National Union, Sir Robert Knox, and Ernest Willis, its Secretary, both had considerable influence, although with one exception
nobody could give particular instances of the way in which this influence affected the policies of Lyons or his government. The exception was the Country Party view that they had influenced the stance of Latham and Lyons on tariffs at the time of the 1931 election. Some suggested that Lyons always consulted Willis before embarking on a new policy (the ‘always’ is surely questionable?), and Sir Robert Knox recalled that when staying in Melbourne en route to or from Tasmania, Lyons would often spend Sunday discussing matters with him. The precise nature of these matters was not explained. Others suggested that Melbourne businessmen were more cohesive and more active in trying to influence policy than were their Sydney counterparts; and Lyons’ membership of the Commercial Travellers’ Club and the Savage Club were mentioned as providing him with opportunities to meet local businessmen. Some informants expressed the opinion that the National Union may have tried to control Lyons, but just as they had failed to control Bruce and later Menzies it was generally felt that Lyons was not consciously dominated by them. He was portrayed as a man of integrity who would not do what he thought to be wrong, but on the other hand it might be possible to ‘put things over him’.

In the folklore about the period, there is an apparently indestructible myth about Keith Murdoch. Informants agreed on the closeness of Lyons and Murdoch, with Lyons quite frequently having lunch or a drink in Murdoch’s office and very occasionally visiting Murdoch’s house. However, the ‘king-maker’ myth was not supported: the association was a political one rather than a personal one, with Lyons contacting Murdoch to ensure favourable publicity for his government and Murdoch at most indirectly influencing Lyons’s opinions. Once again, it was not possible to specify particular policies that Murdoch may have influenced. Traditionalists like Sir George Pearce had disapproved of a Prime Minister lowering the dignity of his office by visiting a newspaper editor, but it appears from these sources that the appearance was worse than the reality.

One informant suggested that Lyons was very content to let the finance committees raise money for the party, for this then freed him from the problem of placating interest groups in order to extract money from them. Lord Casey remembered him as very cautious of the Right-wing, so cautious that he asked Casey if he
were 'Left' or 'Right' before appointing him to Cabinet (Lord Casey did not reveal which reply he gave).15 And Sir Peter Heydon raised an interesting question when he commented that although he considered Lyons had been too amenable to 'Big Business', he thought it had influenced the Curtin and Chifley governments as much as it did the U.A.P.16

Another important source of information is Dame Enid Lyons. In her memoirs she confirmed that her husband's closest friends after 1931 were Tom Murray and Kingsley Henderson.17 Henderson was one of the group of men who engineered Lyons' transfer from Labor in 1931, the others being Staniforth Ricketson (head of J.B. Were & Son), Sir John Higgins (then head of the British and Australian Wool Realisation Association), C.A. Norris (Secretary of the National Mutual Life Association), Ambrose Pratt (a leading Melbourne journalist), and R.G. Menzies. Because of their actions in 1931, it might be expected that they would retain a great influence on Lyons, and she does note that at the time of the Labor Party split he gave them his 'complete confidence' and was 'comforted and sustained' by their aid and loyalty. But she also records that after he became Prime Minister 'they faded from the scene as a group, but as individuals they remained as links in a chain of friendship that was broken only by death'.18 However, friendship was never close in the case of C.A. Norris and the friendship with Menzies foundered in the late 1930s.19 She recalls that Lyons was suspicious of 'Big Business' as solely interested in making money, but that his acquaintance with the public-spirited attitudes of Sir John Higgins and Massy-Greene caused him to revise this opinion; he also came to admire Sydney Snow and W.S. Robinson. As for Murdoch, not only does she reject the 'king-maker' myth but she also portrays him as assisting Menzies' impatient effort to become Prime Minister in 1938, quoting a Murdoch boast at a private dinner party that 'I put him there, and I'll put him out'. (But he did not put him out, a fact which in itself should cause some questioning of the Murdoch myth amongst its faithful adherents.)

In general, therefore, these recollections support the more cautious conclusions of the academics. However, this type of evidence alone does not provide sufficient proof. Even when informants could point to a particular event which to them revealed the successful influence of a finance committee or similar interest group, they were unable to show exactly how this influence had been exer-
ted, or indeed to prove (as opposed to assert) that what they believed to have happened had in fact occurred. Documents in Lyons' surviving papers reveal a great deal more, but by no means all, partly because of their incompleteness: as the 1930s progressed, the number of letters filed by his secretaries decreased. The two major issues to be investigated using mainly this source are the 1931 crisis and Lyons' relationship when Prime Minister with businessmen, whether as individuals, groups, or finance committees.

The events of 1931 when Lyons changed parties clearly support the views of Parker and Graham that finance committees played their most active political role when there was a need to unify the Right and remove a Labor government. In this crisis, the initiative in seeking to replace the then Leader of the Opposition with Lyons was taken by a small group of businessmen and men associated with business circles, not by a finance committee itself, although the latter was quickly informed. The 'Group', as they called themselves, initially encouraged Lyons in his struggles with Caucus.20 After he had resigned from Cabinet they appointed themselves as his 'special bodyguard . . . constantly prepared to do anything and everything' to help him. They did so in a variety of ways, from providing him with a private secretary to urging the National Union to ask Latham to stand down for him.21 The National Union agreed with the Group's estimation that 'Honest Joe's' attraction to the electorate surpassed that of John Latham, and at a series of private meetings this change of leadership was arranged. The crucial meeting appears to have been held on 13 April 1931 between the Group, the National Union, and perhaps other Melbourne businessmen. Lyons' performance at this meeting brought 'many favourable comments', and next day the President of the National Union publicly advocated him as Leader of the Opposition.22 Members of the Group helped to groom him for his new role, introducing him to businessmen and party organisations in other states, while newspaper editors (including Murdoch) hastened to arrange strategy and publicity with him.23 On April 17 Lyons accepted Latham's offer of the leadership of the opposition, and at subsequent private meetings in Melbourne on 18 and 19 April he was the only politician present when the Group, the National Union, and other party organisers decided to reconstruct the different political groups on the Right into the United Australia Movement.24
On May 5, Lyons opened an official meeting of Victorian non-Labor organisations which duly accepted him as leader and elected Henderson as President. Ricketson, on Knox's motion, was made temporary Secretary of the U.A.P.'s central council. As Lyons so justly commented in praising these choices, 'no man has worked more tirelessly in the interests of unity than Mr Ricketson'. The National Union then held a secret meeting of its subscribers on May 26 to prepare for the election, and non-Labor was now so successfully transformed and Labor so obviously in disarray that Ricketson could write contentedly that 'Our Group . . . [has] been dealing with matters arising out of the situation in an endeavour to so condition them that, if a political change comes, they may be used for the benefit of Australia.'

The main casualty of this 'conditioning' of events was Latham. Although he was a moderately willing victim, the Country Party was sufficiently well informed about the process that they refused to amalgamate with the U.A.P., being aware that 'the mob behind the Lyons-Nationalist Coalition are all big Melbourne manufacturers and stockbrokers, and would have no more mercy on us than on Latham, whom they have buried alive'.

Lyons may have changed parties, but he had by no means changed all his opinions, and he soon found himself in conflict with his new associates over some issues. The first to arise was the Scullin government tariffs which Lyons had approved of when a Labor minister and which he continued to support in the House. When Sir Norman Kater, a member of the Consultative Council, warned him that Sydney businessmen did not approve of his voting for the Labor Party's tariffs, he replied that he would be 'entirely inconsistent' if he opposed many of the items. But after a while, to avoid continuing to vote against his new party, he stayed away from tariff votes, and then in September publicly renounced his earlier tariff views.

A more significant source of conflict was the Premiers' Plan conflict which revealed rifts not only between Lyons and some of his supporters but also within the ranks of these supporters. This plan included cuts in wages, pensions, government spending, and reduction of interest rates. As this was consistent with Lyons' stance in the Labor Cabinet and Caucus, he publicly endorsed it, and Knox probably spoke for most businessmen when he accepted it as 'drastic, [but] it would appear the only way to face the situation'.

Australian Conservatism

But more conservative businessmen opposed compulsory conversion of loans to lower rates of interest, and so Lyons and Latham persuaded the government to make conversion voluntary; Lyons then joined Scullin and Sir Robert Gibson of the Commonwealth Bank on a National Appeal Executive to campaign for the voluntary conversion of all internal loans. The Group disliked interest cuts, and totally opposed compulsory conversion. Henderson and Gibson ‘fought like wildcats’ because the latter reluctantly supported compulsion; Norris advised Loan Council subcommittees against reducing interest rates; and Ricketson publicly stated that the Premiers’ Plan ‘out-Lang’s Lang’ and that government legislation to cut interest rates endangered ‘national morality’ for it embodied ‘default and repudiation’. As for Menzies, rather than see Australia fail to meet its obligations in full, he thought ‘it would be far better for Australia that every citizen within its boundaries should die of starvation during the next six months’. To organise opposition to interest cuts, the Groups on Ricketson’s initiative planned a public meeting under the auspices of the All For Australia League; however, the A.F.A. President cancelled this meeting when he heard of it, and Murdoch’s Herald, on 28 May 1931, mocked Ricketson personally for this fiasco. Ricketson had little more success in influencing Lyons, who continued to support interest cuts, leaving Ricketson grumbling that Lyons’ suggestion that the Plan would have a healthy effect on the money market was ‘really absurd’. The most Lyons would do to pacify the Group was to assure them that he opposed compulsion. In practice, although he asked parliament to defeat the legislation to compel the conversion of bonds held by the 3 per cent who had not voluntarily converted, he let it through the House without a division, and only seven Senators voted against. Political expediency if nothing else caused the U.A.P. to accept compulsory interest cuts along with compulsory wage and pension cuts. In protest, Henderson resigned as President of the Victorian U.A.P. Political necessity would remain a useful defence for Lyons to use in future disagreements with the party’s sources of funds.

Despite these differences with some of the elements supporting him, Lyons and the National Union worked closely together to ensure victory in the election. Because of his closer contacts with Tasmania, he took the lead in arranging the formation of a branch of the All For Australia League, with the assistance of his friend
the Nationalist Premier, the Hobart Mercury and leading businessman.34 Working closely with newspaper owners, Willis was carefully arranging publicity with Martyn Threlfall, a former Murdoch journalist who on Murdoch’s recommendation became Lyons’ Political Secretary in April.35 Lyons was active in suggesting propaganda themes, warning against the use of such phrases as ‘anti-Labor’ or ‘anti-Socialist’, for he wanted both to attract Labor voters disillusioned by the Scullin government and to emphasise the positive principles of his new party.36 Meanwhile the finance committees intensified their work: for instance, in November 1931 the General Secretary of the Western Australian Party informed Lyons that ‘we have enlarged our Finance Committee by the addition of five gentlemen, who are amongst the most prominent in business circles here’.37

The sudden election found the party still preparing its campaign, and Lyons’ policy speech was hastily written with the help of the most senior U.A.P. parliamentarians.38 Lyons’ papers do not reveal whether the National Union attempted to influence this speech, but they do reveal that the Group endeavoured to. Immediately the Scullin government fell, they asked Lyons to discuss his election policy with them, stressing that two essential planks in it must be the repeal of the Compulsory Conversion Act and an undertaking that all obligations to the public creditor would be met in full;39 it is not known if he did discuss policy with them, but both suggestions were ignored. Immediately after the election victory, Lyons met the National Union at Willis’ office, where he received advice about the composition of his cabinet, as is indicated by his telegram drafted on National Union notepaper asking Bruce to join the cabinet as Assistant Treasurer.40 Although Lyons then ignored a telegram from a leading member of the Consultative Council ‘strongly’ recommending that the Country Party should have the Customs post,41 it is probable that normally he took more notice of advice from political professionals such as these rather than from the amateurs who made up the majority of the Group.

Once it became the government, the U.A.P. on occasions found itself subjected to a variety of pressures from a variety of businessmen, both individually and collectively. In 1934, for example, E.B. Coles of the Taxpayers’ Association of Victoria demanded that a U.A.P. government’s duty to business required it to cut taxes greatly; Richard Casey, then Assistant Treasurer and the
recipient of this demand, was ‘completely out of sympathy’, and the desired cuts were not made. This particular businessman and his organisation appear to have had no leverage on the U.A.P.: what is of much more significance is to assess the influence of those who did have leverage, either through friendship with Lyons, personal contacts with ministers, or because they provided the party’s finances. The Group is the most obvious example of the first. Without its initiative Lyons might never have become Prime Minister, and therefore a debt of gratitude might be expected. As in 1931, members of the Group continued to volunteer financial and other advice to Lyons, and sometimes Lyons asked their opinion, although whether out of politeness or a desire for information is unclear. The nature of some advice appears to have been coloured by the fact that sometimes even U.A.P. policies were detrimental to their own financial position. They justified their continued involvement in politics with the same reasoning that had led them to intervene in 1931: as Ricketson told Lyons, ‘capital has a very definite responsibility at the present time to aid people like yourself who are fighting for the preservation of contracts and the honouring of our obligations’. Therefore, although Norris ended his involvement in 1932 and Menzies decided in 1938 to replace friendship with confrontation, the remaining four continued as friends and confidants. For a while they remained together, as illustrated when ‘our little group’ congratulated the Prime Minister on becoming a Privy Councillor, but soon they were in contact with him only as individuals, and there were no further letters from ‘the Group’.

Ambrose Pratt gave him occasional advice on financial and foreign policy, although their contact was infrequent after 1932. In 1934, when he wrote asking to see Lyons in Canberra on ‘matters political generally — having one or two suggestions for your consideration’, he added that ‘it will be a delight to see you again. It is years and years since we foregathered’ In an episode that was not uncommon, Pratt sought a job from Lyons although he was unusual in offering to serve in an honorary capacity. He was also unusual in refusing to ask Lyons directly, so that Ricketson had to tell Lyons of this desire. Lyons in his reply did not mention the request, instead confining himself to discussing Henderson’s health, which Ricketson had mentioned in passing. Pratt did
not get his post on the Australian Broadcasting Commission. Sir John Higgins’ admiration for Lyons appeared to be limitless: not only was Lyons ‘gifted by nature’ but he was ‘I believe selected by a Supreme power to prosecute the important and stupendous task of the administration of the affairs of the Commonwealth’. \(^\text{48}\) Lyons’ papers do not reveal any examples of the advice Lyons is known to have received from Higgins, but the respect Lyons held for him is reflected both by his praise for the latter’s community service and ‘conspicuous ability’, and by his arranging that Higgins be made a Knight Grand Cross of St Michael and St George, the highest order granted to the Dominions. \(^\text{49}\)

After 1931, Ricketson had less contact with Lyons than he would have liked, feeling that ‘as it might be said 1 had some axe to grind’, he might embarrass him politically. However, he assured Lyons that his ‘admiration and affection’ had not weakened, and continued to offer his assistance: ‘you are very very essential to the continuance of well-being to this whole community’. \(^\text{50}\) Lyons was in only occasional contact with him in the later 1930s. \(^\text{51}\)

Lyons’ Private Secretary commented in April 1932 that Henderson was Lyons’ ‘guide philosopher and friend’ after the latter left the Labor Party. \(^\text{52}\) Lyons described him as not only ‘an entertaining comrade but a man of the most sterling character’, \(^\text{53}\) and their friendship was very deep. Occasionally, when in need of rest, companionship and advice, Lyons stayed with him in Melbourne, and they met whenever possible: Henderson wrote in February 1933 that ‘I have had every meal with the Prime Minister for the last two-and-a-half days. We had many interesting talks and I found him in good form’. \(^\text{54}\) The topics discussed in correspondence included Northern Territory development, war debts, conversion loans, and land taxes. Lyons listened, but did not always agree. \(^\text{55}\) Henderson, who was president of the Melbourne Savage Club from 1933 to 1939, arranged for Lyons’ election to this in November 1933, and it was a convenient place for him to meet his friends when in Melbourne; its membership at that time also included Menzies, Pratt, and Keith Murdoch. \(^\text{56}\) In the later 1930s they met less often, as indicated by a letter in August 1938 from Henderson lamenting that because he went to Portsea on weekends, which was the only time Lyons was in Melbourne, ‘I have not seen you for so long . . . However, I will be on your trail on Thursday and Friday for a yarn’. \(^\text{57}\) Henderson’s last services for his friend were to be a
pall-bearer at his funeral and to design his funeral monument at Devonport.

Lyons' closest Sydney friend was T.G. Murray, who became acquainted with Lyons early in 1932, when he made a suggestion for inclusion in a speech. He cultivated a close friendship, even accompanying him to England in 1935; Lyons and his wife spent most of their 'happiest hours' in Sydney visiting him. Murray kept Lyons informed of political developments in New South Wales affecting him and the Federal Party, and they discussed government policy; some observers regarded him as one of Lyons' most influential advisers. Not everyone approved of their friendship; a senior New South Wales civil servant warned Lyons that Murray 'pays a great deal of attention to anyone in power', and that he might be cultivating a friendship for 'some ulterior purpose'. However, there is no evidence in Lyons' papers that Murray attempted to profit financially from the relationship, and the only example of Lyons being influenced by Murray was when the latter sent him copies of the Reader's Digest, which so 'greatly impressed' Lyons that he arranged to get it regularly. But there must remain some doubt about Murray's view of this relationship when he himself, in 1965, would only admit to an 'association' that was 'very brief'.

What of Lyons' relationship with the business community generally? During 1931, through his contact with the Group, Lyons had been introduced to some of the more influential businessmen in Melbourne and, later, Sydney. By 1933, he had made the acquaintance of, and sometimes gained the friendship of, some of the most important businessmen in these two cities and in Adelaide. All sections of the business community had a close interest in politics, if only for purposes of self-preservation and self-advancement, and Lyons' papers predictably include letters from businessmen assuring him of their goodwill and desire to assist in every way. But the exact nature of the relationship created between these businessmen who attempted to 'assist' Lyons, and the extent to which they influenced him, will never be known. Lyons' papers include a few tantalising hints of the type of contacts that existed, as when Colin Fraser (of B.H.P.) in September 1933 asked him to dine with 'a few of our mutual men friends at my house'. Who these friends were and what they discussed was not recorded by Lyons. The same problems arise in trying to discover Lyons'
relationship with Sydney businessmen, as when in the next month A. Spencer Watts, President of the Associated Chambers of Commerce of Australia, invited Lyons to dine with ‘a few influential Sydney men some of whom are not personally acquainted with you’.65 This letter reinforces the impression that Lyons had less contact with Sydney businessmen.

On two occasions only do Lyons’ papers reveal the identities of those present at these meetings. On 12 January 1933, M.H. Baillieu arranged a dinner at his house, the other guests being W.S. Robinson, Colin Fraser, C.J. Emery, R.W. Knox, Keith Murdoch, and M.L. Baillieu, all of whom, with the exception of Murdoch, were amongst Australia’s leading financiers and mining entrepreneurs.66 And on 24 March 1934, Lyons dined with ‘a few Sydney men who would be glad of having a quiet friendly chat with you’: the topics for discussion were not mentioned, nor how he could have a ‘quiet friendly chat’ with sixteen people. The fact that Lyons had to be told which company or organisation each man belonged to indicates his unfamiliarity with them, and his papers do not record any further contact between Lyons and any of the sixteen. Just before the meeting, Lyons was handed a list of the following names: R.M. Clark (Marcus Clark & Co.), C. Darvell (General Manager, Commercial Banking Co. of Sydney Ltd), R.T. Hilder (Acting General Manager, Bank of New South Wales), Sir Samuel Hordern (Chairman, A.M.P.), James Burns (Chairman, Burns, Philp & Co.), Andrew Reid (James Hardie & Co.), A.H. Stuart (General Manager, The Sydney Morning Herald), B.R. Riley (Assistant Manager, Colonial Sugar Refining Co.), F.E. Bryant (Chairman, Union Trustee Co.), A. Spencer Watts (Chairman, Associated Chambers of Commerce), Justly Rawlings (Anthony Hordern), Martin McIlwrath (McIlwraths Ltd), R.W. Gillespie (Gillespie Bros.), A.H. Craig (James Sandy Ltd), D.J. MacKay (McDonald Hamilton & Co.), and Col. Alfred Spain (Spain & Cosh).67 The composition of this group suggests an interest in tariffs, and there are other indications that this question was foremost in these private discussions: for example, in 1933 Essington Lewis discussed tariffs with Lyons when they were travelling by train together and later despatched a memorandum embodying his view.68 The memorandum is not in Lyons’ papers, and presumably was forwarded, like all such submissions, to the Treasury for consideration. Businessmen were also anxious to ensure that the
government protected their interests in the British market, and made representations to Lyons accordingly.69 Lyons’ own reasons for attending such gatherings can be assumed to be a desire to work with the business community, to hear their views, and to explain government policy to them. The suggestion that he was given ‘instructions’ at such gatherings, as folklore often has it, can be dismissed, if for no other reason than that the business community was not at all agreed on policy, especially in areas such as the tariff. And even if some sections of the business community should be offended by his leadership and seek to depose him, there was no more unity amongst businessmen on this issue than on any other. By 1937, for instance, many leading Sydney businessmen who had regretted his becoming leader in 1931 were so dissatisfied with his leadership that they wanted him replaced.70 But there is no indication that the influential businessmen in Melbourne agreed, and Lyons’ position was in no way endangered by these intrigues. As a ‘private enterprise’ government, the U.A.P. probably compromised with businessmen on many issues, the most prominent example being tariffs, where Cabinet had to find an economically viable balance between manufacturers, importers, and primary producers. In seeking this balance, the government was doing what any government of any political complexion must do. The indications in Lyons’ papers are that the most consideration that businessmen could expect was to be consulted before the final details of legislation were decided. Such consultation was as much for reasons of political caution as for the desire to receive advice, as when in 1934 a complicated rural debts rehabilitation scheme was discussed by a committee representing the interests involved before any definite proposal was placed before Cabinet.71 But there are also indications that on some other occasions the government ignored the legitimate interest of businessmen in proposed legislation, as when in 1936 it did not discuss the intended introduction of a policy of trade diversion with the firms affected.72

Lyons sought assistance from his friends and business acquaintances,73 and sometimes they did provide him with expert advice and information that was not always available to the civil service. For example in 1932 he arranged to receive regular cables from W.S. Robinson transmitting and explaining confidential in-
formation learned in American financial circles about economic developments in the United States; and when H.W. Gepp returned from an Asian tour he wrote a report for Cabinet on monetary, trade, and political changes in that region. In one instance, probably not unique, Lyons passed on a friend's suggestion to Cabinet for consideration: as a case of 'influence' on government it is inconsequential, being merely a suggestion that a small honorary commission in each state should report on unemployment. He also used his private contacts with businessmen and finance committees to explain and seek support for government policy, as when in mid-1933 he dined at a Melbourne club with Knox and other businessmen to discuss the economic position. The clearest example of Lyons' using businessmen to assist government policy occurred on 10 June 1933, when Knox arranged a private dinner with Alan Russell as host for Lyons to meet the principal representatives of the leading Anglo-Australian insurance companies. After the meal, he explained in detail Australia's financial position and Cabinet's policies. As an insurance representative reported, he 'confidentially and very frankly stated his views and equally frankly sought any assistance we might be able to give to the government' in arranging the conversion of Australia's external loans. Partly no doubt through his warning of the dangers to 'sound finance' of a Labor government the representatives were sympathetic and wrote to London accordingly.

These meetings with businessmen were not held regularly, but appear to have been improvised when he was visiting Melbourne or Sydney, which was only for brief periods a few times a year. On occasions, a particular pressure group would request an interview with him, as when the newly formed Australian Economic Advisory Council sought a discussion on economic policy with the hope of keeping the government faithful to the Premiers' Plan and the Ottawa Agreement; or when oil companies sought special privileges from the government. Sir George Pearce gained the impression that Lyons was too easily influenced at such discussions, an impression that Lyons' papers neither confirm nor refute.

One aspect of the relationship that cannot be omitted is the seeking of government posts for businessmen and their friends. Lyons received some written requests, and no doubt more verbal ones, but of the four approaches recorded in his papers, none succeeded. In turn, Lyons used his connections with Murdoch and
the National Union to arrange jobs for friends or supplicants, including one for a ‘very old friend’ who had been a Labor Party journalist in Tasmania.81

Rumour was correct in detecting a close relationship between Lyons and the press. This relationship was a political collaboration to portray the U.A.P. in the most favourable of lights, and the Labor Party in the least favourable: Lyons and newspaper owners and editors encouraged each other in thus ‘informing and educating the public mind’, to quote an old Tasmanian press friend.82 Newspapers sought confidential information about government policy and sometimes, to help the execution of plans disclosed to them by leading politicians or by businessmen connected with finance committees, ‘informed’ leading articles were published.83 Lyons gave editors the confidential information upon which Cabinet had reached its decisions and explained the reasoning behind policies in the hope of influencing press reports and editorials.84 But despite all this liaison Lyons found, for good reasons, that handling the press was one of his main problems.85

Keith Murdoch (after 1933 Sir Keith) encouraged the impression that he influenced government policy, much to the annoyance of senior ministers who knew the reality behind the image.86 Lyons’ (and Ricketson’s) papers reveal that Murdoch had not attended any of the secret meetings in 1931 during which Lyons’ political transformation was arranged, although by April he was enlisting support, arranging publicity, and suggesting that meetings be held at his house for Lyons to meet others who might work with him.87 After becoming Prime Minister, Lyons when visiting Melbourne would sometimes dine with him and presumably discuss policy and political difficulties.88 The content of their discussions is not known. Murdoch’s tactics when trying to exert influence were explained to W.M. Hughes as carefully exerting ‘the right pressure . . . at the right time’.89 a strategy that in no way suggests that Murdoch ‘controlled’ Lyons. As an example of his attempting to influence Cabinet appointments, in 1934 he combined an editorial advocating Hughes’ suitability as a minister with a personal approach to Lyons. Having ‘done my best’ and acted at ‘the right time’, he assured Hughes that ‘I think it will come off . . . unless I am much mistaken, you will get an invitation’.90 Hughes did, but not necessarily because of this advocacy. Murdoch’s inability to control major political events is indicated also by his persistent ef-
forts between 1932 and 1934 to persuade Lyons to form a coalition with the Country Party. Describing himself as an ‘interested observer, with the desire to help you if you wish and if I can’, he even offered his services as a go-between, but this offer along with all his other advice on this topic was rejected. On some issues, Murdoch was uncertain what policy was the best, as shown by his involvement with Lyons in arranging a private conference before the 1932 Premiers’ Conference of all newspaper editors at Clive Baillieu’s home, where Lyons, Bruce, and three leading economists explained the government’s financial policy. Murdoch was not certain that he agreed with Cabinet’s proposal, but decided his Herald would strongly support it, for ‘we must go bald-headed for something — some plan — and this is the only reasoned plan in the field’.

Gratitude which Lyons undoubtedly felt for such assistance did not make him willing to accept all Murdoch’s opinions, and as the 1930s progressed The Herald became increasingly exasperated and hostile towards the government. By 1938, as even a cursory reading of The Herald editorials and political reports makes clear, Murdoch was so irritated with Lyons’ policies and style of leadership that he was actively working to replace him with the more dynamic Menzies, a situation that hardly conforms to the belief that Lyons was his obedient servant. The Herald persisted in this campaign until Lyons’ death.

If neither ‘Big Business’, nor the Group, nor Murdoch can be shown from this evidence to control Lyons and his government, what of the finance committees, the vehicles whereby the party received its funds? If it be assumed that the party was controlled from the backstairs, these were the people most likely to fulfil this role. But Lyons’ papers again make this judgment less self-evident than it has appeared to many. For a start, Lyons’ papers reveal that he played a very active role in many of the financial and electoral arrangements made by both the Melbourne and Sydney committees, and also sometimes worked with the committees of other states. A feature of both the National Union and the Consultative Council was the way they attempted to work in harmony with each other and with parliamentary leaders. To this end, periodic conferences were held, as when in April 1934 Sydney Snow arranged a meeting in Sydney of the Consultative Council with Knox, Willis,
and other National Union members, plus Lyons and Bertram Stevens, the N.S.W. parliamentary leader.95 Another example of this relationship was when Willis refused to discuss the details of financial assistance for the Queensland Finance Committee in 1932 before consulting the Chairman of the Consultative Council.96 From such continued personal contact came the organisation strength of the federal party.

Lyons had a close liaison with the Consultative Council, sometimes dining with it and attending its meetings when in Sydney.97 In June 1933, the official State Executive asked him to visit Sydney periodically for consultation, hoping he would attend the executive's meetings whenever possible.98 Bertram Stevens also had close associations with the Consultative Council, as illustrated in 1934 by his advising "the principal men concerned" whom they should appoint as their chairman.99 Lyons became a friend of the Chairman of the Council, E. Telford Simpson, a prominent solicitor, and especially of Sydney Snow (Sir Sydney after 1936), head of the State Executive. Sometimes he stayed at Snow's house, and discussed "many things", frustratingly unspecified, when they met in Sydney or in Melbourne.1  An example of Snow's assistance was his working with Lyons to unify the N.S.W. Right; helping to end the 1932 dispute between Stevens and the federal party about federal financial policy; and preventing forces opposed to Lyons from gaining control of the state organisation.4 The topics of his discussions with the Consultative Council and the N.S.W. State Executive are not known, although they can be surmised; Lyons' readiness to take advice from them is likewise unrecorded. The only example in Lyons' papers of advice received is in a 1934 letter from H.W. Horsfield, Secretary of the official state party and in 1938 Secretary of the Consultative Council as well. He urged Lyons to stop the Electoral Commissioners from so changing N.S.W. boundaries that the U.A.P. lost seats. Lyons replied that it would be very difficult to justify interference, and 'I do not think that I could sponsor such a course under any circumstances'.3 The reply implies moral disapproval of the suggestion. There was no interference. A letter in Sir Earle Page's papers suggests that there was little 'control' exerted by the Consultative Council over Lyons and his Cabinet, for in 1937 Page agreed to a request to attend a meeting of the Consultative Council to answer criticisms of three government decisions which the Council felt to be mistaken.4 Clearly it had not
been consulted when the policies were decided.

If 'control' by the Sydney finance committee cannot be discovered, what of the National Union, which in folklore was always seen as more influential both on Lyons and on politics generally? Again, as with the Group, Lyons presumably felt a debt of gratitude for their crucial role in making him leader of the U.A.P., and his periodic visits to Melbourne en route for Devonport or Canberra gave them more constant contact than the Sydney committee enjoyed. The National Union meant in practice Robert Knox (Sir Robert after 1934), a leading figure in the insurance world, and E.H. Willis, its Secretary from 1918 to 1944. They made most of the National Union's day-to-day decisions, had most contact with state and federal politicians and party organisations, and shared the role of allocating finances. Appeals to Lyons for financial assistance from other states were channelled to the National Union, which distributed funds usually, at least in the early 1930s, only after consultation with Lyons and other parliamentary leaders.

As an illustration of Lyons' active involvement in the Australia-wide dispersal of resources, in October 1932 he was involved in plans for a conference between the National Union, the Consultative Council and the Queensland Finance Committee to arrange funds for the last. The Queensland Committee would only agree to a conference that met Lyons' wishes, understanding that Lyons did not agree to Knox alone discussing the issue with Queensland. In August 1933, Lyons when in Brisbane had an informal meeting with the Finance Committee plus 'certain members' of the Management Committee of the Country and Progressive National Organisation, at which it was agreed that Sir Edward Macartney, a member of the Queensland Finance Committee, and R.C. Hancock, its Secretary, should visit Melbourne 'to discuss political finance with the gentlemen of influence with interests in' Queensland. Lyons was asked by Queensland to arrange this conference, preferably at the time of the Melbourne Cup; he did so, discussing the whole issue with Willis first, and then attending the conference itself.

The National Union assisted federal politicians by working with Lyons to arrange publicity, to organise election campaigns, and to plan his political tours designed to maintain electoral support between elections. On some occasions at least it played a discreet but influential part in choosing parliamentary candidates, thereby
having a considerable indirect effect on the making of party policy. Its most significant intervention in politics, as previously indicated, was to replace Latham with Lyons; Ricketson's 'distinct recollection is that Mr Knox met Mr Latham on the Albury Station (Mr Latham having come from Canberra and Mr Knox from Melbourne), and Mr Latham very generously and in true national spirit agreed to retire' so that 'Honest Joe' and his electoral appeal could be used to win the election for the Right. But the National Union was unable to repeat this successful intervention in 1939, when it failed to make either Bruce or Casey, its second choice, Lyons' successor. During the 1930s, the National Union appears to have been satisfied with Lyons' leadership; certainly it took pains to assure Lyons of its support, as when Willis in 1933 assured him that he would support anything Lyons did. Such 'wonderful confidence' greatly encouraged Lyons and helped him to overcome his frequent moments of self-doubt. At the same time, the National Union through its President officially congratulated Lyons for his Budget:

which definitely reflects the outcome of sound administration under your able leadership... We are keenly appreciative of the great responsibilities so freely accepted by you, and would like you to know of our desire to co-operate with you and your administration in the carrying out of your important task.

In reply, Lyons assured him that what he had achieved:

has been made possible only by the splendid support and encouragement given to me by yourself and others associated with the National Union. I am more appreciative of this support than I shall ever be able to say.

Sir George Fairbairn, President of the National Union, gave some advice to Lyons on financial policy and northern development, but there is no indication that Lyons paid much attention. He received more useful suggestions from Knox and Willis, who both became his friends and helped him in many ways. Knox's advice was given in conversation, not in correspondence, and so little evidence is to be found to its nature, apart from one memorandum recommending unemployment relief through land taxation. The suspicious will be interested to know that Knox attended the Ottawa Conference as an official consultant, being the nominee of the Associated Chambers of Commerce; there is nothing in Bruce's
long letters to Lyons concerning the negotiations to suggest that this was an example of the National Union keeping an eye on its Cabinet puppets. Like Bruce, who regarded Willis as one of the few people whom he could take into his ‘complete confidence’, Lyons found him a loyal adviser whose experience and political influence were extremely helpful. In at least one instance, Willis seems to have influenced Cabinet policy: in November 1933, after Willis had given Lyons a memorandum concerning company taxation in respect of interest paid to debenture-holders resident outside Australia, Lyons told him that a bill would be introduced to deal with this. Hardly a major issue, and Cabinet did not necessarily incorporate all of Willis’ points in its legislation. Willis and Knox constantly assisted Lyons, as when they tried to solve a dispute within the South Australian organisation that directly involved and worried him, and throughout the 1930s they supported him against those elements in the Tasmanian organisation which remained unreconciled to being led by an ex-Labor man.

Lyons’ papers, supplemented by those of Sir George Pearce, reveal the only proven case of National Union interference in Cabinet decision-making. In March 1934, Casey, with Lyons’ approval and in close consultation with Pearce, formed a committee to study, ‘confidentially and unofficially’, ways to relieve rural indebtedness. The committee consisted of bankers, a small farmer, insurance men including C.A. Norris, the economist Douglas Copland, and Massy-Greene. By June it had produced a scheme for submission to Cabinet. Page, who shared government fears that both their parties would lose rural seats to Labor if a satisfactory rural debt scheme was not forthcoming before the election campaign, was then consulted in the hope of producing a joint plan.

In July, the National Union for the first time heard of the scheme, then nearly finalised by Cabinet. It was annoyed that the Country Party had been consulted, and it had not, about a scheme which it regarded as electorally and financially unnecessary; morally culpable because of its interference in the normal repayment of ‘just debts’; and also repugnant because it ‘excessively’ expanded the normal bounds of commonwealth responsibilities. On July 8 a meeting of all the National Union members was held at the home of Harold Darling, a leading industrialist. Menzies, then President of the United Australia Organisation in Victoria, joined the discussions to encourage the others to reject
completely the proposed legislation. At that time considering a
proposal from Lyons and the National Union that he transfer from
Victorian to Federal politics as Lyons' probable successor, Menzies refused to accede to this request unless he received an assurance
that the planned legislation would not interfere with the 'orthodox
relations of debtor and creditor'. Massy-Greene, asked to attend
the meeting, was told that all forms of relief for rural debtors
would be unacceptable. To Greene, this was 'an experience I won't
easily forget'; as he had been a senior minister since World War I
and was closely connected with the upper levels of the business
community, his reaction suggests that this directive was most
unusual, perhaps unique. Not being prepared to accept it, and
aware that the National Union had misunderstood some of the
government's intentions, he talked to Knox on the following day.
Knox was the least antagonistic of the National Union to the
scheme, genuinely wanting to help, and indeed the National Union
generally was not united in opposing the proposal, most being less
intransigent than Menzies. A compromise began to take shape.

Darling, Knox, Willis, and Colonel H.E. Cohen, another mem­
ber of the National Union, accompanied Menzies to a meeting with
Lyons, Casey, and Pearce in Sydney on 16 July. They reached a
compromise that restricted the plan to financial co-operation with
the state governments and readjusting debts owed by primary
producers to the states. As Pearce told Greene, 'while not satisfac­
tory', in states like Western Australia and South Australia the new
scheme would considerably benefit debtors, and a compromise was
necessary 'to avoid trouble' with the National Union and Victorian
business interests.

A letter from Lyons to Hughes in Hughes' papers reinforces the
impression that Lyons' particular anxiety when differences of
opinion arose within the party organisations was to dampen them
down:

On Saturday morning Casey and I are meeting two or three
members of the N.S.W. government and a few prominent
members of the organisation to dis[cuss] a matter affecting
finance, banking policy etc.

There appears to be a pretty clear line of demarcation be­
tween the attitude of N.S.W. and Casey and myself which
may lead to trouble and I am anxious for a full and frank
discussion.

Once again Lyons was playing his role of main link between the
federal party and the state parties, the state organisations, the National Union, the Consultative Council, and some of the other finance committees. Indeed, to a large extent he was the 'federal organisation'. In the early 1930s, Lyons and other federal parliamentarians had worked with the National Union and the Consultative Council to try to create a federal organisation, but nothing had come of this endeavour. Lyons' capacity to work in harmony with all these groups helps to explain his long term as Prime Minister and his acceptability to the finance committees. He never lost this acceptability. When, after he had won his third federal election, he began to explain to Willis his desire to stand down for Menzies as Prime Minister unless the National Union wished him to continue, Willis interrupted that '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'. This view of Menzies' suitability at this stage was supported by Sydney Snow as late as January 1939, when he also assured Lyons that he was 'entirely satisfied that you personally are still the one and only P.M. possible'. So the finance committee supported him to the end, a support which perhaps increasingly owed more to the lack of an acceptable successor than to Lyons' now-failing political abilities. As Lyons' health collapsed, he sought desperately to resign, even attempting with the National Union's help to attract Bruce back into parliament to replace him. When Bruce refused, Lyons and his wife at the beginning of April 1939 again consulted Knox and Willis in an effort to find a replacement, but once more he was asked to continue as leader until the 1940 election was won.

One piece of folklore has been left unexamined: bribery. Quite apart from the rumours that Lyons was bribed to leave the Labor Party, there are suspicions that any politician, especially of the Right, may exploit his inevitable contacts with businessmen to his own advantage. Not only the Left spread rumours against him: shortly after he left the Labor Party, the Australian Women's National League was quietly informing people in Northern Tasmania that he had been given a pension for life by Tattersalls for lifting the postal ban on their lotteries when Postmaster-General. Labor parliamentarians always suspected that he needed some financial inducement to change political sides, but saw their error when the poverty of his estate was revealed on his death.
a climax to all this 1931 talk of bribery, Lyons' conservative opponent in the Wilmot electorate, G.G. Pullen, Secretary of the Tasmanian National Federation, claimed that he was offered bribes to withdraw;\textsuperscript{32} he did not indicate the source of the alleged bribes. The only financial consequence of Lyons' change of party which can be proved is the instruction in Sir John Higgins' will that the £2,500 bequest to his sister should, on her death, be transferred to Dame Enid Lyons for the education of her children, in appreciation of her husband's 'eminent service to Australia . . . on a critical period of Australia's history'.\textsuperscript{34} Surely not even the most imaginative can make that into 'bribery' to change parties.

Some businessmen may have felt that one way to influence Lyons, once he was Prime Minister, was to gain his friendship. One Sydney businessman, after a 'very interesting' chat with Lyons, urged him to use his private launch whenever in Sydney, and even offered Lyons' private secretary any help he wanted, 'commercial, shipping or other affairs'.\textsuperscript{35} This sort of proposition is unique in Lyons' papers; and there are no other letters indicating any further contact between Lyons and this man. Staniforth Ricketson recalled that Lyons retained his Labor Party suspicions of 'Big Business', and rather expected to have dubious propositions put to him. At last one came, and money was pushed across the table: Lyons pushed it back with the comment 'I've been waiting for that to happen'.\textsuperscript{36} To avoid any compromising involvement, Lyons, as another private secretary revealed, always refused to accept contributions towards his own election expenses.\textsuperscript{37}

The last evidence to be used is the papers and recollections of Staniforth Ricketson. He described Lyons as rather afraid of 'Big Business', and as being surprised that no pressure was exerted on him, apart from the one abortive bribery attempt. Lyons was 'always' seeing Murdoch, but Ricketson said that he and the rest of the Group saw little of Lyons once he became Prime Minister. Ricketson was emphatic that he did not try to influence Lyons on Cabinet policies, and that he did not want Lyons removed as Prime Minister in the late 1930s.\textsuperscript{38} Ricketson's lack of influence is illustrated by his private grumbles that, at a time when his bond business was 'almost at a standstill' because of the Scullin government's policy, Lyons had adopted a spirit of compromise to the Premiers' Plan.\textsuperscript{39} The official history of his firm also records that Scullin's 'iniquitous' Special Property Tax was not abolished until
1936.\textsuperscript{40} And the Ricketson papers give a further warning against taking passing comments implying influence too seriously: namely, a letter from Menzies informing Ricketson that he is ‘the finest and most lovable man I know, and your influence upon me is increasingly great’.\textsuperscript{41} It would be very unwise to interpret that comment to mean that Ricketson controlled Menzies.

Of special interest are Ricketson’s business diaries for 1932 and 1933, in which were included entries about his occasional contact with politicians. Regrettably, the diary for 1931, which would have revealed many details of the events of that year, was destroyed during a wartime purge of office files. Particularly revealing is the number of times that meetings with Lyons are recorded. Twice he attended public dinners in 1932 that Lyons addressed, three times he met Lyons in private in 1932, and no contact at all was recorded for 1933. He noted that Lyons had two private meetings with Higgins, and one with Henderson, both in 1932. There may of course have been other meetings, but if so they were too insignificant to mention. The entry recording the first public dinner, given by Sir George Fairbairn at Menzies Hotel on 21 January 1932 for both Lyons and Latham, indicates Lyons’ ability at such gatherings. He made ‘a decidedly favourable impression with a very able speech’, part humorous and part serious. At the first private talk with Lyons, the latter told him what Cabinet was planning to do against Lang, and asked for Ricketson’s view on how to handle this difficult problem. Late in 1932, Lyons discussed his plans on exchange rates, and Ricketson explained his views on this matter, passing on copies of his letter arguing the issue with A.C. Davidson of the Bank of New South Wales. Ricketson suggested that Casey, who like Menzies figured prominently in the diary through his friendship and personal financial involvement with J.B. Were & Son, would be a good Minister of Customs, but Lyons replied that this was politically impossible. Ricketson urged Lyons to go to London to arrange the conversion loans (he did not go), and was ‘decidedly interested’ to learn of Bruce’s cable that Britain would probably not get an extension of the moratorium on interest due to the U.S.A.

At the first meeting between Lyons and Higgins the discussion was largely about the possibility of Lyons visiting Britain, with Lyons commenting that Higgins’ predictions (on undisclosed issues) had often been correct, a remark which implies that Higgins
was giving advice. One of the issues appears to have been how to handle Lang, with Ricketson and Willis involved in the talks. When Henderson met Lyons, it was for another discussion on exchange rates, Lyons merely reporting on what had happened and why. When Henderson suggested that Lyons make more use of ‘the small group which had originally helped him than he was doing’, Lyons replied that he had been ‘reluctant to call upon them for fear they would think he was imposing on their good nature’. Is it imagination to detect a trace of evasion in this reply?

A few other points of interest come from this diary. Ricketson and Higgins were afraid that Lyons was more influenced by others than by themselves: they especially feared the influence of economists, Treasury officials, and Latham and Bruce, which is a good list of the people who were indeed more likely to influence Lyons at this stage. Another entry records that Ricketson was ‘authorised’ by persons unnamed to offer to assist Menzies with his election expenses, an offer that was rejected because Menzies wished to keep his financial independence. This response was in accord with Lyons’ own attitude and was probably usual. Other politicians visited Ricketson to discuss political and financial developments, notably Bertram Stevens, a former employee of J.B. Were & Son. These discussions reveal that Ricketson and M.H. Baillieu opposed Murdoch over loan conversion, and that Ricketson’s circle of contacts generally agreed that Lyons was doing an excellent job. As well, it is recorded that one businessman seeking membership of the Commonwealth Bank Board had Lyons to stay as a weekend guest in the hope of impressing him. Alas, the hospitality was wasted.

What has been proved by this detailed examination? The common belief, namely, that Lyons was in regular contact with businessmen, newspaper proprietors, and finance committees, has been abundantly proved, and some of the names of those involved have been noted. Sometimes even the topics of discussion have been discovered, but not the details of the conversations, nor their outcome. Lyons did not record what, if anything, was decided at such meetings. Unless a new source of information is uncovered, however, the degree to which he was influenced will never be known. And even if it could be proven that he was influenced on some issues, it would then be necessary to show him translating this into policy, which would be difficult to do, for the evidence
available at present does not indicate that Lyons could dictate Cabinet's policies. Most regrettably, it appears that all the records of the U.A.P. were destroyed in 1944, and if any archives of the National Union and Consultative Council still exist they are unlikely ever to be made public. In any case, I was informed that the National Union made no records of such crucial events as the discussions with Lyons that led to his becoming Leader of the Opposition. The full story will never be known.

So far as the structure of the finance committees is concerned, the evidence unearthed confirms the picture given by Graham, Parker, and Williams, and therefore was not repeated in this essay. And the evidence also confirms that finance committees were at their most active in times of disarray and readjustment on the Right. What is now proven is the way in which Lyons co-operated actively with these committees, even to the extent of helping to decide the allocation of funds. Lyons and the committees worked in harmony to keep the federal organisation running smoothly: the picture sometimes painted of politicians and finance committees in separate compartments each trying to control the other is an over-simplification for Lyons' Prime Ministership at least. The evidence clearly reveals the need businessmen felt to be in contact with leading politicians so that they could state their case on matters affecting them, with tariffs and exchange rates appearing to cause particular anxiety. Once or twice there are signs of influence, which can be proved for the rural debts plan of 1934; but no evidence was found to support the belief that it was the National Union that had caused the death of National Insurance in 1939. New also is the evidence of businessmen and politicians using their contacts with each other to find jobs for themselves or their friends: but the evidence also shows that the recorded efforts were usually unsuccessful.

As to the folklore about Melbourne and its ‘control’ over Lyons and his government, this appears to be mistaken. Of course new evidence may be produced, but probably influence of a general nature is all that will ever be shown. Folklore was based on the hypothesis that business interests were sufficiently united to insist that the government followed policies they laid down, but belief in the existence of such unanimity is clearly absurd. There was of course no need for the business community to tell the government to favour private enterprise, to avoid interference in the economy.
and in industrial relations, to practise financial orthodoxy, to restrict government spending, and to manipulate tariffs and taxes to assist business profitability: the U.A.P. would have legislated as it did even if the National Union had never existed and businessmen had never asked for favourable treatment. Should a particular interest group try to exert pressure, Cabinet always had counter-arguments in the form of, for example, other interest groups that would be adversely affected; the need to retain Country Party support; and the danger of assisting Labor Party propaganda. When it was formed, the U.A.P. decided that its structure ‘should be based upon principles of freedom . . . members of the party are not bound to pledges to organisations outside Parliament’, and in 1937 Lyons assured the electorate that while he had been the leader there had not been ‘dictation from any outside organisation’.43 He appears to have been correct, although he omitted to mention the possibility of influence or interference.

Has the persistence of the folklore been the consequence of Lyons’ style of leadership? Lyons saw himself largely as a chairman, a mediator, a searcher for compromises, allotting himself this role both because of the disunited government he headed and because of his own lack of self-confidence when faced with new and complex problems. When faced with the latter, it was self-evident to Lyons that he should sample a wide range of opinions from both politicians and people outside Parliament. Because of this attitude, he appears to have felt no qualms about his secret involvement with businessmen and finance committees, despite admitting to friends that he was still a Labor man at heart.44 Basic was his attitude to private enterprise, which he believed provided the only solution for unemployment: ‘The ideal of good government’ therefore was ‘to encourage private enterprise to expand and develop in every way open to it’.45 Realising his unfamiliarity with many of the problems facing him in federal politics, he sought to overcome this through his practice when in Tasmanian politics of ‘encouraging people to come . . . with the best that is in them and help with the job’. Lyons would then ‘take the ideas and transform them into something bigger and more comprehensive’.46 When Premier of Tasmania, he had proved that he could, after taking advice from economists and businessmen, make his own decisions and stick to them,47 a practice he had so clearly demonstrated when Scullin’s Acting Treasurer. The patronising attitude to Lyons, por-
traying him as a rather backward if amiable Irishman from the
bush waiting to be told what to do by the more sophisticated,
should be treated with caution. This legend was cultivated
assiduously by some of his colleagues, as illustrated by Bruce's
dissemissive comments that 'one of Joe's weaknesses was that he was
always swayed by the last person he talked to'.48 Latham conveyed
a similar story, adding that Lyons, whilst accepting the advice
given, could not be counted on for doing a thing.49 But if Lyons
was really like that, then all the folklore recorded at the beginning
of this article is incorrect, for the piper who called his tune must
have been the last member of Cabinet he met, not the National
Union. And even then Lyons may have taken no action! One
legend or the other must be discarded — unless of course, it could
be shown that one or several members of Cabinet were represen­
tatives of the National Union charged by it to keep Lyons under
control. But folklore has never been able to produce anyone other
than Lyons as its 'Man in Cabinet', and Lyons' papers do not in­
dicate an alternative pawn.

Notes

The main sources used in this essay are designated in the footnotes as
Lyons MSS and Lyons MSS (AA). The former is that portion of J.A.
Lyons' papers that were sent on his death to his widow, and are now
deposited in the National Library of Australia. The latter is the collection
of files from the Prime Minister's office that is now held in the Australian
Archives. All other manuscript sources quoted are held in the National
Library of Australia, with four exceptions. The Staniforth Ricketson MSS
are in the office of J.B. Were and Son, Melbourne; the Hurst MSS are in
the Public Library of Victoria; the Grenfell Price MSS are in the Public
Library of South Australia; and the letter from Sir Maurice Hankey is in
the Public Record Office, London.

1 F.C. Green, Servant of the House, Heinemann, Melbourne, 1969,
p. 114.
2 Ibid, p. 115.
3 Sir Robert Gordon Menzies, Afternoon Light, Cassell, Melbourne,
4 B.D. Graham, 'The Place of Finance Committees in Non-Labour
Politics, 1910-1930', in Colin Hughes (ed.), Readings in Australian
371-8.
10 Information that formed the basis of this paragraph provided by A.D. Bridges, Ulrich Ellis, Irvine Douglas, H.W. Horsfield, Massey Stanley, J.M. Anderson, and Sir Peter Heydon.
11 Information from Ulrich Ellis.
12 Information that formed the basis of this paragraph provided by Roy Curthoys, Ulrich Ellis, Irvine Douglas, H.W. Horsfield, Massey Stanley, Ernest Turnbull, H.A. Standish, Sir Robert Knox, J.M. Anderson, Sir Peter Heydon, and Jack Cato.
13 Information that formed the basis of this paragraph provided by Roy Curthoys, Ulrich Ellis, Dame Elisabeth Murdoch, Sir Robert Knox, J.M. Anderson, and Sir Peter Heydon.
14 Information from A.D. Bridges.
15 Information from Lord Casey.
16 Information from Sir Peter Heydon.
19 Information from Dame Enid Lyons and Lyons, *Among the Carrion Crows*, p. 61.
21 Ambrose Pratt to Lyons, 18 May 1931, Lyons MSS, 20 Lyons' memorandum concerning Captain H.T. Lanyon (recently Manager of J.B. Were & Sons London Office), 28 April 1931, Lyons MSS, 19; information from Staniforth Ricketson and Sir Robert Knox.
22 Ricketson to Lyons, 15 April 1931, Lyons MSS, 19; Sir George Fairbairn in *Herald* (Melbourne), 14 April 1931. For more detail on the National Union's involvement in this political transformation, see P.R. Hart 'Lyons: Labour Minister — Leader of the U.A.P.', in Robert Cooksey (ed.), *The Great Depression in Australia*, Australian Society for the study of Labour History, Canberra, 1970, pp. 45-50.
23 R.G. Menzies, 'Per S.R.' to Lyons, 15 April 1931, Lyons MSS (AA), CP 30 (Series 2) Box 1 Folder M; see also Ricketson to Lyons, 15 April 1931, Lyons MSS, 19; H.J. Davys to Lyons, 9 April 1931, Lyons MSS (AA), CP 103 (Series 19) Bundle 1 Folder B; *Australian Journalist*, 29 May 1931; Lloyd Dumas to Lyons, 1 April 1931; K.A. Murdoch to Lyons, 10 April 1931, Lyons MSS (AA), CP 103 (Series 19) Bundle 1 Folder D; CP 30 (Series 2) Box 1 Folder M.
The Piper and the Tune

24 Minutes of Conference held in Melbourne on Sunday, 19 April 1931, Bagot MSS, 1186.


26 R.W. Knox to A.G. Price, 26 May 1931, Price MSS; Ricketson to Lord Glendyne, 18 June 1931, Ricketson MSS.

27 E.C.G. Page to A.G. Cameron, 29 April 1931, Page MSS, 810.

28 Sir Norman Kater to Lyons, 2 June 1931, and Lyons to Kater, 5 June 1931, Lyons MSS (AA), CP 30 (Series 2) Box 1 Folder K; *Commonwealth Parliamentary Debates (C.P.D.),* Vol. 132, p. 151 (18 Sept. 1931).

29 Lyons in *The Argus*, 27 May 1931; Knox to Price 26 May 1931, Price MSS.


31 *Argus*, 4 May 1931.

32 Lyons in *C.P.D.,* Vol. 129, p. 1721 (8 May 1931); Ricketson to Glendyne, 18 June 1931, Ricketson MSS.


34 J.C. McPhee to Lyons, 21 April 1931; C.B. Davies to Lyons, 1 May 1931, Lyons MSS (AA), CP 30 (Series 2) Box 1 Folder Mc; CP 103 (Series 19) Bundle 1 Folder D.

35 Knox to Price, 26 May 1931, Price MSS; Price to Lyons, 13 Oct. 1931, Lyons MSS (AA), CP 30 (Series 2) Box 1 Folder P; information from Martyn Threlfall.

36 Lyons to Price, 2 June 1931, Price MSS; Lyons to Price, 10 June 1931; E.D.A. Bagot to Lyons, 27 Oct. 1931, Lyons MSS (AA), CP 30 (Series 2) Box 1 Folder P; CP 103 (Series 19) Bundle 1 Folder C.

37 A.N. MacDonald to Lyons, 21 Nov. 1931, Lyons MSS (AA), CP 30 (Series 2) Box 1 Folder N.

38 Lyons MSS, 1 and 12; J.G. Latham Diary, 28 Nov. 1931, Latham MSS.


41 Kater to Lyons, 31 Dec. 1931, Lyons MSS, 11.


43 Henderson to Lyons, with enclosure, 19 Oct. 1932, Lyons MSS, 4; Henderson to M.M. Threlfall, 4 Aug. 1932, Lyons MSS (AA), CP 103 (Series 19) Bundle 3 Folder H.

44 Ricketson to Lyons, 23 June 1932, Lyons MSS (AA), CP 103 (Series 19) Bundle 4 Folder R.
142 Australian Conservatism

45 Sir John Higgins, Menzies, Pratt, Ricketson, and Norris (Henderson was out of Melbourne) to Lyons, 11 May 1932, and Lyons to Ricketson, 16 May 1932, Lyons MSS (AA), CP 103 (Series 19) Bundle 4 Folder R.

46 Pratt to Lyons, 13 Jan. 1932; and 29 June 1934; memorandum by J.H. Starling, n.d., Lyons MSS (AA), CP 103 (Series 19) Bundle 11. Folder L; Pratt to Lyons, n.d. (late 1937 or early 1938), Lyons MSS, 6.

47 Ricketson to Lyons, 20 Feb. 1932, and Lyons to Ricketson, 23 Feb. 1932, Lyons MSS (AA), CP 103 (Series 19) Bundle 4 Folder R.

48 Higgins to Lyons, 9 Dec. 1933, Lyons MSS (AA), CP 30 (Series 3) Box 4 Folder H (Part Two).

49 Lyons, speech in C.P.D., Vol. 133, p. 1072 (15 March 1932); Lyons to Ramsay MacDonald, 7 Nov. 1933, Lyons MSS, 8.

50 Ricketson to Lyons, 16 Aug. 1933, Lyons MSS, 17.

51 Lyons to Ricketson, 22 Nov. 1935, Ricketson MSS; Pratt to Lyons, n.d. (late 1937 or early 1938), Lyons MSS, 6.

52 Threlfall to John Dick, 22 April 1932, Lyons MSS (AA), CP 103 (Series 19) Bundle 3 Folder H; Lyons, *So We Take Comfort*, p. 275.

53 Lyons to W. Massy-Greene, 11 Oct. 1933, Lyons MSS (AA), CP 30 (Series 3) Box 4 Folder H (Part Two).

54 Henderson to Threlfall, 24 Sept. 1932, 4 Oct. 1932, and 22 Feb. 1933, Lyons MSS (AA), CP 103 (Series 19) Bundle 3 Folder H; CP 30 (Series 3) Box 4 Folder H.


57 Henderson to Lyons, 22 Aug. 1938, Lyons MSS (AA), CP 167 (Series 3), N-W Folder R.

58 T.G. Murray to Lyons, 23 May 1932; Murray to Lyons, 19 Sept. 1932; Lyons to Murray, 27 Sept. 1932, Lyons MSS (AA), CP 30 (Series 3) Box 2 Folder M; CP 103 (Series 19) Bundle 4 Folder Mc; Murray, quoted in Diary of Jay Pierrepont Moffat, p. 114 (13-28 Nov. 1935) and *Sydney Morning Herald*, 16 Oct. 1937; information from Dame Enid Lyons.


60 Irvine Douglas to Lyons, 24 Sept. 1934, Lyons MSS (AA), CP 30 (Series 3) Box 6 Folder D (Part Three).
The Piper and the Tune

61 K.J. McKenna to Murray, 5 July 1934, Lyons MSS (AA), CP 30 (Series 3) Box 7 Folder M.


63 T.S. Gordon to Lyons, 13 April 1931; Colin Fraser to Lyons, 8 Oct. 1933, Lyons MSS (AA), CP 103 (Series 19), Bundle 1 Folder G; CP 30 (Series 3) Box 3 Folder F.

64 Fraser to Lyons, 14 Sept. 1933, Lyons MSS (AA), CP 30 (Series 3) Box 3 Folder F.

65 A. Spencer Watts to Lyons, 12 Oct. 1933, Lyons MSS (AA), CP 30 (Series 3) Box 5 Folder W.

66 M.H. Baillieu to Lyons, 12 Jan. 1933 (two letters), Lyons MSS (AA), CP 30 (Series 3) Box 3 Folder B.

67 R.M. Clark to Lyons, 7 March 1934, and 20 March 1934, Lyons MSS (AA), CP 103 (Series 19) Bundle 9 Folder C (Part Three).

68 Essington Lewis to Lyons, 5 Aug. 1933, Lyons MSS (AA), CP 30 (Series 3) Box 3 Folder B.

69 Fraser to Lyons, 19 April 1932, with enclosure, Lyons MSS, 4.


71 Casey to Lyons, 25 March 1934, Lyons MSS (AA), CP 103 (Series 19) Bundle 9 Folder C (Part Three).


73 For example, Lyons to J.B. Brigden, 13 May 1931; Lyons to A.C. Davidson, 6 May and 26 Oct. 1931; Lyons to Fergus Medwin, 16 and 25 Aug. 1932, Lyons MSS (AA), CP 103 (Series 19) Bundle 1 Folder B, CP 103 (Series 19) Bundle 1 Folder D; CP 30 (Series 3) Box 2 Folder M.

74 J. Fitzgerald to Lyons, 13 and 25 July 1932; Lyons to Fitzgerald, 29 July 1932; plus cables from W.S. Robinson, Lyons MSS (AA), CP 103 (Series 19) Bundle 3 Folder E: H.W. Gepp to Lyons, 13 Jan. 1932, Lyons MSS (AA), CP 103 (Series 19) Bundle 3 Folder G.

75 W. Queale to Lyons, 27 Feb. 1932; Lyons to Queale 3 March 1932, Lyons MSS (AA), CP 103 (Series 19) Bundle 4 Folder Q.

76 For example, Knox to Lyons, 2 June 1933, Lyons MSS (AA), CP 30 (Series 3) Box 4 Folder K.

77 D.N. Trener to C.G. Falloon, 13 June 1933; Knox to Lyons, 29 June 1933, Lyons MSS (AA), CP 103 (Series 19) Bundle 7 Folder T; CP 30 (Series 3) Box 4 Folder K.

78 F.H. Tout, P.H.M. Goldfinch, and A. Spencer Watts to Lyons, 14 Feb. 1933, Lyons MSS (AA), CP 30 (Series 3) Box 3 Folder A; C.J. Cerutty to Lyons, 14 Jan. 1932, Lyons MSS, 4.


80 Bagot to Lyons, 22 Sept. 1933; Murray to Lyons, 19 Sept. 1932, and Lyons to Murray, 27 Sept. 1932; Ricketson to Lyons, 20 Feb. 1932,
Lyons MSS (AA), CP 30 (Series 3) Box 3 Folder B; CP 103 (Series 19) Bundle 4 Folder Mc; CP 103 (Series 19) Bundle 4 Folder R; Menzies to Lyons, Dec. 1932, Lyons MSS, Miscellaneous File (‘Confidential File B’).

Lyons to Murdoch, 15 Aug. 1932; Lyons to Mary Wilson, 28 June 1934; Lyons to E.H. Willis, 22 April 1938, Lyons MSS (AA), CP 103 (Series 19) Bundle 4 Folder O; CP 30 (Series 3) Box 8 Folder W (Part Two); CP 167 (Series 3) A-Mc, Folder C.

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Broinowski to Lyons, 31 Dec. 1931; T. Dunbabin to Lyons, 2 March 1932; Dumas to Lyons, 19 March 1932; S. Snow to Lyons, 26 Sept. 1934, Lyons MSS (AA), CP 103 (Series 19) Bundle 2 Folder B; CP 103 (Series 19) Bundle 12 Folder S.

Lyons to J.A. Guy, 6 April 1932; Lyons to C.B. Davies, 19 Oct. 1931; Threlfall to Murdoch, 12 July 1932, Lyons MSS (AA), CP 103 (Series 19) Bundle 3 Folder G; CP 103 (Series 19) Bundle 1, Folder D; CP 30 (Series 3) Box 2 Folder M; Lyons to E. Hurst, 22 June 1936, Hurst MSS.


Heydon, Quiet Decision, p. 165.

Murdoch to Lyons, 10 April 1931, Lyons MSS (AA), CP 30 (Series 2) Box 1 Folder M.

Alexander to Lyons, 27 July 1933; J.A. Swanson to Alexander, 28 July 1933; Murdoch to Lyons, 16 March 1933; Lyons to Murdoch, 17 March 1933; Murdoch to Lyons, 21 March 1933; Lyons to Murdoch, 28 July 1933; Murdoch to Lyons, 22 Aug. 1933; Lyons to Murdoch, 23 Aug. 1933, Lyons MSS (AA), CP 30 (Series 3) Box 3 Folder A; CP 103 (Series 19) Bundle 6 Folder M.


Murdoch to Lyons, n.d. [Sept.-Oct. 1934], Lyons MSS, Miscellaneous File; see also Murdoch to Lyons, n.d. [1933], Lyons MSS, 17.

L.F. Giblin to Edith Giblin, 14 April 1932, Giblin MSS; see also Murdoch to Lyons, 30 March 1932; Lyons to Frank Marien, 14 April 1932, Lyons MSS (AA), CP 30 (Series 3) Box 2 Folder M.

For examples of the *The Herald*’s campaign, see Hart, J.A. Lyons, pp. 295-9, 305-7, and 309.

Snow to Lyons, 29 March 1934, Lyons MSS (AA), CP 103 (Series 19) Bundle 12 Folder S.

R.C. Hancock to Lyons, 23 Oct. 1932, Lyons MSS (AA), CP 30 (Series 3) Box 4 Folder H (Part Two).

J. Garlick to McKenna, 10 July 1934; Lyons to E. Telford Simpson, 22 Jan. 1934; Snow to Lyons, 29 March 1934, Lyons MSS (AA), CP 103 (Series 19) Bundle 9 Folder C (Part Three); CP 103 (Series 19) Bundle 12 Folder S; for more details of the composition and functions of the Consultative Council, see Hart J.A. Lyons, pp. 159-60.

H.W. Horsfield to Lyons, 23 June 1933, Lyons MSS (AA), CP 103 (Series 19) Bundle 7 Folder U.

F.N. Yarwood to J.G. Latham, 16 Jan. 1934, Lyons MSS (AA), CP 103 (Series 19) Bundle 12 Folder S.

Simpson to Lyons, 7 Sept. 1934, and 12 Sept. 1934; Snow to Lyons, 14 Nov. 1932, 28 Nov. 1933, and 10 Jan. 1934, Lyons MSS (AA), CP 103 (Series 19) Bundle 12 Folder S; CP 103 (Series 19) Bundle 5 Folder S; CP 103 (Series 19) Bundle 7 Folder S; CP 103 (Series 19) Bundle 12 Folder S.

Snow to Lyons, 12 Dec. 1932; Lyons to Snow, 16 Dec. 1932; Snow to Lyons, 22 Dec. 1932, 28 Nov. 1933, Lyons MSS (AA), CP 103 (Series 19) Bundle 7 Folder S; Snow to Lyons, 4 Jan. 1939, Lyons MSS, Miscellaneous File.

Horsfield to Lyons, 14 Feb. 1934, and Lyons to Horsfield, 19 Feb. 1934, Lyons MSS (AA), CP 103 (Series 19) Bundle 10 Folder H (Part Three).

Simpson to Page, 22 March 1937, Page MSS, 804.

Lyons to Mrs E.A. Goldsmith, 29 Nov. 1934, Lyons MSS (AA), CP 30 (Series 3) Box 8 Folder Q; for more details of the composition and functions of the National Union, see Hart, J.A. Lyons, pp. 161-6.

Latham to J.J. McDonald, Oct. 1932, Latham MSS, Box 87 Folder b; Price to Henderson, 29 Oct. 1931; Lyons to Price, 5 Nov. 1931, Price MSS.; Lyons to Latham, 5 July 1934, Latham MSS, Box 87 Folder b; Lyons to Mrs J.A. Goldsmith, 19 Oct. 1933; Threlfall to Willis, 12 Oct. 1933, Lyons MSS (AA), CP 30 (Series 3) Box 4 Folder Q; Tasman Shields to Willis, 13 April 1932; Willis to Shields, 3 May 1932, Lyons MSS, 19; C.H. Innes to Lyons, 19 Feb. 1932; Lyons to Shields, 9 March 1932; C.H. Read to Lyons, with enclosure, 20 July 1933, Lyons MSS (AA), CP 103 (Series 19) Bundle 4 Folder I; CP 103 (Series 19) Bundle 5 Folder S; CP 103 (Series 19) Bundle 7 Folder U; Guy to Lyons, 4 Nov. 1938, Lyons MSS, 17.

Hancock to Lyons, 23 Oct. 1932, Lyons MSS (AA), CP 30 (Series 3) Box 4 Folder H (Part Two).
Australian Conservatism

8 Hancock to Lyons, 22 Sept. 1933; Lyons to Hancock, 3 Oct. 1933; Lyons to Willis, 3 Oct. 1933, Lyons MSS (AA), CP 30 (Series 3) Box 4 Folder H (Part Two).

9 Lyons to Willis, 4 May 1933; Threlfall to J.E. Fenton, 21 Dec. 1933; McKenna to Willis, 2 Aug. 1934; Lyons to Willis, 1 March 1934; Lyons to W.J. Hutchinson, 1 March 1934, Lyons MSS (AA), CP 30 (Series 3) Box 4 Folder G; CP 30 (Series 3) Box 3 Folder F; CP 103 (Series 19) Bundle 8 Folder B; CP 103 (Series 19) Bundle 10 Folder H (Part Three); S.J. McGibbon to G.F. Pearce, 24 Nov. 1937, Pearce MSS 1927; Cecil Edwards, Bruce of Melbourne: Man of Two Worlds, Heinemann, London, 1965, pp. 36, 241, and 261-2.

10 Ricketson to Hart, 2 March 1965; Sir Robert Knox confirmed this, in general terms; the Latham MSS has no mention of it, but instead suggest a more protracted decision by Latham: see Hart, 'Lyons', in Cooksey (ed.), The Great Depression, pp. 45-51.

11 See Page, quoted in The Herald, 24 April 1939.


13 Sir George Fairbairn to Lyons, 23 Oct. 1933; Lyons to Fairbairn, 30 Oct. 1933, Lyons MSS, (AA), CP 30 (Series 3) Box 3 Folder F.

14 Fairbairn to Lyons, n.d. [Sept. 1931] and 7 July 1933; Lyons to Fairbairn, 14 July 1933, Lyons MSS (AA), CP 103 (Series 19) Bundle 1 Folder F; CP 30 (Series 3) Box 3 Folder F.

15 For Knox's friendship, see Knox to F. Strahan, 17 April 1939; Strahan to Knox, 18 April 1939, Lyons MSS (AA), CP 103 (Series 19) Bundle 14, folder of condolences on the death of J.A. Lyons, 1939.


17 Herald, 20 April 1932; Bruce to Lyons, 23 Aug. 1932 (two letters), and 8 Nov. 1932, Lyons MSS, 5.

18 Edwards, Bruce of Melbourne, pp. 188-9, information from Dame Enid Lyons.

19 Lyons to Willis, 2 Nov. 1933, Lyons MSS (AA), CP 30 (Series 3) Box 5 Folder W.

20 Lyons to Willis, 30 Oct. 1934; Lyons to Dumas, 20 June 1934; Innes to Lyons, 19 Feb. 1932; Read to Lyons, 20 July 1933, Lyons MSS (AA), CP 30 (Series 3) Box 8 Folder W (Part Three); CP 30 (Series 3) Box 6 Folder D (Part Two); CP 103 (Series 19) Bundle 4 Folder I; CP 103 (Series 19) Bundle 7 Folder U.

21 Casey to Lyons, 26 March 1934, Lyons MSS (AA), CP 103 (Series 19) Bundle 9 Folder C (Part Three).

22 Casey to Lyons, 7 June 1934; Greene to Pearce, 22 June 1934, Pearce MSS 213.

23 Herald, 12 July 1934.

24 Greene to Pearce, 9 July and 14 July 1934, Pearce MSS. 213.

25 Pearce to Greene, 17 July 1934, Pearce MSS 213.

26 Lyons to Hughes, 13 Feb. 1936, Hughes MSS.
27 Snow to Lyons, 9 Nov. 1932, Lyons MSS (AA), CP 103 (Series 19) Bundle 5 Folder 5; Sydney Morning Herald, 13 March 1934; Casey to Lyons, 22 Aug. 1931; Casey to Lyons, 1 Oct. 1934, Lyons MSS (AA), CP 103 (Series 19) Bundle 1 Folder C; CP 103 (Series 19) Bundle 9 Folder C.


29 Snow to Lyons, 4 Jan. 1939, Lyons MSS, Miscellaneous File.


31 Harold Ingledew to Lyons, 2 April 1931, Lyons MSS (AA), CP 30 (Series 2) Box 1 Folder I.


33 The Argus, 9 Dec. 1931.

34 The Argus, 15 Dec. 1937.

35 Gordon to Threlfall, 2 April 1932, Lyons MSS (AA), CP 103 (Series 19) Bundle 3 Folder G.

36 Information from Ricketson.


38 Information from Ricketson; confirmation of the last point is given by Ricketson in The Sydney Morning Herald, 16 Oct., 1941.

39 Ricketson to Glendyne, 18 June 1931, Ricketson MSS.


41 Menzies to Ricketson, 31 Dec. 1935, Ricketson MSS.


43 Lyons to Horsfield, 17 Aug. 1931, Lyons MSS (AA), CP 103 (Series 19) Bundle 1 Folder H; The Mercury (Hobart), 31 July 1937.

44 Clive Turnbull, writing in The Herald, 8 April 1939.

45 V.C. Bagot to J. Egan, 14 July 1932, Lyons MSS (AA), CP 103 (Series 19) Bundle 3 Folder E.

46 Medwin to Lyons, 17 Aug. 1932; Broinowski to Lyons, 27 Jan. 1933, Lyons MSS (AA), CP 30 (Series 3) Box 2 Folder M; CP 30 (Series 3) Box 3 Folder M.

47 Broinowski to Lyons, 27 Jan. 1933, Lyons MSS (AA), CP 30 (Series 3) Box 3 Folder B.
Australian Conservatism


49 Information from H.A. Standish, Latham's private secretary; see also Sir Maurice Hankey to General Sir Archibald A. Montgomery-Massingberd, 31 Jan. 1935, C.A.B. 21/86 (Hankey had stayed with Latham and Casey when visiting Australia).
The Stevens-Bruxner government took office in New South Wales in May 1932 following the dismissal of J.T. Lang from office. It was a time of acute political and economic crisis. In June 1932 Bertram Stevens, leader of the newly formed United Australia Party, was elected Premier and in conjunction with Michael Bruxner, the leader of the Country Party, governed the state for the then record period of seven years and three months. In August 1939 Stevens resigned following a personal defeat in the House. The policies which his government carried out affected the lives of almost everyone in the state. As yet, however, the history of the United Australia Party and of Stevens remains to be written. Certainly Professor Encel gave both brief mention in his 1962 Cabinet Government in Australia. His interest, however, was largely on the crisis which the party and government experienced in 1939. Professor Turner in his study of the New South Wales' Legislative Council, House of Review?, published in 1969, gave a thorough yet narrow review of the government's constitutional alterations, while the span of G.N. Hawker's The Parliament of New South Wales: 1856-1965 (Sydney 1971), precluded any analysis of the party and government in depth.

Oddly enough, for it was the minority party, the Country Party has had more extensive treatment. The uncritical, public relations
study by Ulrich Ellis, *The Country Party: A Political and Social History of the Party in New South Wales*, appeared in 1958. In 1969 Professor Aitkin produced *The Colonel: A Political Biography of Sir Michael Bruxner* and this was followed in 1972 by his *The Country Party in New South Wales: A Study of Organisation and Survival*. Aitkin’s extended analysis over a longer time span filled the gaps left by B.D. Graham’s *The Formation of the Australian Country Parties* published six years previously. The United Australia Party has therefore been examined from inside a framework of Country Party interests. The object of this brief essay is to concentrate more upon the United Australia Party members of the Stevens-Bruxner government. It attempts to describe the kinds of people who found themselves holding government office and in part what they did with the power they were given.

Stevens and Bruxner had a large majority from which to choose a ministry. After the June 1932 elections, the United Australia Party held twenty-nine metropolitan seats and twelve country, the Country Party had twenty-three. The composition of the United Australia Party in Parliament reflected very much middle-class interests. Company directors and managers; professional men: lawyers and accountants made up some 80 per cent of the numbers. In the Country Party, farmers and graziers naturally predominated, although there were also country businessmen. Farmers, however, held fourteen seats though farming was often combined with grazing. In the United Australia Party the largest commercial interests were possibly held by J. Jackson, ex-Lord Mayor of Sydney and chairman of a group of chain stores. But with the exception of Sir Philip Goldfinch of the Colonial Sugar Refining Company, elected at a by-election in 1935, there was no real leader of commerce or industry among them. In the Country Party the big landowners were represented by Bruxner himself, Hugh Main who ran a large property at Temora and bred racehorses as a side-line, and C.A. Sinclair who had taken a leading part in the affiliation of the Graziers’ Association with the Country Party.

That Country Party members had common economic interests may help explain why the party pursued a much more united purpose than did the United Australia Party. The Country Party’s only contribution to the debate over the nature of democratic institutions which had marked the turn of the decade was to revive the old idea of new states. It became a plank of the coalition’s plat-
The Making of a Cabinet

form in 1932 but what might have proved a decisive issue was shelved after the Nicholas Commission’s report in 1935 pointed to large constitutional difficulties to be overcome. In reality, the Country Party made no pretence of being based upon political abstractions. Bruxner simply wanted to put Country Party policy into effect. As the party’s journal pithily made the point, ‘The Country Party can claim that its mission is to implement, in a direct manner, the views and proposals emanating from organisations which are wholly of country origin.’ Such bound the Country Party: self-interest. It was thus prepared to use the state as a piece of machinery. The party might support schemes for organised marketing and for price fixing, and at the same time attempt to smash any idea for a rural workers’ award and workers’ compensation. Bruxner, administering Transport, for example, concentrated on making the railways pay so that lower freight rates could be secured for primary producers. Motor transport operators and railway workers suffered. Indeed, such sectional administration brought the Country Party into conflict with some members of the United Australia Party by 1936.

The Country Party may be shown then as being solid on most major political issues: the United Australia Party was not. It was only, however, in Stevens’ second and third terms of office that the differences became obvious. An important example may show it: the differing attitudes towards the introduction of the 40 hour week. The U.A.P. Convention approved the idea in principle, but Eric Spooner, then Minister for Works and Local Government, certainly did not. Indeed, Spooner argued that its supporters were nothing but ‘revolutionaries’ intent upon drastically changing the social order. Disregarding the fact that Spooner was also the Deputy Leader of the Party, S.A. Lloyd, the member for Concord and also Chairman of the Sydney County Council, successfully sponsored a motion to have a 40 hour week worked by council employees. Needless to say, the Employers’ Federation were appalled and so by inference were many of the parliamentary party, Stevens included. Such publicly divided opinion would have been unthinkable in the Country Party.

Again, the United Australia Party disagreed about an organised marketing policy and over transport. The party divided badly in 1936-7 over pre-selection, a split which showed a fundamental dif-
ference of opinion over the nature of party politics. In June 1932 and at a time of political activism unparalleled in the state’s history, seventeen new members were elected to the U.A.P. parliamentary benches. It is possible that some of the seventeen took the political debate seriously. If they did, trouble could be expected.

The political and social tension arising from the effects of the depression gave the selection of a ministry from the sixty-four government supporters in the House a special significance. Armed violence in New South Wales may have been averted by Stevens’ victory but the permanence of this victory could well depend on the calibre of the ministry he led. Without careful selection the coalition would be destroyed by conflicting interests. Even frequent re-shuffles might affect the implementation of policy or inhibit executive action. It is to the credit of both Stevens and Bruxner that such antagonism which at times nearly wrecked the federal coalition did not occur until Stevens went overseas in 1936, but even then it was not until August 1939 that the government actually broke down.

Three things at least contributed to this harmony. It was not forgotten that Lang candidates had polled just over 40 per cent of the vote in June 1932 and that in the 1935 elections Lang had picked up five of his previously lost seats. It seemed that Lang would remain a force in state politics, and perhaps it is not without significance that Stevens himself was only forced from office when the Labor Party was again badly split and Lang was losing power. Secondly there is little doubt that Stevens and Bruxner were compatible political partners. Even in the disappointment and bitterness of defeat at the hands of his own colleagues Stevens still spoke sincerely of his co-operation with Bruxner and of seven years’ harmonious relationship. And Bruxner felt much the same. Note the ‘opportunity’ he took at the March 1934 Annual Meeting of the Metropolitan Division of the United Country Parties to testify ‘to the outstanding loyalty of my colleagues to the Premier and the government, a loyalty which has been won very largely by the knowledge, capacity and fairness of Mr Stevens himself’. Of course, as his political ideas might indicate, Bruxner’s loyalty was not quite altruistic.
The third thing, therefore, to remember is that harmony was possible because Bruxner got largely what he wanted. As the Central Council of the U.C.P. reported in 1934, ‘the Stevens-Bruxner government in New South Wales typifies the form of government which the Australian people expected, and which the U.C.P. has always been willing to work under’. Approval of the government’s rural policy was well founded. It included moratorium protection and interest reduction. The principal on crown debts was reduced or postponed or arrangements were made for easy repayments. A Farmers’ Relief Act provided for the re-financing of bankrupt farmers and for the reduction of their debts. With more positiveness it raised the farmer’s income by stabilising prices by subsidies and by lowered freight rates. In 1936 Bruxner got control of country roads and thus could carry out a program of improvement of existing ones and the creation of new roads to main highways. One offshoot of the Country Party’s ideas on decentralisation was the creation of an embryo University of New England in 1938 and an attempt generally to raise the standard of life in country towns. It was a substantial achievement for a minority party.

Bruxner’s job of filling five full portfolios out of a Cabinet of fifteen was simple. Bruxner’s main contenders were those who had held office before. Indeed, although nine new Country Party members were elected in June 1932, it was not until late 1937 that one of them, C.A. Sinclair, got into the Cabinet and then only as an assistant minister. In 1932, Bruxner took the newly formed portfolio of Transport and became Deputy Premier; E.A. Buttenshaw, the ex-leader of the party, became Secretary for Lands, and D.H. Drummond was appointed Minister for Education. All had been ministers in the Bavin-Buttenshaw government. Two newcomers were Hugh Main with Agriculture and R.S. Vincent as Secretary for Mines and Minister for Forests. The Country Party ministers each had some twelve years’ political experience behind them, and with the exception of Vincent, had belonged to the Progressives.

Bruxner had good reason to be satisfied with the portfolios he commanded. Treasury could not be secured, but the five portfolios he did get were of evident country concern. No doubt he would have liked Public Works. With an unemployment rate of over 30 per cent, it is reasonable to assume that the Country Party would be
anxious to see that public relief works would be carried out in country areas. But given the fact that most of the unemployment was in the city, it was possibly deemed prudent to put the coalition’s well-being before party profit.

In seeking loyalty and ability, it has been shown that Bruxner relied upon political colleagues of long standing. He was in no way criticised for his choice. All was different for Stevens. Certainly the party gave him a free hand. While the party had been forming, the suggestion was made that a parliamentary caucus should select ministers. In April 1932 such procedure was proposed by the Deputy-Leader R.W.D. Weaver and was confirmed. But it came to nothing. Lang’s dismissal meant that quick action was needed and a further party meeting at once gave Stevens ‘plenipotentiary powers’. Despite a rear-guard attempt by some of the rank and file of the party, Stevens never gave up this prerogative. Cheerfully he ignored a resolution passed at the U.A.P. General Convention in April 1936 that state ministers should be chosen by the parliamentary party.

His attitude accorded with political realities. Caucus selection had been an All for Australia League demand but it would have made the satisfaction of special interests very difficult if implemented. Part of the bargain to amalgamate the All for Australia League with the National Party to create the United Australia Party would surely have meant that some All for Australia League representation in Cabinet would be secured. Those who had financed the election campaign had to be considered and the country wing of the party could not be ignored. Stevens, moreover, needed to satisfy himself that his ministry would be safe, reliable, and have ability. Without care, Stevens might have easily formed a Cabinet of mediocrities or of bright individualists. One might have achieved nothing; the other might have been impossible to control.

Such considerations led Stevens into unorthodoxy. He disregarded much of the experienced talent. Seven ex-ministers sat on the government side of the assembly: he ignored the claims of all except two, Frank Chaffey and R.W.D. Weaver. Yet as a ministry it remained remarkably stable. The Minister for Local Government, J. Jackson, did resign in 1933 and R.W.D. Weaver was dismissed in February 1935, yet the Cabinet did not undergo a major reshuffle until after the elections of March 1938. It is clear that Stevens exercised a strong and consistent leadership. Par-
particularly was this true in the first three years; it was not until the economic situation began to change that Stevens’ leadership was seriously questioned. In 1936 he skilfully kept his Cabinet together after E.S. Spooner, appointed in 1932 as Assistant Treasurer, differed severely and publicly with Bruxner. It was Spooner, however, by 1939 as Deputy Leader, who finally broke Stevens. But by this time Stevens had become unbending and inflexible.

The Stevens style of leadership was well suited, however, to the early years of his government. A large section of the electorate thought they needed a ‘strong man’ who would ‘get things done’. And he attempted to do them, often in the process ignoring his own backbenches, to say nothing of Parliament. Indeed, by July 1938 Stevens was forced into promising frequent party meetings at which policies, platforms, and plans in general might be discussed. The alternative was to see a motion put in the party room by two dissatisfied backbenchers that ‘A committee be formed to examine the annual election of the leader and the principle of elective ministries’.9 Just forty-one when he became Premier, Stevens had risen by his own efforts. At one stage it looked as if he had made a successful career in the public service. By 1920 he was Inspector of the Public Service Board and with accountancy qualifications moved to be the youngest officer ever appointed under-secretary to the Treasury. Lang, however, seems to have mistrusted him and in 1925 Stevens was shunted off into a dead-end job. He resigned from the public service and with Thomas Bavin’s help stood as a Nationalist candidate in the Croydon by-election. Elected, he went straight into the Cabinet as Assistant Treasurer and was given full Cabinet rank as Treasurer eighteen months later. In 1932 he wrested the leadership of the then forming United Australia Party from Bavin. It was not an action of which he could be particularly proud, but it suited the mood of 1932.

Stevens retained the Treasury and he brought a considerable financial reputation with him. Certainly he began as a conservative economic thinker. Indeed the whole concept of the Premiers’ Plan was conservative. But Stevens was to learn better. There is little doubt that by 1938-9 he privately had adopted a Keynesian position.10 It was politically dangerous. To make matters worse he budgeted for a surplus in 1938-9 and ended with a deficit of £2,800,000. An enlightened continuing economic education
coupled with a failure to achieve an expected orthodox economic result led to the charge in 1939 that he had faked the year’s accounts. In attempting to defend this charge he asked for a vote of confidence. Failure to get it led to his resignation.11

A sad ending, perhaps. After all, there had been a deficit of £14,200,000 when Stevens took office and a balanced budget had been attained by 1936-37. And this was done without cutting the social services. Rather it was the sale of state enterprises which made it possible and a certain dubious accounting procedure connected with the distribution of the Unemployment Relief Tax. Stevens, one suspects, was more victim than villain trapped into pursuing an economic policy which finally he knew was impractical. But this was in the future. What is certain is that in 1932 there was nobody in the party who could challenge his leadership. His deputy, R.W.D. Weaver, had neither the skill nor the deviousness. Weaver once admitted himself that he ‘was not cut out for the job of tactfully handling fourteen of his colleagues or of calmly listening to the propositions put up by the Chamber of Manufactures or Commerce or the primary producers’.12 This lack of sympathy with these interest groups tells us something about the man. In the period 1931-2 he had been a strong supporter of the New Guard and he was no friend of labour. Obviously he had few friends among the organised interest groups either, and he was to have fewer.

Weaver had first been elected as the member for Willoughby in 1917. He did not stand in 1925, but in October 1927 was returned as the Nationalist member for Neutral Bay. For part of the life of the Bavin-Buttenshaw government he held the portfolio of Mines and Forests. There he earned the hatred of the labour movement for his support of the police action at Rothbury when, in an attempt to reopen a strike-bound coal mine, non-unionists, drafted by the government, clashed violently with union members. In attempting to use ‘strong arm’ methods with right-wing interest groups he was much less successful. In three years he managed to antagonise the Graziers’ Association, the Protestant Church, and the British Medical Association. It seems highly probable that his conflict with the last contributed directly to his dismissal from office in February 1935.

This intractability towards organised opposition from both right and left may indicate that arrogance was his main political trait. It
It seems unlikely that he was particularly committed to the idea that the United Australia Party should govern in the interests of the whole of the community. Rather, it would seem that he would have no interference with the running of his department. Once out of office, it is true, he became a vocal member of the ‘democratic’ wing of the party, advocating the rights of Parliament over the control of the executive, but when Stevens was given the right to choose his own ministers there is no evidence that Weaver even objected. His later democratic pronouncements should perhaps be regarded with some caution. In any case they fail to square with his wholehearted enthusiasm for the New Guard.

It is possible that Weaver was given the portfolio of Health because it was unlikely to contain any lively issues. In the Bavin-Buttenshaw government it had been held by Dr R.D. Arthur. Dr Arthur did not contest the election of 1932 but he was much respected and highly thought of. Being elderly and in poor health, he had brought no radical ideas to the department’s administration. Weaver changed all this. For example there was the matter of the lottery. Given a non-conformist background, Stevens, backed by others of the same persuasion in the Cabinet, opposed it. Instituted by the Lang government to help pay for the hospitals the lottery had always drawn criticism from the ‘wowser’ element in the state. Stevens hedged on the question, and said that executive permission would have to be given before a lottery could be drawn. This, of course, meant very little, but it could have appeared that the hospitals would be short of money if the lotteries were in any way curtailed. Weaver at once sensed interference, and said, during Health Week in 1932, that the lottery money was dealing with ‘sickness, sorrow and sadness and that this is a greater purpose than singing songs and talking in a manner most hypocritical’. The lotteries were retained, but clearly Weaver had made no friends in the Council of Churches.

As Minister for Health, he controlled the Homebush abattoirs. The provisions for slaughtering came under his jurisdiction, though it was controlled by a Meat Board. Weaver’s wish to abolish this board and replace it with a single commissioner brought him up against the Graziers’ Association. The question was essentially one of producer control, demanded by the association, but, as Weaver pointed out, a quarter of a million consumers were interested in the undertaking and therefore ‘there could be no justification for
producer control’. Once again Weaver got his own way. A single commissioner was to be assisted by an Advisory Council, which represented all sections of the industry. The Graziers’ Association was far from satisfied. Power had been taken from its hands and placed in Weaver’s. As J.W. Allen, the President, argued, ‘the Board is not free from political control because the Commissioner is responsible to the minister and the advice from the council can be ignored’. Once again Weaver opposed outside interference in his administration and once again he had clearly made some powerful enemies.

It was his attempt to reform the hospital system which seems finally, however, to have led to his downfall. His wish was to make the hospitals more efficient and to exercise some form of centralised control over them. The need for centralised control was particularly acute, he argued, in the purchase of drugs and supplies. At the Annual Conference of the Hospitals’ Association in October 1932 he threatened that government subsidies might be denied to those hospitals which refused to buy their supplies from the government stores and insisted on paying nearly double for their drugs from private enterprise. In reply, the President of the Association suggested that ‘the minister, instead of making humiliating threats, should invite members of the Hospital Association to a conference’. There, for the moment, the matter rested. Weaver failed to respond to the suggestion for a conference, and there was no response from the hospitals to the plea for standardised buying.

In December 1932 Weaver, anxious that the cost of hospital management should rise no further, pointed out, in the party’s journal, that the only remedy for rising costs was standardisation in supply, and governmental control. As far as Weaver was concerned, local buying of supplies may have helped the local businessmen and the Chamber of Manufactures, but it contributed neither to hospital efficiency nor to reduction of costs. He argued that medical men were unfit to sit on the hospital board of management. They were there, he said, more often than not, to look after their own interests. The outcome of this criticism was the introduction in 1934 of an act which placed Weaver at the head of a government appointed Hospitals’ Commission. This commission held the power to conduct inquiries, to audit accounts and to supervise generally a hospital’s whole financial policy. The im-
Application was not lost on the medical profession, which naturally opposed the idea that private hospitals were not fit to run their own affairs. The Cessnock Hospital Board expressed the general reaction of the medical profession when it said, ‘Weaver had treated us like a lot of fools’. It went on to suggest, ominously, that it did not think that he was ‘fit to be a minister’. 19

At best, Weaver had been tactless. He made it quite clear that neither medical practitioners nor the storekeepers who supplied the hospitals were to sit on hospital boards. 20 To fuse commerce and the Hippocratic Oath did not amuse the British Medical Association. It introduced Dr A.J. Collins, the President of the New South Wales branch of the B.M.A., who pointedly said, ‘Mr Weaver’s continued attacks on my profession compel me to remind him that the parliamentary life of a Cabinet Minister is a most transitory thing being subject to the will of the people’. 21 This may have been so, but the life of a Cabinet minister at this time was subject not so much to the will of the people as to the will of Stevens. On 12 February 1935 he resigned the government’s commission, and reformed the ministry without Weaver.

The explanations given by Stevens were that Weaver had been disloyal to government policy, that he had not attended Cabinet meetings, that he had been for a long time in bad health and, therefore, had not worked as hard as he might have done. 22 One is not convinced. A more plausible explanation is that Weaver turned out to be an individualist, difficult to control, and therefore ‘unsafe’. Weaver himself had a different explanation: quite simply he was dismissed by the British Medical Association; ‘I now acknowledge quite frankly’, he said, ‘that the B.M.A. has dominated the U.A.P. cabinet. It threatened to withdraw funds unless I was dismissed’. 23 This cannot, of course, be proven. It is more likely that Stevens was perturbed when he looked at Weaver’s capacity for making trouble. In the cause of the lottery he had called the Council of Churches hypocrites, he had shown himself strongly opposed to the idea of producer control and so upset the Country Party, and finally he must have caused uneasiness among the supporters of the party through his criticism of the medical profession. It would have occurred to Stevens that the only way to avoid further embarrassment was to oust him from the government.
The sacking of Weaver shows the strength of Stevens. Weaver had been a member of the draft constitution committee of the U.A.P. in the earliest days of the party, and later became a member of the governing body of the party, the U.A.P. Council. Clearly he was no tyro or inconsequential member. Apart from this, his election to Deputy Leader indicates support inside the parliamentary party. Although *Smith's Weekly* wrote of the ‘colossal vanity’ of Stevens and suggested that his resignation was being demanded, this was never a possibility. A better informed source wrote to Bavin, ‘Nine out of ten people think that Stevens is right’. Stevens was possibly not swayed by these considerations. Shrewdly, he had picked his time just before an election. Any possible backbench support for Weaver was thus stopped dead.

Weaver was not the first minister to leave the original Cabinet. Jackson resigned his portfolio of Local Government in February 1933 and moved to the backbenches. Gleefully, the opposition saw it as a sign that the government was about to collapse, but all Stevens said was that Jackson ‘wanted to be released from his Ministerial duties in order that he might devote his time to his parliamentary duties as a private member’. Suitably bland, no doubt, and it was not until 1938 that it was admitted that Jackson ‘could not see eye to eye with his colleagues’. The disagreement obviously was about a government proposal to alter the franchise governing election of the Sydney Municipal Council. When the bill came before the house, Jackson objected to the elimination of the ‘lodger vote’ and in fact voted against this clause of the bill. Parliamentary duties or otherwise, it was quite impossible to remain in the Cabinet and do that. The reshuffle led to Eric Spooner getting Local Government and the appointment of H.P. Fitzsimons as Honorary Minister.

In selecting Fitzsimons, Stevens without qualm ignored old party battlers such as Milton Jarvie of Ashfield, J.B. Shand from Hornsby, and E.L. Sanders of Willoughby. But Fitzsimons was safe. Born and brought up in the suburb of Gordon, he was the son of W.R. Fitzsimons who for many years had been a Liberal then Nationalist member in the Assembly. Just thirty years old, and first elected for Lane Cove only in 1930, he was politically inexperienced and therefore quite likely to be very much a Stevens man. He was, and his reliability was rewarded in 1938 when he became Minister for Health.
Jackson’s departure is more important because it gave Eric Spooner real power for the first time. Spooner, much like Stevens, was a self-made man. Born in the working-class suburb of Redfern, he began work as an office-boy when aged fourteen. By the time he was ready to enter politics he was a forty-one year old accountant with an income of some £5,000 a year. Obviously capable, his stated reason for seeking pre-selection was that ‘a man who gives a portion of his life to his country that nurtured him may leave a much sounder impression upon his descendants than one who merely lives to add to his wealth’.26 This may well be true; he was also a most ambitious man. Why Stevens should have appointed him direct from his first election contest to the Cabinet as Assistant Treasurer, is hard to fathom. The Labor Daily thought it merely a ‘lodge appointment’: It may have been caused by the agitation from the All for Australia League to bring more businessmen into government. Whatever the cause, Spooner’s presence was soon felt.

Almost at once Spooner was given the job of introducing the controversial Farmers’ Relief Bill into the House, and when he got Local Government, local councils soon knew it. Spooner simply antagonised those councils who would not do exactly as they were told. For evidence, regard his exercise of a petty legalistic authority in a dispute with the Cabramatta-Canley Vale Municipal Council. An issue arose because the council, feeling that the municipal elections were close, decided not to incur the extra expense of a council by-election following the death of one of their aldermen. Spooner exerted his authority. An election was ordered, a returning officer was appointed, and the vacant position filled. The council promptly declared itself black until after the municipal elections. By 1934, Spooner’s activities had put him at odds with the executive of the Local Government Association. In their view Spooner had ‘done things which are an absolute abrogation of local government’.27 Nevertheless, Spooner appointed a Mayor of Waverley, and an administrator to handle affairs at Bankstown. It might be that the Easter Conference of the State Labor Party was going too far when it referred to Spooner in April 1934 as ‘the Fascist dictator of the state’. But as the Local Government Association noted, Spooner was overfond of centralised control.

More simply, he liked power, and during the life of the government some of his ambition to have it was fulfilled. He benefited
from Weaver's dismissal. In August 1935 Public Works was con­joined with Local Government, and in place of Weaver, Spooner was elected Deputy Leader of the party. Naturally, control of a big spending department was much to Spooner’s taste. Moreover, when Stevens went overseas for six months from March 1936, Spooner became both Acting Leader and Acting Treasurer. Reasonable progress, one might argue, for an erstwhile political unknown to make in four years. Such, however, was to be the pinnacle of his career: while ambition remained undiminished, advancement was checked.

Spooner made the mistake of upsetting Bruxner and Country Party interests while Stevens was away, and he never recovered. Moreover, it seemed that Stevens tended to side with Bruxner. It was suggested that a Public Works Committee be set up, a clear threat to Spooner. More importantly, when Stevens reshuffled his Cabinet after the 1938 elections, Spooner was passed over for the Treasurer’s job, and from there it would have been just a step to the Premiership. Spooner simply would not accept his now unen­viable position. In August 1939 he tried to capitalise on the effects of the state’s deteriorating economic fortunes and the dissatisfaction of a cave of discontented U.A.P. members to make a determined bid for leadership. On 20 July 1939 and on the grounds that he felt the account had been mismanaged, Spooner resigned from the Cabinet and attacked Stevens’ financial policy. After a three day debate, during which Stevens chose to regard Spooner’s motion as one of direct censure, the government was defeated by two votes and Stevens resigned. It was also the end of Spooner’s career in state politics.

It cannot, however, really be argued that Stevens had originally made a mistake in appointing Spooner. Perhaps Stevens had not been ruthless enough towards his own protégé, and Stevens did put a high priority on safeness in 1932. But Spooner had been ‘safe’ for over six years. Stevens did operate on the basis of personal loyalty, but it was directed towards ensuring a quid pro quo. Spooner is a case in point; putting of H.M. Hawkins and H.E. Manning into the council and then into Cabinet is another example. Spooner had been an unknown in politics: so was Hawkins. It is true that he had done some work for Bavin, who asked him to chair a committee set up to try to find work for unemployed women and girls, but this scarcely counts as political experience. He did have some expertise
in organising relief operations and was Managing Treasurer of the United Charities fund as well as being closely connected with the Central Methodist Mission. As a businessman he was Managing Director of H.W. Horning & Co. Ltd, and a past President of the Federated Real Estate Institute of Australia. Perhaps not quite the qualifications for immediate Cabinet rank after not even contesting an election Campaign.

To explain his appointment, it is necessary rather to look at Hawkins' connection with the All for Australia League. He had represented this body in the preliminary negotiations that had led to formation of the state branch of the United Australia Party. When the party was formed he became a member of the U.A.P. Finance Committee whose job it was to raise money for the 1932 elections. Now, as suggested earlier it seems unlikely that the All for Australia League would have merged unless there had been some guarantee of Cabinet representation and one suspects that this goes a long way to rationalise Hawkins' inclusion as a junior minister assisting the Minister for Labour and Industry. The fact that Hawkins, as did Stevens, combined politics with Methodist lay-preaching, would have helped ensure loyalty, and in turn Hawkins was awarded with the portfolio of Social Services in August 1935. He kept this position until he fell to his death from the seventh floor of the A.P.A. building in June 1939.

Hawkins' entry into the Cabinet might be compared to that of Manning. With no success, Manning had been trying to get a seat since 1910. He ran again in 1913, and again in 1932. On three occasions his offer had not been accepted by the electorate. Yet Manning became Attorney General. As with Hawkins, there were reasons other than political experience. Firstly, Manning was very safe indeed. He had married the daughter of Sir James Martin who three times had been Premier of the state. His own father, William Manning, had represented South Sydney in the Assembly. Manning obviously was one of the Sydney establishment. Secondly, Stevens wanted to reform the Legislative Council, and Manning, a well known K.C. had made a special study of the problem. Thirdly, Manning's inclusion might well have been a concession to the financial houses. It will be remembered that Lang's Mortgage Taxation Bill held fearful possibilities for them; Manning as Chairman of the board of the Mutual Life and Citizens' Insurance Co. would have had a direct interest in seeing that such a proposition
was never put again. There is no reason to believe that the financial houses would have felt any less confident after his appointment and Stevens would have realised this. One does not argue that the insurance companies and banks dictated Manning's inclusion or anybody else's, but it might be remembered that Sir Sydney Snow, once described as 'a very good guide, philosopher and friend to the U.A.P.', combined the office of Deputy-President of the United Australia Party with a directorship of the Colonial Mutual Life Insurance Co. The connection also of Snow to Hawkins need not be overlooked: Snow had been heavily involved with the All for Australia League.

With such interests catered for, Stevens may have been wise to have tried to off-set some of the conservative image Manning's appointment might have created. This he did by appointing J.M. Dunningham as Minister for Labour and Industry. Dunningham had been from 1927 to 1928 the Mayor of Randwick. He had a colourful background: he had been a city mercer, a bookmaker, Treasurer of Tattersalls Club and a church organist. The bookmaking facet could well have given him acceptance among the wage earners as being 'one of the boys'. In fact, he was far from this. In 1932 his proposed amendments to the Industrial Arbitration Act would have severely curtailed union power if they had been adopted. He was opposed to union approval of labour and urged that any employer with more than fifty employees should be allowed to make a separate agreement with them and thus be exempt from award conditions. Stevens would accept none of this. But with Dunningham he had found a strong supporter of the idea of economy in government spending. Indeed, he had once threatened to resign from the Randwick Council when they had proposed a £100,000 loan. Dunningham died suddenly in May 1938, and he held his portfolio to the end.

There remained the country interests of the United Australia Party to satisfy, and such interests came to be represented by L.O. Martin as Minister for Justice and F.A. Chaffey as Colonial Secretary. Chaffey, who had flirted with the Progressives, had taken a big part in the formation of the Farmers' and Settlers' Association in New South Wales. Elected first in 1913 when aged twenty-five, he had first been in the Cabinet of Sir George Fuller as Minister for Agriculture. For a while he had held Mines and Forests
in the Bavin-Buttenshaw government until he became Colonial Secretary. He retained this portfolio in 1932 until the first major reshuffle ousted him in an atmosphere of considerable bitterness. Chaffey was to vote against Stevens in August 1939 and thus contributed to his downfall. But there is no doubt he deserved a place in 1932 and that he reflected the interests of the farmer in those areas which had not returned a Country Party member. L.O. Martin combined a grazing and dairying interest with a law practice, and was described as an expert in the legal problems of the primary producer. Moreover he had been the Mayor of Taree for many years and in 1934 was elected Vice President of the United Australia Party representing country interests.

There was a time when Martin’s name was being mentioned as a possible successor to Stevens, but such enthusiasm did not last long. The Moratorium Bill, the first major piece of legislation he introduced into the House, destroyed the chance he might have had. On any reading, his Moratorium Bill was badly advised; it appeared that moratorium protection would be removed entirely and the bill was hastily withdrawn and amended in the party room. Martin was eclipsed, and it has been shown that it was Spooner who benefited when the Deputy Leadership became vacant.

Stevens had by-passed party faithfuls, but not entirely. The only reason J. Ryan could have been appointed Honorary Minister was long service. In the 1880s, Ryan had been editor of the *Lithgow Mercury* and it seems that his most notable achievement was to argue that the armaments factory should be sited there. But he had been a founder member of the National Party, and perhaps in recognition of this service Bavin had made him an Honorary Minister in the 1930 Cabinet. Even though Ryan does not appear to have been active in the party’s affairs, it seems that Stevens felt obliged to continue with the gesture. Ryan almost lost his seat in the Legislative Council in 1936 when he was elected only on the twenty-third count of the votes. By then Stevens may have felt that his generosity had gone far enough and in 1938 he left him out of the re-shuffled Cabinet. Typically, it seems to have left Ryan unaffected. At least there was no repercussion.

Such then was the selection. Is it possible to see any pattern emerging? Once the obvious catering for regional and sectional interests is noticed, the fact remains that Bruxner and Stevens tended to dominate their selection. Bruxner relied on the proven and
trusted, Stevens turned in the other direction. Both were uncluttered by caucus, and surely this worked to Stevens’ advantage. On the surface, and Weaver possibly apart, ministers owed their jobs to one man. And Weaver was eventually removed. A certain ‘old boy’ network operated. Canon R.S.B. Hammond claimed Hawkins, Dunningham, and Stevens as old friends: the link between them was the Methodist church. Perhaps a masonic relationship connected Spooner with Stevens. If so, something went wrong with the masonic pledge. It also seems that Sir Sydney Snow, the retailer, had influence. It must not be forgotten that the United Australia Party was formed in New South Wales by an amalgamation of the All for Australia League and National Party, and Snow was high in All for Australia League Councils. In 1932, Snow was entrusted with the overall supervision of the party’s campaign. For every year of the United Australia Party’s existence he was unanimously elected chairman of the party council and executive. Possibly he had backed Hawkins. Moreover, Jackson and Snow were tied through a mutual commercial interest, while Snow and Manning were heavily connected with insurance.

Yet one would not argue that the United Australia part of the ministry represented the National Party ‘writ large’. The newcomers were in part an acknowledgment of the commonly held belief among right-wing voters that the National Party was incapable of doing anything positive as long as it was filled with party hacks who helped stir up the left by conservative class antagonism. Stevens himself echoed part of this sentiment when he said:

> When the time comes for me to retire from politics I hope to have left the impression that the less people have to do with partisan politics and the more they adhere to principle, the more readily they would gain contentment in community life.\(^{34}\)

To know how serious he was awaits a study of Stevens himself. It would be ironic if there had been traces of a similar idea in the minds of those from his own party who destroyed him in 1939.

**Notes**

The Making of a Cabinet


3 *S.M.H.*, 18 April 1936, p. 17.


5 See the writer's article, 'A Law and Order Election, N.S.W., June 1932', *Journal of the Royal Australian Historical Society*, 60, June 1974, pp. 105-16.

6 Typescript speech by Stevens, Mitchell Library Q329.21/S.

7 *A.C.P.M.J.*, 1 April 1934, p. 9.

8 Ibid., p. 4.

9 *S.M.H.*, 13 July 1938, p. 15.

10 I owe this point to Professor J.M. Ward who in 1940-1 worked for Stevens.


12 *S.M.H.*, 22 May 1934, p. 9.

13 See the Arthur MSS, Uncat MS, Set 473, Mitchell Library.


24 A.W. Allen to Bavin (copy), 18 Feb. 1935, Allen MSS.


26 *Sunday Sun and Guardian*, 4 Sept. 1932, p. 5.

27 *Smith's Weekly*, 3 Feb. 1934, p. 3.

28 Interview, Miss Eleanor Manning.


30 N.S.W. State Archives, Department of Labour and Industry Files, 310521, 319384, Box 03489.


34 *S.M.H.*, 26 Sept. 1933, p. 10.
Albert Dunstan, like quite a few Country Party politicians, cannot be categorised readily according to the conventional dichotomies: right/left or conservative/progressive. Nor was he a political figure who can be explained easily by background and upbringing, for he saw to it that very little was known of his personal life: to the public on whom he made an impression, he just appeared and fixed himself awhile. Inasmuch as he can be explained at all, it is in the context of Victorian state politics that one has to seek some sort of background. Although it was claimed that he had yearnings to enter federal politics, even after he had established himself as Premier of Victoria, it is difficult to imagine him making a significant impact in that milieu. Few politicians who, having first made an impression in state politics, have then chosen to break into federal politics have made that transition a successful one. And Albert Dunstan was so peculiarly a creature of that exotic political subculture that was Victoria’s in the aftermath of World War I that it is difficult to visualise him building up a formidable following in a wider field, even if he had seized an opportunity of entering it.

Professor Bruce Miller has divided state political leaders into two categories: those who have become so identified with the interests of their own respective states as to carry influence well outside the
bounds of a particular political party; and those who have gained such control over their respective party machines as to be unchallenged in leadership. To exemplify the first category, Professor Miller identified Thomas Playford in South Australia, James Mitchell in Western Australia, A.G. Ogilvie and Robert Cosgrove in Tasmania, and Henry Bolte in Victoria. The second category is confined to two identities: J.T. Lang of New South Wales and Albert Dunstan.¹ And yet these latter two are utterly dissimilar in almost every particular except that characteristic Miller discerned; and even that has to be qualified.

J.T. Lang gained control of a political machine and so impressed it with his personality that he was able for a time to project himself, not implausibly, as the authentic spokesman of industrial labour in the most populous and most industrialised state in Australia. When Lang had his commission as Premier revoked by the Governor, the ex-Premier in the ensuing election campaign was able to attract a rally of his faithful at Moore Park estimated at 150,000 people who presumably voted for him. Yet this figure was swamped when the election returns in aggregate decreed Lang’s defeat, and he was never to hold a ministerial portfolio again. In all, J.T. Lang held ministerial office for a total of six years, of which three years eleven months were spent as Premier.

Dunstan’s political machine was of an entirely different character to Lang’s: to have rallied 150,000 supporters publicly to acclaim him as its leader on the eve of defeat, as Lang’s did, would have been way beyond it. Dunstan’s party, the Country Party, even at its most successful election in terms of Assembly seats gained, attracted no more than 128,000 votes out of a total poll of 842,239. Yet such was the nature of Victoria’s electoral system in 1943 that Dunstan’s party gained twenty contested seats plus six uncontested seats, against Labor’s fifteen contested seats plus seven uncontested seats and the United Australia Party’s twelve contested seats plus one uncontested seat. The total vote of Dunstan’s party was not only well below that of his two chief rival parties but also slightly below that of three successful Independent candidates. And this bizarre election result occurred in the second most populous and industrialised state in Australia! In all, Albert Dunstan held ministerial office for a total of fourteen years four and a half months, of which ten years six months were spent as Premier.

Albert Dunstan’s machine, even at the best of times, was foun-
ded on a very narrow electoral base; and until the last years of his premiership his control over it was very loose. His ultimate control over the machine postdated his ascendancy within the parliamentary party and culminated in his ending the formal exclusion of parliamentary representation from the party organisation's executive: the Central Council. And yet shortly after asserting his authority over the party organisation in this fashion, an erosion of support within the parliamentary party sufficed to persuade him to relinquish the parliamentary leadership and much of the influence that went with it.

From the time Dunstan's party first gained access to the Victorian Parliament in the closing stages of World War I as the Victorian Farmers' Union, to be renamed the Victorian Country Party, then as a rebellious offshoot from the latter known as the Country Progressive Party, and then as an amalgamation of the two known as the United Country Party, much of its energy was dissipated in bitter controversy surrounding the role of its parliamentary representatives, the degree of control to be exercised over the latter by the extra-parliamentary organisation and, central to both questions, the nature and extent of any co-operative arrangements which the parliamentary party, as a minority group in the Parliament, should enter with other parties.

Albert Dunstan entered the Victorian Legislative Assembly in 1920 as one of eight newly elected Victorian Farmers' Union members who reinforced the original five elected in 1917. His seat, Eaglehawk, had been won from a Labor member and this was to affect his own future conduct as a member. This bloc of members of the Country Party (hereinafter so called for the sake of simplicity) held the balance of power in the Legislative Assembly of sixty-five members (against thirty Nationalists, twenty A.L.P. members and two Independents); and the power of the Country Party thus established, to play off rival groupings one against the other, was not effectively broken until the 1950s.

This result in 1920 was an astonishing achievement for a party which had been formed only in 1914 to challenge those parties already established in rural districts, but such swiftly gained success in the parliamentary sphere was to result in a certain lopsidedness in the party's development. The rural areas in which the Country Party had made and was to continue to make headway were those
which sustained small-holders, among them Mallee wheatgrowers, Goulburn Valley fruitgrowers and Gippsland dairy farmers; and it was a rural constituency which had previously been more sharply divided between Labor and non-Labor voters than those areas in other states where the Country Party was to establish itself. This meant that the Victorian Country Party was destined only with very great difficulty to contain those old conservative-rural populist antipathies which had previously been divided on party lines. By 1920, before any concerted attempt had been made to reconcile the differences in outlook in the Country Party’s scattered membership or to thrash out a coherent and specific program of legislative proposals, the party’s parliamentary wing was so increased in numbers that subsequent attempts to devise such a program together with a tight discipline and a clearsighted strategy were to divide this parliamentary membership and spill over into the already unsettled milieu of the Victorian Parliament. In the 1920s this milieu greatly absorbed Albert Dunstan’s energies; he in turn was sustained by it and, from factors both fortuitous and contrived, was to be aided by it in his own advancement.

The new party’s ‘third force’ strategy was given an airing after the 1920 election when John Allan, the party’s leader, moved a vote of censure against the Nationalist government in the expectation of defeating it and forming a ministry with certain dissident Nationalists. The Labor Party frustrated this objective by voting with the government. In July 1921 Allan succeeded in defeating the government in the Assembly with the help of Labor members without forcing the government to resign. But in September 1921 the ‘third force’ strategy faltered when the Country Party split on the question of a censure motion which Labor moved against the government; a number of Country Party members led by Dunstan crossed the floor while Allan led most of the party in voting to save the government. As a result of this division in the party, Dunstan in an attempt to undermine Allan’s leadership unsuccessfully sought the Central Council’s assistance in censuring him for voting to keep the Nationalists in office. This division between the more staid forces in the Country Party and the more ‘radical’ elements for whom Dunstan became the acknowledged spokesman in Parliament was to culminate in a split in 1926. In the meantime the question of composite ministries was to keep the two factions at loggerheads.
In September 1923, after the first recorded composite ministry which the Country Party joined — the Bruce-Page federal government — had been in office several months, the Victorian Premier, Harry Lawson, invited five Country Party members to accept places in a ministry, the other seven places being allocated to Nationalists. These five Country Party members accepted, apparently without any consultation with their party’s Central Council. The council, after discussing the situation behind closed doors, adopted a resolution to be submitted to the forthcoming Annual Conference at Bendigo. The resolution disapproved of the method by which the ministry had been formed, but expressed support for it provided it could be brought to an end by a majority vote of the party at a properly constituted meeting called for the purpose. Other conditions provided that no electoral pact should be made with another party; that the parties should meet separately; and that the arrangement should be reviewed at a joint meeting of the parliamentary party and the Central Council at the end of the session. Apart from the final condition, the others relating to the party’s conduct under such an arrangement were substantially the same as those under which the federal party operated in the Bruce-Page government. Two other Central Council resolutions also to be submitted to the Annual Conference empowered the parliamentary party to enter into such an arrangement with another party by a majority vote subject to the endorsement of Central Council which would thus be made binding on parliamentary members.

These resolutions were debated at the conference and at times feeling ran so high that the organisation appeared to be on the verge of splitting. John Allan and George Goudie, two ministers in this controversial government, defended their actions while Albert Dunstan, who had not been included, outspokenly denounced them. There seemed to be no basis for reconciliation between the two factions. P.G. Stewart, M.H.R., finally rescued the conference from disruption by working overnight with a committee representing the differing strands of opinion, drawing up a compromise amendment to the Central Council resolution and submitting it the following morning. This provided that the arrangement should definitely end with the parliamentary session without any question of review. The amended resolutions then passed with only one abstention. Although this compromise preserved Country Party unity, it smashed the ministry. The Premier, Harry Lawson, re-
garded this compromise as nullifying a memorandum on cooperation between the parties to the composite ministry on which the Nationalists and the Country Party ministerialists had agreed. He approached the Governor and asked that his commission be renewed. Granted a new commission, Lawson formed an all-Nationalist government. It is indicative of the divided counsels within the Country Party at that time that John Allan was unprepared to confide the contents of this memorandum to his own backbenchers or to his party organisation. For this reason, Lawson's action seemed to most Country Party members to have been inexcusably high-handed; so much so, that when Lawson shortly afterwards resigned the Premiership in the expectation of an easy elevation to the Speakership, he was defeated by a Country Party candidate who secured the combined support of his own party and the Labor Party.4

Three issues can be isolated as ones on which the majority of the Country Party's parliamentary membership were at odds with a changeable faction, one of whose constants was Albert Dunstan's leadership: redistribution, composite ministries, and the question of a compulsory wheat pool.

In 1924 Alexander Peacock, who had succeeded Lawson as Premier, introduced a bill for the redistribution of Assembly seats. Country Party members of the previous composite ministry had endorsed this legislation, but Dunstan was to lead a minority of his party in opposition to it. The bill proposed to increase the Assembly by three city members and to change the city-country ratio of voting strength from 100:33 to 100:44.5 Apart from Dunstan's faction, some Nationalists opposed the bill as being undemocratic and some were pledged to vote against any increase in the size of the Assembly. The bill was defeated on May 30 by thirty-one votes to twenty-six with four Country Party members (Carlisle, Downward, Dunstan and Lind) and six Nationalists voting with the Labor Party. This defeat resulted in an election. In the course of the campaign John Allan expressed his preference for another composite ministry,6 while Dunstan employed the favourite catch-cry of those opposed to composite ministries and declared his preference for 'measures not men'.7

The Country Party's seats remained firm at thirteen as a result of the election; and all manner of possibilities emerged in the new Assembly. Allan was clearly interested in keeping Labor out of of-
Albert Dunstan and Victorian Government

fice but his own ambitions for office, even for the Premiership, made him determined to adopt a tough line with the Nationalists. The Country Party Central Council was adamant that participation in a composite ministry should be conditional on the Premiership and five other portfolios being in Country Party hands, a condition Allan was able to meet by November (with the addition of an extra place). In the meantime, the Country Party supported a Labor lack of confidence motion against Peacock while Allan dissociated himself from Labor policies. The result was a Labor ministry under George Prendergast which Dunstan alone of the Country Party members supported. Prendergast introduced legislation for a compulsory wheat pool which survived the Assembly but was defeated in the Legislative Council by the Nationalist majority. Against this background, negotiations among the non-Labor parties continued and attained their full flowering on November 18 when a composite ministry of six Nationalists and six Country Party members took office with John Allan as Premier.

The Allan-Peacock composite ministry lasted from November 1924 until 20 May 1927 and was given a very turbulent passage. By June 1925 Albert Dunstan had moved into complete opposition to the Country Party majority and was to prove a constant thorn in John Allan’s side. One important item of legislation the government eventually had enacted was a redistribution of seats, which remained in force until 1944 and which at the time of its enactment established a city-country ratio of voting strength of 100:47. In the meantime, however, the Country Party was split on the question of composite ministries. At the Country Party conference in March 1926 motions against composite ministries moved by Dunstan and P.G. Stewart, M.H.R., who had resigned from the Bruce-Page government on the issue, were defeated. By mid-April Dunstan and others of his persuasion had formed a breakaway group called the Primary Producers Union which changed its name to the Country Progressive Party at its first conference in mid-September 1926. The Country Progressive Party held out against the Victorian Country Party until September 1930 when the two groupings came together as the United Country Party; as an independent force the C.P.P. was to survive two elections and three changes of ministry.

In the first election which was held on the new boundaries in 1927, the Nationalists were the only party to suffer significant
losses. The rural slant demanded by their collaboration of convenience left the Country Party’s numbers unaltered. Labor was able to hold its own while Dunstan’s following, the Country Progressives, seized two of the three new seats which had formerly made up the single electorate of Swan Hill and also gained Benalla. They were able to rely on an already strong element of radical sentiment in their electorates, which the Allan-Peacock government had done little to appease. Although the Victorian Country Party polled 58,370 primary votes, the Country Progressives’ tally was 31,849. In the electorates where the two country parties clashed, the Victorian Country Party polled a total of 31,234 primary votes against the Progressives’ total of 26,293. At the same time, the Progressives’ gain in seats was not so spectacular. E.F. Cleary in Benalla and A.G. Allnutt in Mildura relied on the preferences of the Victorian Country Party candidates to hold their lead, while H. Glowry in Ouyen depended on Labor preferences. Dunstan’s victory in Korong-Eaglehawk was the only one gained in a straight contest. Their numbers in the Assembly, when combined with the metropolitan Liberals (a Nationalist breakaway) and a few Independents, were sufficient to establish two minority Labor ministries in office, and their overall voting strength in rural electorates was to give them a formidable bargaining power in future negotiations with the Victorian Country Party on the question of reunion.

As a result of the 1927 election, the Allan-Peacock government resigned and a Labor ministry led by E.J. Hogan survived for sixteen months promising to satisfy the Liberals who wanted electoral reform and the Country Progressives who wanted more government aid for small farmers then battling against drought and falling prices. A bill for the redistribution of seats was defeated in the Assembly when the Nationalist leader, Sir William McPherson, moved a vote of no confidence and carried it with the support of both the Victorian Country Party and the Progressives. The Hogan government was refused a dissolution and resigned; Sir William McPherson then took office leading a Nationalist ministry.

In November 1928, the Central Council, Victorian Country Party, passed a motion to be submitted at the next conference designed to promote some basis for reconciliation between the two country parties.* At the Victorian Country Party Conference in 1929, the speeches showed clearly that the main cause of division was the
issue of composite ministries. If policy matters had played any part in the division of opinion, the delegates thought of them as being too insignificant to mention. The Central Council resolution was passed unanimously and an additional motion calling for a round-table conference to which each party should send five delegates 'with the object of achieving amalgamation' was passed on the voices. The two committees subsequently met in Melbourne. Although the conference sat for six hours, no agreement was reached on the main topic of discussion — composite ministries — and it adjourned.

At the next meeting of the two committees, the Country Progressives proposed that the united party should 'remain absolutely independent until such time as it becomes strong enough to form a Ministry'. The Victorian Country Party moved an amendment that composite ministries should be permitted subject to the consent of a 60 per cent majority of the united party's Central Council. The voting on both the motion and the amendment was strictly on party lines, five for, five against, and as the chairman had no casting vote, both lapsed. A resolution was then submitted and carried providing that the two sets of proposals should be submitted to the respective annual conferences with a view to further action.

Between this unfruitful set of negotiations and the annual conferences of the two country parties, an election took place. The Progressives maintained their hold on four seats, Labor gained two seats from the Nationalists to bring its total to thirty, and the Victorian Country Party gained a seat from the Nationalists bringing its total to eleven. Each Country Party had held its ground through two elections and had been unwavering in its views on composite ministries, but their mutual desire for unity depended on some sacrifice of principle by one or both. At the 1930 Conference of the Victorian Country Party, John Allan showed some slight willingness to give ground. The amendment which the V.C.P. five-member committee had moved to the original Progressive motion barring composite ministries was carried with only a few dissentients, while the motion itself was overwhelmingly defeated. Another motion calling for a 66 per cent majority of Central Council as a prerequisite to the formation of a composite ministry was defeated 141 to 192. The results of the Country Progressives' Conference showed them to be equally adamant. Despite this, a con-
ference consisting of the membership of the two factions' previous annual conferences assembled in September 1930 and adopted the V.C.P. Constitution with only two alterations. A rule of the Country Progressives' Constitution debarring members of parliament from membership of the Central Council was adopted together with a provision making necessary the endorsement of 66 per cent of the members of Central Council before the formation of any composite ministry. On the basis of this hard-fought agreement, the two parties came together. Albert Dunstan was welcomed into the united party as a returned prodigal and despite the antipathy to him in V.C.P. circles was made Deputy Leader, a position he could not have aspired to in any other circumstances. Ironically he was to join three subsequent composite ministries, and only in the last case was the ironclad 66 per cent rule observed to the letter. Moreover he was to take the leading hand nearly fifteen years later in having the ban on parliamentarians' membership of Central Council lifted.

From the time of this reunion of the two country parties until the 1935 election and its aftermath, Albert Dunstan seemed to react more passively to events than he had previously. The presence who was to loom large in the Country Party organisation then and later was A.E. Hocking, a wealthy Melbourne accountant with large fruit growing interests. Hocking had made an unsuccessful attempt to enter the Legislative Council in 1931, but thereafter he concentrated his efforts in building up his influence within the organisation. It seemed as if Hocking had succeeded to the role formerly filled by P.G. Stewart and Albert Dunstan and become the party's scourge against participation in composite ministries. By 1933 such a posture ill-became Dunstan; he was a minister in just such a government.

In 1932, the Labor government with Thomas Tunnecliffe as Acting Premier defaulted at the direction of its executive, on its undertaking to implement the Premiers' Plan despite the muffled protests of the Premier, E.J. Hogan, who was overseas. The government was defeated in the Assembly; Sir Stanley Argyle was commissioned as Premier and granted a dissolution. The United Australia Party made considerable gains in the election which followed and formed a government with the assistance of the Country Party. John Allan and Albert Dunstan (who with George Goudie held three portfolios in the new ministry) claimed that the
parliamentary party had acted in accordance with a Central Coun­cil resolution of the previous year (passed eleven-two) favouring the formation of a non-party ministry and inviting the parliamentary party to take any action it considered necessary to put that desire into effect. They outlined the negotiations leading up to the for­mation of the government at a special meeting of the Central Coun­cil. While the Central Council was prepared to support the three ministers and defeat a motion critical of their conduct, it gave unanimous support to another motion inspired by Hocking setting down the limits within which the party’s participation in the ministry would be confined. As usual, no co-operation between the parties in the electorates was to be allowed. The duration of the ministry was to be limited to the life of the Parliament and parliamentary members were encouraged to speak and vote ‘in loyal accordance with the policy of their party on all issues outside the scope of the Premiers’ Plan’. These conditions left very little room for a harmonious partnership, and the latter one in particular was a gift for any mischief-maker.

From July 1932 until the election in 1935, the Country Party organisation seemed well in tune with Hocking’s determination to end the party’s association with the Argyle government. When Central Council resolutions calling for the withdrawal of the three ministers were ignored, a compromise arrangement was passed at the 1934 Conference specifying that a composite ministry could be ended by a simple majority at a joint meeting of Central Council and parliamentary party called for that purpose. (The original motion was designed to apply the same rule for withdrawal as for entry: a 66 per cent majority of Central Council.) Right up to the 1935 election, all efforts to withdraw the ministers had failed, but Central Council had succeeded in persuading the parliamentary party to displace John Allan as leader. The recommendation that he be replaced by Dunstan was ignored and they chose instead a backbencher, Brigadier Murray Bourchier. Sir Stanley Argyle opened the government’s campaign for the 1935 election at the Malvern Town Hall with all three Country Party ministers sitting behind him.

As a result of the election the United Australia Party sustained four losses (two to the Country Party, two to the A.L.P.) to be added to four losses prior to the election (three by-elections, one defection) — all to the Country Party. But it was still the largest
party in the Assembly having won 41 per cent of the total vote in the contested seats as against the A.L.P.'s 38 per cent and the Country Party's 15 per cent. Not surprisingly then, the metropolitan press concluded that the previous party alignments would persist and hailed a government victory. Within a few days, however, the Labor leader Thomas Tunnecliffe caused a sensation to members of all parties including his own by proposing that the Argyle ministry be displaced by the Country Party with the help of Labor. 14

Arthur Calwell, who was then President of the Victorian Branch of the A.L.P., has since claimed that this proposal was his idea and his alone, and it is easy enough to believe him. 15 He claimed furthermore that its acceptance within the Labor Party was largely due to John Wren's enthusiasm for it, and this also is easy enough to believe. The role of Albert Dunstan who was close to Wren was cautiously motivated right up to the end. Tunnecliffe's offer must have come as a surprise to Bourchier and his following, for in the previous Parliament they had been the target of vitriolic abuse from Labor members including Tunnecliffe himself, and this had not abated during the election campaign. The surprise of Country Party members was equalled if not surpassed in Labor circles in view of the scorn poured on Labor by Country Party members including Dunstan during the same campaign and earlier. The party's official paper, Labor Call, in its post-election issue, envisaged its party's role in Parliament as that of an active, critical and well-informed opposition and expounded this theme the day after Tunnecliffe's offer to Bourchier was announced. 16 The Country Party did not act on Tunnecliffe's offer immediately, for the only details known to Bourchier were the newspaper accounts; no formal communication reached him for at least a week after it had been first mooted. Of all Country Party responses, only Hocking's was consistently enthusiastic, and Dunstan played along with both Hocking and Argyle while a final decision on the offer still had to be reached, receiving crucial support from Hocking in wresting the party leadership from Bourchier, and accepting the Deputy Premiership from Argyle, to Hocking's privately expressed rage. 17

The decision to withdraw from the Argyle ministry was passed twenty seven to fourteen by a joint meeting of Central Council and parliamentary party after Dunstan had unsuccessfully attempted to discourage Hocking from calling it. Dunstan joined Allan and
Goudie who hurriedly left a Cabinet meeting to attend it but only after he had assured Argyle that he might be able to hold the status quo if he could be given a promise of fifty-fifty representation in the ministry, an assurance Argyle could not give at such short notice. 18 The Country Party then joined with the Labor Party in the Assembly in carrying a motion of no confidence in the reconstructed Argyle ministry. The Governor, Lord Huntingfield, has been taken to task by Arthur Calwell for delaying for a weekend before commissioning Dunstan as Premier and then only after receiving a written assurance of Labor support. 19 There was some amusement in parliamentary circles when it was later learnt of the Governor’s insistence on Tunnecliffe’s written assurance; but in view of the events precipitating the crisis, was it surprising that the Governor should have distrusted any mere verbal assurance? A possible reason for the Governor withholding the commission until Tuesday, April 2, might have been Dunstan’s own wish that he should be sworn in on a more propitious date than that Monday. Having received his prize, Dunstan was driven to Ballarat at high speed where his party’s Annual Conference had just opened in a mood of expectancy. There he was able to introduce his ministry to the assembled delegates.

Dunstan’s ministry composed entirely of Country Party members lasted from 2 April 1935 until 14 September 1943: it relied on Labor support until the beginning of the 1942 session when this support was withdrawn because Dunstan joined with other non-Labor state Premiers in challenging the Curtin government’s uniform tax proposals in the High Court. His ministry continued in office with U.A.P. support until after the 1943 elections. On 7 September 1943 the Labor Party moved a motion of no confidence based on the need for electoral redistribution. It was carried thirty-six to twenty-four on September 9, and Dunstan resigned. The Labor leader, John Cain, received the support of three Independent members, and a Labor ministry was chosen by exhaustive ballot. The U.A.P. and Country Party were unable to agree on a coalition, but outnumbered government supporters thirty-five to twenty-six. On September 15, 1943 Cain sought an adjournment and was defeated twenty to twenty-four. He sought a dissolution which was refused, and then resigned. Dunstan was commissioned to form a government. A composite ministry was formed with the Country Party electing its ministers and Tom
Hollway selecting an equal number of U.A.P. ministers and honorary ministers. Dunstan allocated portfolios. This ministry lasted until 2 October, 1945. This span of ten and a half years provided Victoria with the longest relatively undisturbed period of office since the introduction of responsible government.

Arthur Calwell has claimed that the Dunstan government during the time Labor supported it 'enacted a lot of legislation that the Labor Party wanted. I had the satisfaction as a member of the Victorian executive of the Labor Party of putting forward various propositions that were adopted by that government ...'. Undoubtedly; but it might be questioned whether the gains were sufficient to compensate Labor for the atrophying of its country organisation in those years. In the 1920s Labor’s proportion of its total seats which were extra-metropolitan had reached as high as 46 per cent and was 43 per cent after the 1929 election (twelve out of twenty-eight in an Assembly of sixty-five). After the election of 1943, which was Labor’s annus mirabilis in federal politics, Labor’s proportion of rural seats in its Victorian state total was roughly 35 per cent (eight out of twenty-three in an Assembly of sixty-five) and it has dropped steeply with subsequent redistributions.

The events which had brought the Country Party to the forefront as a government in its own right had been so fortuitous that, even after the opportunities of a long adjournment, the new government was unable to broaden the scope of Bourchier’s somewhat negative statement of policy to the electors and was still uncertain as to the exact program it would sponsor apart from its commitments to Labor. It was here that E.J. Hogan, a former Labor Premier who had defected to the Country Party and been appointed Minister for Agriculture by Dunstan, was of some assistance in resuscitating a Marketing Bill almost identical to the one introduced in 1930 by his own government with ‘Progressive’ support, but ‘not passed’ (as distinct from being rejected outright) by the Legislative Council. This Bill followed closely on the lines of the Queensland legislation of 1922. Similar legislation had also been passed by the New South Wales Parliament in 1925. It was introduced by Hogan immediately after the adjournment and on passing both Houses, became known as the Marketing of Primary Products Act 1935. Western Australia followed suit with legislation of a similar purpose in 1938, South Australia in 1941, and Tasmania in 1945.
Broadly speaking, the purpose of the legislation was to provide the constitutional machinery whereby the growers of any commodity (with a few exceptions specified in the Bill) could elect a board to market the commodity on their behalf provided a set proportion of them petitioned the government on their desire for such a board. The method by which such a board would come into being was simple in outline. On receipt of a petition by a specified number of producers of a particular product, the Governor-in-Council would proclaim the product and order a poll of the producers of that product to be taken to determine whether a marketing board should be formed. Once a vote in favour of the establishment of a board had been secured, another poll would be taken for the election of the producers’ representatives on the board. Once a product had been declared a commodity under the Act, it could be marketed only through the Board’s agent, for it was to be compulsorily acquired in the legal sense, and the board was to be vested with wide powers of regulation and control.

When this proposed legislation was originally introduced into the Victorian Parliament by the Hogan government, it had received an indifferent reception from most Country Party members and the open hostility of one member of the party organisation, who as Chief President at a later date had been largely responsible for pushing the Country Party into office in its own right. A.E. Hocking, who had interests in certain fresh fruit undertakings not far from Melbourne, made denunciatory remarks about the proposed marketing legislation when campaigning unsuccessfully for election as member for the Southern Province in the Legislative Council in 1931. He announced that he was not in favour of the legislation at any time. When the Dunstan government’s Marketing Bill was before the Legislative Council in 1935 an amendment was carried excluding fresh fruit from the provisions of the Bill, and the government’s ready acceptance of this amendment was seen by many as having been inspired by Hocking. Although the Country Party propagandists had no hesitation in acclaiming this legislation as their own, despite its inspiration as a Labor measure adopted from Queensland, it finally emerged from the Victorian Parliament bearing the imprint of all parties and especially that of the Legislative Council, or the die-hard Upper House as it was branded in the next few years.
The origins of the Dunstan government’s program for rural rehabilitation through debt adjustment are of interest. The Argyle government had been committed in broad outline to some form of farmers’ debts adjustment before the 1935 dissolution of the Legislative Assembly because the Commonwealth government was legislating to provide finance. But it was shortly after the 1932 election that Eugene Gorman K.C. and others launched the Primary Producers’ Restoration League, a non-party organisation which attracted almost hysterical support in rural areas. It advocated for the first time the measures of rural rehabilitation which were later incorporated in the Farmers’ Debts Adjustment Act. Although it was a Country Party government which passed the necessary legislation, at the time the movement was first launched that party was far from enthusiastic. Hocking honoured the inaugural meeting at Goornong with his presence, but the party as a whole was doubtful about the movement’s value. Dunstan, however, felt no doubt at all. He saw it as a serious threat to the rural support of the government of which he was at that time a member, and also as a possible competitor to his own party. Driven by such fears, he did his best to discredit it. Yet within a month of the 1935 election, this party allegedly dedicated to the mitigation of the primary producers’ plight made Dunstan its leader and, taking office as the first Country Party government in Victoria, legislated for debt adjustment almost wholly within the terms the Primary Producers’ Restoration League had set forth a few years earlier.

The Loan (Farmers’ Debts Adjustment) Act was hailed by Country Party propagandists as ‘the best legislation of its kind in Australia’, the ‘undoubted success’ of which was ‘due to the fact that a Country Party Government, with first-hand knowledge of the difficulties of the farmers, was able to frame legislation adequate to meet their needs, while at the same time affording justice to creditors’. Dunstan certainly regarded this legislation as the outstanding achievement of his government, and possibly he was right. Of all the legislation for which his government was responsible, this Act was publicised more consistently than any other. It is a significant commentary on the narrowness of the Premier’s outlook that, at the worst stage of World War II when Europe was almost wholly under the sway of Hitler and the Japanese were at Australia’s doorstep, an exasperated publicity agent was urged to ‘write up’ this legislation once again. His resignation was submitted shortly afterwards.
The Farmers' Debts Adjustment scheme was designed to overcome the prolonged stalemate caused by the Farmers' Relief or Farmers' Assistance Acts — setting special moratoria for farmers, who if their applications for relief were approved, could, through 'stay orders', protect their assets against creditors whether secured or unsecured. One of the factors guiding such legislation had been the misguided belief that world prices would improve fairly rapidly, hence the suspension of liabilities continued while a losing battle was fought to rehabilitate the farmers' affairs under supervision. The purpose of the Act passed by the Federal Parliament in April 1935 was to provide adequate cash resources to farmers or supervisors so as to effect compositions with creditors, so that they could wipe off suspended liabilities and make a fresh start. All states agreed to pass measures to implement the scheme, which was arranged in December 1934 at a meeting between representatives of Commonwealth and state governments. The Commonwealth agreed to grant to the states £12 million for this purpose.

The budget of 1935 was a moderate effort which followed very closely in line with its predecessors, but in 1936 Dunstan brought down a budget which was generally acclaimed as the 'Recovery Budget'. Provision was made for reduction in taxation and other concessions amounting to £728,400. This earned him a commendation from some metropolitan circles, but with his eye always on rural areas he provided for a continuance of direct concessions to primary producers in respect of payments for losses on soldier and closer settlement, reduction in railway freight charges on certain primary products, costs and expenses connected with the destruction of vermin and noxious weeds, as well as other grants and advances under the general heading of rural relief. As well as this, Crown employees' salaries and state pensions (which had been reduced as a Depression measure) were fully restored and an increased provision was made for education. It is as well to draw attention to these last items of expenditure at this point for they were not lavishly funded in the latter years of the Dunstan administration. Seeing that this budget was the most promising since the Depression, it could scarcely be attacked, but certain Labor members were lukewarm and politely hinted that the state was well below others in the field of taxation and that an effective program of social services consistent with the state's needs could not be accommodated within a financial program that made no allowance
for increases in taxation. All the same, such comments were inconsistent with Tunnecliffe’s election bribes of the previous year, so little notice was taken of them.

At this point one might ask exactly where Labor came into the bargain. Its hand could be traced in legislation for Workers’ Compensation, Hire Purchase, Factory Acts, establishment of a Housing Commission, and of course Dunstan’s subsequent attempts to reform the Legislative Council. There were other matters of not quite so altruistic a character, but they will be mentioned later.

In 1936 Dunstan sought to reform the Legislative Council which in the assessment of Sir Frederic Eggleston had emerged from previous attempts at reforming it as probably the most unassailable second chamber in the world. Dunstan’s less than wholehearted efforts dragged on for more than a year with an Assembly election interrupting them. The result was a double dissolution procedure to break deadlocks which has never been used and which could not have prevented two successful attempts by the council in 1947 and 1952 to drive a government to the polls through the refusal of supply. (Ironically the first was a Labor government with the Country Party joining forces with others in the Council to bring it to its knees and the second was a Country Party government with Labor acting as the prime mover in the Legislative Council.)

This prolonged attempt at reforming the Legislative Council served to keep the Labor Party happy, as did other attempts at legislation which were perhaps not for the squeamish. Some adroit footwork on Dunstan’s part resulted in a Royal Commission report into allegations of bribery against certain Labor members which did not have the untoward effects where the latter were concerned which might have resulted if Dunstan himself had been forced to divulge all he knew; and no doubt this intricate exercise in obfuscation was given its due reward. Dunstan was able to move against Hocking and repay one or two old scores by forcing legislation through Parliament removing him from a commissionership of the State Savings Bank to which Dunstan himself had appointed him. When threatened with a hostile party conference in 1940 as a result of this vindictive conduct, Dunstan called a snap election. Thanks to Labor’s continued support this left his government’s situation unchanged. He then successfully bluffed Hocking into refusing to take advantage of an overwhelming con-
ference vote in favour of his stating his case by threatening a walkout by the Cabinet and thus splitting the organisation yet again. Hocking was finished; and all the work he had put into devising organisational machinery to control parliamentary members lay in ruins. Labor support was also not wanting when another Royal Commission, this time to inquire into the causes of bushfires which resulted in staggering loss of life and property in early 1939, pointedly implied that there had been serious instances of ministerial incompetence and worse.

At the time he took office, Dunstan led a party which had quite shamelessly sought to gain political advantage by appealing to the hardships, the prejudices and narrow aspirations of a sectional electorate. This, of course, was good politics, but it might have been possible for such a party to assume added responsibilities in discharging the duties of government. In reviewing its record, however, it would not be an unjust conclusion to say that the government led by Dunstan went the shortest distance in fulfilling the minimum unavoidable commitments of office, but only went further when it stood to gain some additional electoral advantage. The overriding consideration which inspired Dunstan's actions in those ten years was his retention of office. To this end he endeavoured to maintain a tight hold on the loyalty of his party's underpopulated but extensive electorate by distributing eye-catching largesse within the limits of a tight state budget. Such a form of rural development is bound to be unbalanced, and he must have been aware of this. In 1939 the Stretton Royal Commission into bushfires disclosed an alarming degree of destructive interdepartmental rivalry due to the overlapping of functions. These were still unresolved in 1945. The State Rivers and Water Supply Commission, one of the major benefactors to rural development, possibly faced more difficulties in meeting its vital obligations with a Country Party government in office than at any time in its history. (The same could be said of almost any other state instrumentality committed to the welfare of country districts.) The Chairman (L.R. East) and Commissioners underlined this situation very forcibly in their annual reports, which Dunstan must have read, for though he proudly boasted that he had never read a book, he used to take up his leisure hours voraciously devouring any printed matter on state politics (and also consuming gargantuan
helpings of ice cream). Seeing that the instincts of political survival reacted on him more sharply than any other, it is possible that he closed his mind to such appeals as those of East. He had learned to expect nothing but opposition from public servants (and how could it be otherwise with his haphazard short-term responses to electoral wants?), so their bleating on most needs, especially salaries increases, fell against a thick wall of resistance.

There was one field, however, where Dunstan’s desire for continuous office was complemented by another emotion, based on his earlier hardship as a farmer down on his luck. He firmly believed in living within one’s means, and had always done so himself in his private life, and the penny-pinching parsimony that those early days had nurtured in him were taken to the Treasury. The budget had to be balanced at all costs, and Dunstan was never happier than on a Budget Day when he could announce a big, fat surplus. His major consideration — his popularity in country electorates — was never jeopardised too greatly by his system of keeping the state’s accounts, for they were always provided for when the need was great, but that was good politics. As for teachers and public servants — well it was regrettable that he could not meet their pressing needs, but there were not very many of them in country electorates, so for as long as he could play off the parties they voted for he would be quite happy. But when the railways, as one of the largest single charges on the state budget, continued to decline, he realised that in the interests of a surplus or even a balanced budget he would have to do something drastic even if it meant a little unpopularity where it would hurt most. Hence, after a little vacillation, he passed the tightest transport regulation legislation the state had known.

His strong personal dislikes often influenced his public policies to an astonishing degree, but if he felt the pleasure he derived from such actions was worth the opposition he would encounter as a result, he would pursue them remorselessly. Nothing could have been more damaging to his credit in the party than his treatment of Hocking and the four members who stood by him, but he was able to win a few short-term victories at their expense and that was all that mattered, even though one of his victims assisted in turning him out of office. Possibly he himself never realised that a major factor which prompted quite a large number of his parliamentary supporters to join in 1947-8 in forming the Liberal and Country Party in opposition to his own was their disgust not only at his
recriminatory conduct and double-dealing, but also at the imprint he had made on the party as a whole. His technique for holding his position can be closely paralleled with that of the late Governor Earl Long, who explained: 'Don’t write anything you can phone, don’t phone anything you can talk face to face, don’t talk anything you can smile, don’t smile anything you can wink, and don’t wink anything you can nod'. Such a technique may pay short-term dividends, but people tire of it if they are subjected to it long enough.

The Dunstan-Hollway composite government was a most unhappy marriage of convenience. The Victorian State Parliamentary U.A.P., which changed its name to Liberal in March 1945, were determined to get some form of redistribution which would enable them more effectively to maximise their metropolitan voting strength in terms of Assembly seats. Dunstan was determined to stay in office and play for time, but the results of his idiosyncratic administration over the years brought an outcrop of troubles and unprecedented criticism. Ultimately a redistribution of seats was passed but gradually the tensions in both coalition parties became intolerable, and defectors from both parties combined with Labor and some Independents to defeat the government in the Assembly on an appropriation bill. A minority government made up of non-Labor dissidents was able to pass Supply with Labor support. The election in late 1945 resulted in a Labor government which survived for two years with the support of two newly elected Independents before being forced into an unwinnable election through being refused Supply by the Legislative Council. After the 1945 election, Dunstan wisely declined to nominate for his party’s leadership which passed to J.G.B. (later Sir John) McDonald. In 1947 Dunstan entered the Hollway-McDonald Liberal-Country Party government as Minister for Health, his very presence at McDonald’s insistence being suffered by the Liberals with loathing; but his incorrigible urge to intrigue caused its break-up within a year, though this was time enough for him to wheedle a K.C.M.G. recommendation from an unenthusiastic Tom Hollway. In 1950 the Country Party under McDonald’s leadership governed in its own right once again, but the price of support from the Labor Party was a much more thorough and extensive legislative program than the Dunstan government had been tied to. But there was no place in his
ministry for Sir Albert Dunstan; he had died suddenly a month earlier.

In 1952 the Country Party was despatched to the opposition benches after an election which returned Labor to office with a nine seat majority under the third Premiership of John Cain. This government was to be destroyed in the disastrous 1955 Labor split, but not before a redistribution had been enacted which set down a city-country ratio of 100:102, thereby breaking the Country Party and yielding significant gains to the Liberals. For the first time since the Country Party established itself as a third force in 1920, the Liberals were to fight an election in 1955 with both their urban and rural opponents severely handicapped. The Country Party has been excluded from office since 1952; the Labor Party since 1955. The Country Party is now reduced to a handful of seats spread in an arc along the Murray and into the Goulburn Valley and Gippsland. Labor’s vote is bottled up principally in Melbourne’s north and north-western industrial suburbs. Might not the Country Party’s nemesis be traced back to that cynical and opportunistic horse-trading at which Dunstan so excelled but which ultimately drove both Labor and some Liberals into co-operating on electoral matters? And might not Labor’s impotent seclusion in its industrial ghetto be traced back to their forfeiture of rural assets through bargaining them away to Dunstan’s Country Party?

J.T. Lang lived long enough to be reinstated in the membership of the party machine which had rejected him more than 30 years before. Albert Dunstan was never denied membership of the Country Party, which still responded to his whims even when the leadership had passed into other hands. But there is not likely to be any posthumous burnishing of his memory in a party organisation which, however small the parliamentary membership it now sustains, still bears the marks of his chastening.

Notes

2 Farmers’ Advocate, 8 February 1924.
Possibly to ensure that the members of the Bruce-Page ministry should not be embarrassed by this resolution it was further provided 'that the political safeguards as agreed to by this conference shall be binding upon the State Country Party only, and this conference recognises that the Federal Country Party is responsible to the Australian Federal Farmers' Organisation, and not to any State organisation'.


5 Ibid., 14 May 1924, p. 3594.
6 *The Argus*, 18 June 1924.
7 Ibid., 19 June 1924.
8 *The Countryman*, 29 March 1929, for full conference debate.
9 Ibid., 26 April 1929.
10 Ibid., 4 April 1930.
11 Minutes of Central Council, UCP, 7 July 1931.
12 Ibid., 19 July 1932.
13 *The Countryman*, 23 March 1934. This compromise was carried with an addendum that the decision should not operate during the life of the Parliament then in session.
14 *The Age*, 6 March 1935.
16 *Labor Call*, 7 March 1935.
18 *Victorian Parliamentary Debates*, Vol. 196, p. 41. Sir Stanley Argyle speaking in the debate on the motion of no confidence in his government. Having heard so many testimonials to Argyle’s personal honesty from members of all parties, and having failed to gain anything of that nature regarding Dunstan from even his closest supporters, I have decided to accept Argyle’s account of this conversation without reservation.
20 Ibid., p. 42.
22 *Report of the Royal Commission to Inquire into Allegations of Bribery*, submitted January 5, 1940; and also discussion by the author in Premiershop, Ch. 6.
23 Paul, Premiershop, Ch. 7.
24 *Report of the Royal Commission into Bushfires*; and also discussion in Paul, Premiershop, Ch. 5.
Menzies and the Imperial Connection, 1939-41*

P. G. Edwards

In a recent collection of short biographies of Australian Prime Ministers, with one chapter allocated to each incumbent, there are chapters entitled 'Menzies I' and 'Menzies II'. Apart from emphasising the length of time that Menzies spent at the top of Australian politics, the point is mainly to mark the contrast between the Menzies of the relatively short but turbulent Prime Ministership from April 1939 to August 1941, widely distrusted on all sides of politics and brought down by his own ostensible supporters, and the 'Ming' who ruled apparently unassailably for another sixteen years in the 1950s and 1960s, retiring at a time of

*This essay is based largely on the writer's experience in contributing to the research and editing of the series of Documents on Australian Foreign Policy, published by the Australian Government Publishing Service for the Department of Foreign Affairs, Canberra. Volume I, '1937-38', was published in 1975 and Volume II, '1939', in 1976; Volume III, which will include documents dating from 1 January to 30 June 1940, will be published in 1979. Wherever possible I have referred to documents in these volumes rather than to the original files in the Australian Archives and elsewhere. While recording my gratitude to my former colleagues in the Historical Section of the Department of Foreign Affairs, especially Mrs Heather Kenway and Dr Jim Stokes, for their assistance in the preparation of this essay, I must emphasise that any errors of fact or interpretation are solely my responsibility.
his own choosing. It seems likely that, as both Menzies I and Menzies II come under the increasing scrutiny of historians, the distinctions between the two will become more rather than less pronounced. Certainly in the field of imperial and foreign affairs, the documents which have recently become available under the thirty years' rule are prompting a re-examination and some reinterpretations of Menzies I. As evidence accumulates showing him to have challenged the United Kingdom government on the political, military and diplomatic aspects of the conduct of World War II, while passing acerbic comments on Winston Churchill, Anthony Eden and other British wartime leaders, there is an increasing willingness to see Menzies as having pursued distinctively Australian external policies, and not as having merely acquiesced in British policies based on United Kingdom interests. There is, on the face of it, a vivid contrast with Menzies II who proclaimed himself ‘British to the bootheels’, who supported Eden unwaveringly in the Suez crisis of 1956, who declared his loyalty to the British Crown in extravagant terms, and who accepted such imperial laurels as the Knighthood of the Thistle and the Lord Wardenship of the Cinque Ports. Indeed there is also an apparent conflict with the public statements of Menzies I, who argued that Australia was automatically committed to a war declared by Britain and whose speeches in the United Kingdom in 1941 were filled with British race patriotism.

This paper is concerned with Menzies I. It argues that we will better understand his view of Australia’s place in imperial and foreign affairs if we compare it with that of two much earlier Prime Ministers, Alfred Deakin and William Morris Hughes. Deakin, Hughes and Menzies form, at first sight, an unlikely trinity of Prime Ministers, with little in common except that all three succeeded in forming non-Labor governments by coalescing the various factions that opposed the official Labor Party of the day. In temperament, rhetoric and style the three form sharp contrasts, yet there are some striking parallels in the place each envisaged for Australia in international affairs, in the methods they used to seek this place, and in their underlying motivations and attitudes towards the British Empire and the United Kingdom Governments.

Deakin and Hughes were the two outstanding politicians of the first two decades of federation. Each man’s story has been well told elsewhere and need not detain us long here. What concerns us is
the way in which each reconciled a deep pride in the British race and its political expression, the British Empire, with an equally profound devotion to Australia. For both men, loyalty to Empire and to nation were not conflicting but symbiotic: each could be called, in Deakin’s celebrated phrase, an ‘independent Australian Briton’. In international politics, both men tried to exploit the prestige of the Empire and its political machinery to Australia’s advantage, by making imperial policy reflect the interests of all self-governing parts of the Empire, not least those of Australia in the Pacific. Deakin expended enormous energy in an attempt to create an imperial secretariat, drawn from and responsible to the Dominions as well as the United Kingdom, which would oversee and co-ordinate imperial policy between meetings of the Imperial Conference. His efforts in 1907 were in vain, but the impact of war made conditions more favourable to Dominion participation in imperial policy-making. Hughes was able to take part in both the Imperial War Conference and its more significant off-shoot, the Imperial War Cabinet; and in 1919, when the latter body was metamorphosed into the British Empire Delegation at Versailles, he had the benefits of both membership of the B.E.D. and recognition of Australia’s status as an independent small power. The successes he achieved proved temporary: by 1921 Hughes was lamenting that the Dominions were once more being prevented from contributing to the policy of the British Empire.5

The crucial point was that neither man confused loyalty to the British Empire with obedient acquiescence in the policies of the United Kingdom government. Australia’s interests were not necessarily identical with those of the United Kingdom and imperial policy should, they believed, attempt to protect and promote the interests of all parts of the Empire. In Deakin’s case the underlying motivation was, as he told readers of The Morning Post, a ‘distrust of the “British bureaucracies” ’,6 a well-founded belief that the Foreign Office, the Admiralty, the War Office and above all the Colonial Office would, with infuriating politeness, ignore all requests to take note of Australian desires and susceptibilities in their policies. Hughes displayed the same fears along with an additional concern, a profound doubt as to the competence of the government in London to administer the Empire in war or peace.7 Thus such devices as the Imperial War Cabinet, the attachment of Australian liaison officers to Whitehall departments and the right
of direct communication between Prime Ministers all had a dual purpose: both to inject Australian interests into imperial policy-making and to encourage greater vigour and breadth of vision in the prosecution of the Empire's policies.

These were some of the views of the two Prime Ministers who dominated Australian politics during the first quarter-century of Robert Menzies' life. They were not then seen as conservative views, for they worried both those traditional conservatives for whom loyalty to the Empire meant accepting that London knew best, and the isolationist element in the labour movement who wanted no imperial entanglements. To what extent did Menzies, a professed conservative, reflect this heritage from Deakin and Hughes?

This is not the place for a detailed narrative of foreign and defence policy during the first Menzies Prime Ministership, but we may look at the evidence on a few salient points, beginning with the commitment of the Second A.I.F. to fight on the other side of the world. Critics have pointed to this, following the 'automatic' declaration of war, as suggesting that Menzies was more concerned by the threat to the British Isles from Germany than by the potential danger to Australia from Japan. This, it has been argued, is in keeping with the general tendency of Australian conservatives between the wars to be too subservient to the wishes of the British government, especially on questions of imperial defence.8

The documents will sustain other interpretations. Two days after the outbreak of war Menzies cabled to S.M. Bruce, the High Commissioner in London:

As we see the position at present our task for some time will be the completing of training of forces for Australian defence. Until position of Japan has been cleared up it will be useless even to discuss the sending of expeditionary force and in any event we have great doubts as to just how war is to be carried on and ultimate use of our troops. Personally I can visualise the possibility of our reinforcing Singapore at some stage or putting garrisons into places in the Middle East. Whilst we will naturally have to determine our own course, I would be glad if you would maintain closest contact with British Government so that you may advise me. Unnecessary to emphasise the importance of secrecy since any suggestion at present of sending troops out of Australia would be widely condemned.9
This remained the theme of Australian policy for the rest of 1939. When the Dominions Office forwarded 'suggestions as to possibilities of Naval, Army and Air Force co-operation' that Britain hoped to receive from Australia, Menzies immediately responded by questioning the basic British assumption, the neutrality of Japan. 'Upon the Japanese relationship and prospects', Menzies argued, 'must depend almost absolutely the part other than defensive which Australia will be able to take in the war . . .', and he regarded the assumption of Japanese neutrality as 'open to extreme doubt'.

Weeks stretched into months as the Australian and United Kingdom governments argued over the potential danger to Australia from Japan if the expeditionary force were sent to Europe or the Middle East. The Minister for Supply and Development, R.G. Casey, was sent to a meeting of U.K. and Dominion Ministers and questioned the Admiralty and the Foreign Office at length over the Far Eastern situation. The cables that Menzies exchanged with him over this period reflect a marked 'distrust of British bureaucracies', at times almost as profound as Deakin's had been. What makes historical analogies more appropriate is that in 1939, as in 1914, Winston Churchill was First Lord of the Admiralty and in both years Australia was displaying considerable unease at his concentration of the Empire's naval forces to face Germany. As late as November 21, a week before the decision was made to send the 6th Division, Menzies was telling Casey that 'Cabinet is not yet satisfied . . . that presence of Australian Division [in Europe] is sufficiently urgent to justify us incurring risk with our own defensive position'. When the decision was finally made, it rested partly on Casey's considered assessment that 'the greatest menace to Australia is the possibility of Britain being beaten in Europe', that British assurances on the safety of Singapore and Australia were satisfactory and that it was in Australia's as well as 'general British interests' to send the division; and partly on the New Zealand decision to send their first echelon. Menzies clearly felt that the decision had been forced upon him and his resentment surfaced in a cable to Casey stating that it was 'the general feeling of Cabinet that there has been in this matter a quite perceptible disposition to treat Australia as a Colony . . .': like similar outbursts over the next two years, this was smoothed over and not permitted to become public knowledge.
Menzies, like Bruce and Casey, showed considerable doubts about the assessments produced by the Admiralty and the Foreign Office, especially as they affected the Far East, but they did not produce alternative assessments, based on departmental advice from the Australian public service, and argue from a position of equality. Australia’s place was to question, to plead, to remonstrate, to goad, to threaten in confidential cables, in order to get imperial decisions that would protect Australia’s interests: once the decisions were taken, they were binding. In this case, the decision was surely right, albeit risky: Australia was so closely tied to Britain politically, economically, militarily, sentimentally and ideologically that, once it became clear that Japan was not immediately entering the war on Germany’s side, it would have been not merely churlish but possibly suicidal to have put the potential threat in the Pacific ahead of the actual and desperate struggle in the western hemisphere. This is not to deny that some aspects of the Australian commitment, such as the despatch of pilots under the Empire Air Training Scheme, may have been more enthusiastic than prudent.

Like their predecessors of a generation earlier, the Second AIF found themselves in the Middle East. To Australians accustomed to the vast distances of their nation-continent, this region seems close enough to Europe to be regarded as the same theatre of conflict, one far removed from Australia and the Pacific. Yet to do so misses an important point. After the fall of France and the Battle of Britain in the northern summer of 1940, the crucial question for the British authorities was how to allocate their thin resources between the British Isles themselves and the Middle East-eastern Mediterranean theatre. For decades, imperial statesmen had referred to the route through the Mediterranean, the Suez Canal and the Indian Ocean as ‘the lifeline of the Empire’, but this was a tired cliché only because it was essentially true. If Egypt and Palestine were to fall, it would have been a major blow, both economically and politically, to Australia’s chances of survival, as well as threatening the oil supplies on which the whole Empire depended. The diplomatic repercussions would have been immense not only in Europe but in encouraging Japan to enter the war. Thus when Menzies and Bruce argued repeatedly in this vein in the autumn of 1940, urging Churchill to make the ‘maximum effort [in the Middle East] . . . compatible with the safety of the United Kingdom’.¹⁵ they were pressing him to remember the obligations of the U.K.
government to its wider imperial interests, not least Australia. To
treat the Australian service in the Middle East as if it were part of
the defence of the British Isles, at the expense of denuding
Australia, is misleading.

Indochina, Portuguese Timor, economic warfare — all these and
more formed the subjects of cabled exchanges between Canberra
and London, all based on Menzies’ belief that the British govern­
ment was paying inadequate attention to Australian interests in
forming its policies. Economic warfare is a further reminder of the
parallel with Hughes, for just as he in 1916 had attached an
Australian to the War Office in order to keep more closely in touch
with the ‘spider’s web that was spinning out its thread of death’,16
so also Menzies in March 1940 sought to have an Australian
Liaison Officer attached to the staff of the Ministry of Economic
Warfare.17 Behind all these issues was the fundamental question of
information and consultation, which was a constant theme running
through Australian diplomatic cables of the early war years. Some
were concerned largely with the political embarrassments and
detrimental effects on public morale when the B.B.C. made over­
optimistic announcements or reported developments which the
Australian government had been told to treat as ‘Most Secret’: on
one occasion Menzies sardonically added that ‘B.B.C. an­
nouncement that QUEEN MARY at Capetown when hundreds of
thousands of Australians were seeing her daily in Sydney Harbour
has had . . . bad effect’.18 But more importantly they complained
of the inadequacies, both quantitative and qualitative, of the in­
formation vouchsafed to the Australian government on the
strategic and diplomatic conduct of the war. The system which
Menzies was trying to operate, of protecting Australian interests
through influencing imperial policy, depended on copious in­
formation and time for consultation. Given the pressure of events
and the speed with which wartime decisions had to be taken, not to
mention problems of secrecy, it is doubtful whether the most
willingly co-operative United Kingdom government could ever have
provided enough information and opportunities for consultation to
satisfy Australia: yet Menzies continued to try to work the system,
sending in his complaints and seeking one expedient after another
to improve communications. It is easy to see the weaknesses in the
system, but harder to suggest a better alternative.

Like Hughes, Menzies had a ‘distrust of British bureaucracies’
that went beyond a fear that they would give inadequate attention to Australian interests: he too was convinced that, left to its own devices, the United Kingdom government’s conduct of the war in both the military and diplomatic theatres would be lacking in vigour, inspiration and imagination. As has been described elsewhere, he felt that the lack of an inspiring statement of war aims and peace aims was handicapping the Allied governments in impressing not only their own public opinion but that of the neutral powers, most importantly the United States, and even that of Germany herself. This was typical of his attitude to the Chamberlain government’s diplomacy during the ‘phoney war’ period. In March 1940 he told Bruce that his impression was

that diplomatically we have been too much on the defensive and that activity and aggression badly needed if position is not to deteriorate. Even in military sense it would appear that more aggressive action needed particularly in the air. Continued use of air raids for dropping leaflets is now usually received with ridicule in Australia and serves to lend colour to a feeling that we are playing while the enemy means business and gets there first every time.

Bruce constantly fed Menzies’ concern with accounts of what he regarded as unduly timid and irresolute diplomacy and propaganda, especially in Scandinavia and south-eastern Europe, and in April Menzies instructed him to tell Chamberlain that he felt that ‘on the diplomatic side . . . we have too frequently allowed Germany to take the initiative and to succeed by threats while we in our turn have been too orthodox, too polite, and too defensive.’ In May, as it became clear that it was only a matter of time before Mussolini entered the war, Bruce and Menzies felt that once again irresolute diplomacy and lack of forward thinking were allowing the Axis powers to take the initiative by permitting Italy to declare war at a time and in a manner that gave it military and propaganda advantages.

Nor did Bruce and Menzies confine their criticisms to the Foreign Office. The Chiefs of Staff’s assessments were frequently regarded as far too optimistic, amateurish and superficial: Bruce described one major appreciation of the Middle East situation as a ‘mere statement of obvious facts within the knowledge of any reasonably competent person’. In short, Menzies, largely prompted by reports from Bruce, displayed grave misgivings about the British government’s conduct of the war, not only as it affected the Far
East and Pacific, but in every actual and potential theatre of conflict.

After Churchill succeeded Chamberlain in May 1940, the theme of Australian criticism and fears changed from lack of vigour and spirit to concern that Churchill’s abundant energy and imagination would be misdirected, as well as insufficiently concerned with the situation in the Far East. Earlier in the year, while Churchill was still at the Admiralty, Menzies and Bruce had clashed with him over the war in Scandinavia: Bruce described one proposal as ‘an ill-considered stunt for which Winston Churchill responsible’. They also considered him their primary opponent in the battle over a statement of war aims and, more especially, post-war peace aims. It was at this time that Menzies, letting off steam in a letter to Bruce, wrote that ‘I cannot tell you adequately how much I am convinced that Winston is a menace. He is a publicity seeker; he stirs up hatreds in a world already seething with them and he is lacking in judgment . . .’. Similar opinions, perhaps not quite so vehemently expressed, were common in both Conservative and Labour circles in Britain before Churchill proved his supreme qualities in the British people’s, and his, finest hour; but Australians had their own reasons, going back to 1907 and 1914, to view Churchill’s accession to power with mixed emotions. With Churchill at the helm, Menzies, who went to the polls in September 1940 on the slogan ‘Back the Government that’s backing Churchill’, continued to criticise what he considered to be misjudgments while respecting the new degree of vigour and determination in London.

It is relevant to point out here that one major reason for the general under-estimation of the degree of conflict and animosity between the Australian and United Kingdom governments between 1939 and 1941 has been the public preference for approaching history through the biographies or memoirs of the men concerned. Churchill’s references to Menzies in his autobiographical history of World War II are few and guarded, touching on their disputes over Tobruk and Dakar but leaving the impression that he was by far the lesser evil compared with the subsequent Labor government led by John Curtin and including H.V. Evatt. We lack a major scholarly biography of Menzies and therefore have to rely largely on his account in *Afternoon Light*. These reminiscences present a curious paradox. Most Australian politicians are happy to present themselves autobiographically as valiant fighters for Australia within
and without the Empire, and do not shrink from recounting their battles with Whitehall and Westminster. Menzies takes a different attitude. He is at pains to gloss over and explain away his differences, not only with Churchill, but with many other prominent ministers in the coalition government, Labour and Conservative alike, and he clearly regards the pen-pictures he committed to his diary in 1941 as those of an impertinent and jejune young colonial. ‘My executors will do me a good service,’ he writes in 1967, ‘if they use the incinerator freely’. In the context of the revived Australian nationalism of the late 1960s and 1970s, the opposite is more probably true. The reputation of Menzies I would stand higher if he had made more extensive use of his contemporary acerbic criticisms of Churchill and the U.K. War Cabinet, even if some, such as that quoted above, are more than a little unfair to their subjects. The memoirs, however, were written by Menzies II (or even Menzies III, the imperial statesman-in-retirement), full of years and honours and basking in the supposed glory of his association with Churchill: the frontispiece of the book is a photograph of the two men on the terrace of No. 10 Downing Street. The tone of the book is consistent with Menzies’ speeches of the 1960s (one suspects that much of the book was dictated), but does less than justice to Menzies I.

Probably the best known aspect of Menzies’ imperial policy and the most obvious parallel between himself and Hughes was his attempt in 1941 to create anew the Imperial War Cabinet. At the time it was easy to portray this as essentially a means for Menzies to remove himself from the poisonous political atmosphere in Australia and to elevate himself to the position and stature of a Smuts, contributing to the conduct of the war at the highest level beyond parochial and partisan politics. His efforts were so regarded in the other capitals of the Commonwealth and the obvious coincidence with his personal ambitions contributed to their lack of success. Nonetheless it would be unfortunate to overlook the extent to which his proposal emanated from what might be seen as a typically Australian analysis of the policy-making machinery of the Empire.

Before 1941 Menzies’ attitude towards the question of an Imperial War Cabinet (which was raised at fairly frequent intervals by the conservative press in Australia and other parts of the Empire) vacillated between attraction to the concept and recognition of the
practical difficulties. On 19 September 1939 he raised the subject ‘with deliberate casualness’ in a conversation with the U.K. High Commissioner in Canberra, Sir Geoffrey Whiskard. He saw the inclusion of Dominion representatives in the U.K. War Cabinet as a way of improving consultation with the dominions, but saw constitutional difficulties in the way of appointing Bruce and political problems if he himself were to be the appointee. On this inconclusive note the discussion lapsed. On 10 May 1940, the day that Churchill succeeded Chamberlain and the German blitzkrieg in the west began, Menzies told Whiskard that he was in general happy with the degree of consultation afforded by the United Kingdom government and that to create an Imperial War Cabinet by adding five Dominion members to the U.K. War Cabinet would make it unwieldy: ‘brief conferences in London at comparatively short intervals’ would, he suggested, be more fruitful. London was much more sympathetic to the idea of a conference of Prime Ministers than to an Imperial Cabinet or standing imperial council to decide general strategy, but Mackenzie King of Canada and Smuts of South Africa had no desire to leave their own capitals: thus it was an invitation to come by himself that Menzies finally took up in January 1941.

It was in direct response to his observations of British policy-making on this visit that Menzies began pressing vigorously for an Imperial War Cabinet. Churchill he saw as the man pre-eminently qualified for leadership of the Empire, but the War Cabinet was, as he told Mackenzie King, composed of yes-men, unwilling or unable to withstand the force of the Prime Minister’s personality and therefore allowing too much of his enormous energy and fertility of imagination to be diverted to rash adventures and ill-considered schemes. What was therefore needed was an infusion of leaders of independent political strength, who could when necessary stand up to Churchill and tell him which ideas were sound and which were not. The specific problem was different from Hughes’ day, when the fear had been lack of vigour and general incompetence in London: but essentially they were making the same point, that the Dominions could supply political leadership which would complement and strengthen that available in the Mother Country, as well as ensuring that imperial policy was directed to the maintenance of the interests of the whole Empire, not just those of the United Kingdom. Unlike Canada and South Africa, Australia
was willing to share the responsibility if given a genuine share of the power to make decisions. Like Deakin's plan in 1907, Menzies' proposal was defeated by the combination of Churchill and a Canadian Prime Minister wary of imperial entanglements. Personal ambition and the chance of escape from his multiplying political enemies in Canberra no doubt impelled Menzies to continue to press his proposal when it no longer had any chance of success, but it derived from an Australian attitude to imperial policymaking that typified a number of his prime-ministerial predecessors.

If Menzies' views on Australia's place in the Empire and the world were, as here argued, strikingly similar to those of Deakin and Hughes, this is not to say that they were exactly congruent. One important qualification concerns the extent to which each was willing to allow differences between the Australian and United Kingdom governments to become public knowledge. Deakin wanted the 1907 Colonial Conference to be open to the public, so that his conflict with the Colonial Office and the other Whitehall departments could be carried on in full view, not least of the Australian electorate. Hughes showed little inclination to conceal his battles with the London government, skilfully exploiting his relationship with journalists such as Keith Murdoch and Henry Gullett. Such techniques were alien to Menzies. In October 1938, while Attorney-General and heir apparent to the Prime Ministership, he explained to Parliament his views on the conduct of Australia's external relations in the aftermath of the Munich crisis. In asserting that Australia would continue to uphold the diplomatic unity of the British Empire, he laid great emphasis on the importance and the confidentiality of communications between the British and Australian governments. Australia would make herself 'able to say useful things at the right time to the government of the United Kingdom' but these negotiations, he said, 'are not going to be posted up on every signboard for the world to read'. Such explanations from a politician sound suspiciously like excuses for doing nothing, and it is likely that many Australians, then and since, have taken Menzies' speech as indicating that his government and its predecessors almost invariably deferred with little argument to British opinions and advice on international politics. It therefore comes as a surprise to discover just how often Menzies and Bruce challenged British diplomacy and strategy in the first two years of
the war, with only rare exceptions surfacing in the public media. Given the pressures of the time and the accusations of subservience to Britain to which he was subjected, it showed no little restraint on Menzies' part that so few of the Anglo-Australian differences became public. One can only speculate whether, if Menzies had retained office, this restraint would have survived the greater crisis of December 1941-March 1942, which provoked bitter public controversies between Churchill and Curtin. One may hazard a guess that some means would have been found of letting the public know of what was passing between London and Canberra, but not to the same extent as transpired under the Labor government.

The exchange of cables between Menzies and Churchill over Dakar, first published in 1949 in the second volume of Churchill's history, exemplify some of the strengths and weaknesses of Menzies' approach. It will be recalled that he initially went on the offensive, asking why what appeared to be 'a half-hearted attack' had gone ahead without 'overwhelming chances of success'. He then reiterated the frequent complaint that Australia had not been kept adequately informed by Britain; and concluded by drawing attention again to the Middle East, 'where clear-cut victory is essential'. Churchill replied with a long and vigorous defence of his actions, including a barbed reference to 'the way my name was used in the [Australian] election'. Thereupon Menzies sent a further cable as an emollient, full of praise for Churchill personally and for the British war effort, concluding on the following note: 'please understand that whatever interrogative or even critical telegrams I may send to you in secret Australia knows courage when it sees it and will follow you to a finish, as to the best of my abilities I certainly shall'.

These documents, available for more than a quarter-century, now appear in the context of the Australian records not as an isolated episode but as a microcosm of the Anglo-Australian relationship. All the major elements are there: the clear implication that the conduct of the war was being mishandled, half-hearted in diplomacy, sometimes wrong-headed in strategy and liable to rash military adventures; the complaint that Australia was being excluded from contributing to policy-making and even from adequate information; the concern that the United Kingdom government was overly concerned with the security of the British Isles to the detriment of wider imperial interests, most notably the Middle
East; and the overriding assurance that all these criticisms would be kept secret. It would seem to the present writer that the criticism of Menzies I as subservient to London and acquiescent in British policy is misplaced. What is a more real and pressing question is whether he should have realised that while his public statements only praised Churchill and the British government and people, the impact of his private criticisms was reduced. The verbatim publication of vitriolic cables in the middle of a war would, of course, have aided only the enemy, but it would not have been beyond Menzies' ingenuity to have allowed some hints as to their substance to have become known without undue harm. Handled cautiously, this could have increased the effectiveness of the representations made by Menzies in telegrams and by Bruce in person.

Apart from the question of confidentiality of communications, the most important contrast between Menzies and both Hughes and Deakin in international affairs, was in their respective attitudes towards Australian representation overseas, both in London and in 'foreign' (that is, non-British) countries. Reference has already been made in this essay to the work of S.M. Bruce as High Commissioner in London. The scope that Menzies was willing to grant his High Commissioner was in marked contrast to most of his predecessors — including Bruce himself in the 1920s. Since Deakin's scheme never came to fruition, we cannot say positively how much authority he would have delegated to the Australian representatives on the imperial secretariat in London, but it is unlikely to have been great: running through everything he said on the subject was the clear implication that the proposed secretariat would only carry out the instructions of the Imperial Conference. Like most of the leaders of the federation movement, he saw the appointment of a High Commissioner in London as one of the first and most important tasks of the new Federation, but he rejected any suggestion that this office could be combined with that of Minister for External Affairs. He had allowed this ministry to become separated from the Prime Ministership, contrary to his earlier views, but he had no intention of permitting such a substantial delegation of authority to someone beyond the immediate supervision of Parliament — and himself.37 Hughes reserved external affairs even more exclusively to himself throughout his Prime Ministership and was his own representative in London,
making scant use of either Andrew Fisher or Joseph Cook as High Commissioners.

Bruce, by contrast, was more important in Australian external policy than any of the succession of Ministers for External Affairs between 1937 and 1941. He played a triple role: not only was he an executant of the government’s instructions, but he played a major part in drafting the policy itself and furthermore took to himself the right to interfere in the British political process without reporting all of his activities or the information thus gained back to Australia. The scope of his activities and the backing given him by Menzies indicates that Menzies, like Lyons, realised what their predecessors had been reluctant to accept, namely that if Australia was to take seriously her intention of participating in world affairs by making significant contributions to the foreign policy of the British Empire, a large degree of discretion would have to be vouchsafed to the High Commissioner, or some alternative representative, in London. Lyons and Menzies recognised that Bruce had the experience, authority and presence, along with other personal and political assets, to make something of the position and encouraged him to get on with the task. To the limited, but not negligible, extent that Australia achieved its goals by acting through the imperial framework, success was as much due to Bruce’s personal interventions in Whitehall as to the confidential cables between Prime Ministers on which Menzies, like Hughes before him, set such store.

Representation outside the Empire presents one of the more interesting anomalies of Menzies I. His speech of 5 October 1938, mentioned above, was by implication critical of independent representation by the Dominions to foreign capitals, although by this time Canada, South Africa and Ireland had all had such legations for several years. In January 1939 he was still fighting this rearguard action, while at least one of his senior Cabinet colleagues was coming round to the idea of sending Australian ministers (in the diplomatic sense) to Washington and Tokyo. On 20 March 1939 Menzies resigned from the Cabinet on an issue of domestic policy. In his absence the decision was taken to open legations in the two foreign capitals: a telegram to this effect was sent by Lyons to the Dominions Office on March 30, but no public announcement was made. A week later Lyons died: after a bitter personal fight with Sir Earle Page, Menzies became Prime Minister on
26 April 1939 and, in his initial address to the nation on that day, announced that Australia would be sending missions to the countries of the Pacific. Instead of reversing the decision in which he had not shared and which he had consistently opposed, he adopted it and made it peculiarly his own.

The reasons for this reversal remain a mystery. In the absence of further evidence, it would seem best to assume that this was a standard conservative tactic: to oppose an undesired change for as long as possible, then to adopt it in a form which would modify its supposed ill-effects. Thus in his broadcast Menzies emphasised that Australia would still ‘act as an integral part of the British Empire’, and this phrase was repeated when Casey’s appointment as first Minister to the United States was announced. Menzies’ use of the legations once established reinforces this impression. They were important but supplementary to his main channel of communication, the High Commission in London. In September 1939 he told Bruce that he regarded Washington as ‘the key to the situation’, that he had seriously considered resigning the Prime Ministership to go to Washington himself, and that he wanted Bruce to take the appointment: but when, after lengthy triangular negotiations between Bruce, Casey and himself, it was finally decided to leave Bruce in London and send Casey to Washington, Menzies continued to use the High Commission more extensively than the new Legation. When a problem arose, his first instinct was to seek united imperial action, through consultation with London: if this should prove impossible, he could then exercise the option of direct communication with a foreign government. The appeals to President Roosevelt in May and June 1940 are a case in point: only after the other Prime Ministers had declined to join in a combined Commonwealth appeal did Menzies send his own message through Casey. Nonetheless he did attach considerable importance to the new legations, in Tokyo and Chungking as well as Washington. The Foreign Office was far from sure that 1940 was an appropriate time for a separate Australian Legation to be established in Tokyo and Bruce, for once, was inclined to agree, but Menzies overruled the objections, insisting that ‘the increasing significance of the Far East to Australia appears to outweigh other considerations’.

The creation of independent diplomatic legations was a crucial issue for Dominion politicians of the inter-war years, vested with undue importance by many conservatives who saw it as a test of
loyalty to the Crown and Empire. Before 1914 it was virtually un-thinkable, even for Deakin. When bitterly at odds with the French over the New Hebrides or seeking greater American involvement in the Pacific, he gave no sign of wanting an Australian in Paris or Washington to convey his views: he wanted rather to be able to dictate the instructions to the British Ambassador. After 1918 much changed and Hughes did appoint Australians to both France and the United States, but essentially as trade commissioners rather than diplomats. The importance of Menzies' decision for a professed conservative should not be underestimated. It was nonetheless in the tradition of Hughes at Versailles, for Menzies was recreating the dual option for Australia: to use imperial machinery to Australia's advantage whenever possible, while reserving the right to act independently, through her own nascent diplomatic service, when necessary. In that sense, although the leeway given to Bruce in London and the establishment of Australian legations overseas went beyond anything done by any of Menzies' predecessors, it is still possible to see them as developments and extensions of the Deakin-Hughes tradition rather than as radical breaks with it.

Conservatism according to Abraham Lincoln, is 'adherence to the old and tried, against the new and untried'. By that definition, Menzies' attempt to re-create a system of imperial policy-making which would take adequate notice of Australian interests was conservative: it had more than once been tried before, although it had only proved fruitful under the particular circumstances of 1918-19. His creation of independent legations was a new and untried element, by Australian standards, but handled in such a way as to be complementary to, rather than conflicting with, the old system. All the techniques used, however, derived from attitudes to Empire and nation fundamentally similar to those of Deakin and Hughes. The generation that grew up under the aegis of the Knight of the Thistle and the Lord Warden of the Cinque Ports may find it remarkable, but 'independent Australian Briton' is not an inappropriate description of Menzies I.

Notes
1 Colin A. Hughes, Mr Prime Minister, Australian Prime Ministers 1901-1972, Oxford University Press, Melbourne, 1976, chs 13 and 18.
210 Australian Conservatism


3 See the collection of speeches in R.G. Menzies, To the People of Britain at War from the Prime Minister of Australia, Longmans, London, 1941.

4 On Deakin, see J.A. La Nauze, Alfred Deakin, A Biography, Melbourne University Press, Melbourne, 1965, 2 vols., especially ch. 21 and 22; and Neville Meaney, A History of Australian Defence and Foreign Policy 1901-23, Vol. 1, The Search for Security in the Pacific 1900-14, Sydney University Press, Sydney, 1976. I am grateful to Mr L.F. Fitzhardinge for showing me relevant portions of the manuscript of the forthcoming second volume of his biography of W.M. Hughes. Until this is published, the best account of Hughes' activities is still Ernest Scott, Australia during the War, Vol. XI of the Official History of Australia in the War of 1914-1918, Angus and Robertson, Sydney, 1936.


6 The Morning Post, 6 Jan. 1903, cited in Meaney, History of Australian Defence, p. 84.

7 See his own account in W.M. Hughes, Policies and Potentates, Angus and Robertson, Sydney, 1950.


11 On the situation in 1914, see Meaney, History of Australian Defence, ch. 9.


15 Menzies to Dominions Secretary, 7 Sept. 1940, CRS A1608, H41/1/3, pt 1, Australian Archives, Canberra.

16 Hughes, Mr Prime Minister, p. 156.

17 Menzies to Dominions Secretary, 30 March 1940, D.A.F.P., Vol. III, No. 120.

Menzies and the Imperial Connection 211


23 Bruce to Menzies, 4 July 1940, CRS A1608, H41/1/3, pt 1. Australian Archives.


27 R.G. Menzies, Afternoon Light, Some Memories of Men and Events, Cassell, Melbourne, 1967, especially ch. 3.

28 Among Menzies’ contemporaries, take for example A. Fadden, They Called Me Artie, Jacaranda, Brisbane, 1969, ch. 7; and Percy Spen­der, Politics and a Man, Collins, Sydney, 1972, p 3.

29 Menzies, Afternoon Light, p. 45.


33 Pickersgill, Mackenzie King, pp. 213-16.


44 These may be traced through D.A.F.P., Vol. II, using the list of document numbers on p. xvii.


With singular appropriateness, this quotation from a speech by Lincoln on 27 Feb. 1860 is the daily aphorism for 18 March 1977 on the Olympic Desk Calendar, facing me as I write this essay.
Menzies and the Birth of the Liberal Party

*Peter Aimer*

In the beginning was Menzies. This is the essence of the Liberal Party’s origin as enshrined in its own mythology and in many political histories. It is an attractive summary of the party’s genesis, being concise, simple and, in its central idea, containing an heroic quality consistent with the facts of Menzies’ political career, with its rare pattern of rise, downfall and recovery. It meshes also with a view of the functioning of the Liberal Party in federal politics which stresses Menzies’ personal dominance, a dominance deriving not only from the formal authority of the office of Prime Minister, but also from his personality and intellect and his command over a party structure allegedly devised by him.

Inevitably interpretations of the party’s origin have been coloured by more contemporary perspectives. Looking back through Menzies’ now seemingly incredible term of sixteen unbroken years as Prime Minister, from 1949 to his retirement in 1966, and at his many honorific symbols of personal prestige, including a knighthood (Order of the Thistle), it is difficult to believe other than that the Liberal Party was Menzies’ creation. In one sense it undoubtedly was, for in his capacity as federal parliamentary leader of the moribund United Australia Party, Menzies arranged the conference at Canberra (13-16 October 1944) at which
the Liberal Party was established. At that conference, moreover, he
was a dominating figure, articulate, persuasive, genial, and his
status within the ranks of political conservatism at a new peak. A
sampling of the literature on the Liberal Party thus reveals it to be
replete with assertions that Menzies was effectively the founder of
the party. Don Whittington and Rob Chalmers express this view in
its more dogmatic form: ‘The Liberal Party . . . was entirely his,
no matter what claims others may have made to significant roles in
its creation.’1 Percy Spender, who describes the Liberal Party as the
outcome of Menzies’ ‘almost single-handed effort’, lines up closely
behind them.2 Most others, however, are content to cast Menzies in
the role of creator, without any disclaimers concerning the con­
tribution of others. Theirs is the orthodox version.3

The organization of the Liberal Party was largely the
achievement of Robert G. (Sir Robert) Menzies, who built it
from the wreckage of the old United Australia Party.

He created the Liberal Party out of the ruins of the U.A.P. . . .

[Menzies] forged the Liberal Party in the 1940s out of the bits
and pieces of the United Australia Party.

The Liberal Party was created by Menzies in the 1940s.

G.C. Bolton, in a more careful statement, hints at the multi-faceted
nature of the process, but leaves the initiative clearly with Menzies:

Realizing that the U.A.P. was discredited beyond redemp­
tion, he found support for the idea of establishing a new party
which would revive the old name of ‘Liberal’ . . . Having
found financial as well as political backers, Menzies launched
his new party . . . 4

Another view depicts Menzies not only as initiator but as ‘ar­
chitect’, creating a new party designed according to his own
‘specifications’ and therefore controllable by him. It is a dual-
purpose conception of Menzies’ role, providing both an account of
the party’s origin and an explanation of his subsequent dominance
over the party. Katharine West has presented this view in several
places:5

In some ways the Liberal Party has always been synonymous
with its Federal Parliamentary Leader who not only founded
the party to his own specifications but has also succeeded in
controlling it. . .
It is impossible to deny that the Liberal Party's distinctive internal structure is the result of its founder's personal vision and initiative.

Having been the personal inspiration behind the Federal organisational wing of the Liberal Party, [Menzies] has never been able to take it seriously as an external pressure.

More recently Dean Jaensch has repeated this view in substantially the same terms: 'Menzies sought an amorphous structure. The federal structure of the new Liberal Party was set up by him to be a support for him, not an external pressure on him.'

It is not the purpose of this essay to attempt to deny the fact of Menzies' influential involvement in the formation of the Liberal Party; rather it is to suggest that this factor, by being seen in isolation and from the perspective of Menzies' later leadership, has been enlarged into a total and sufficient explanation of the party's formation. Ray Aitchison has detected a similar effect at work on perceptions of Menzies' subsequent leadership of the Liberal Party:

Memories of the outward solidarity and security of the Liberal Party under Menzies' political management began expanding with his retirement far beyond the truth and into the realms of myth and legend. The image of Menzies as a leader grew in retrospect to much larger than life-size particularly with the public.

Historical judgments contribute to each other and their distortions tend to be compounding.

When looking at the origin of the Liberal Party the overwhelming tendency has been for authors to single out the 'Menzian' component in the process and to evaluate it in isolation from the part played by other elites and from the general conditions contributing to political reorganisation. Yet it does not diminish Menzies' real contribution to the formation of the Liberal Party to suggest that to understand the party's origin and structure one must take account of a long and pluralistic process.

The Liberal Party was conceived out of a common currency of ideas concerning the organisational inadequacies of the United Australia Party, inadequacies which were thought to account for much of the U.A.P.'s continuing electoral and parliamentary decline. By the early 1940s the record was a sorry one — out of office in Western Australia, Tasmania and Queensland for the best
part of a decade or more, displaced by the Country Party in Victoria in 1935, ousted heftily by Labor in N.S.W. in May 1941, and ignominiously defeated in the federal Parliament in October 1941, only weeks after dissension within the U.A.P. had forced Menzies to resign dramatically as leader of the party and relinquish the Prime Ministership to the leader of the Country Party, A.W. Fadden. The circumstances of the U.A.P.-C.P. coalition’s loss of office in Canberra clearly pointed to the internal sources of the U.A.P.’s political decline.

There was no mystery about the party’s organisational defects, which had been openly deplored by the non-Labor press for years: the party’s active supporters were too few in number and its branches functioned too spasmodically; its procedures for recruiting and selecting candidates were liable to manipulation, causing dissension and an abundance of ‘Independents’ and reducing the cohesion of the parliamentary parties; M.P.s were said to be out of touch with the party’s membership; the party was financially dependent on committees of businessmen, whose political activities, however, were known to go beyond the mere raising of funds; and there was no federal level of organisation to co-ordinate the activities of the various state-based bodies giving electoral support to the federal parliamentarians. It was the linking of these defects to the U.A.P.’s sagging state and federal election results that goaded the party’s active members and leaders at first towards organisational reform, and subsequently, in response to the increasingly fragmented structure of political conservatism, towards the formation of a new party under a new label.

In November 1941, only weeks after Menzies’ humiliating resignation and the defeat of the federal U.A.P.-C.P. coalition, the Victorian state U.A.P. parliamentary leader, T.T. Hollway, became involved in a public wrangle with the party’s organisational wing. Menzies joined Hollway in a press statement, reported in *The Argus* on November 25, which advocated ‘a vigorous reconstruction of the party’s organisation’. The Victorian federal M.P.s R.S. Ryan, H.E. Holt, and Senator J.A. Spicer also aligned themselves with the advocates of organisational reform.

No action followed, but in the circumstances of 1942 this is not surprising. The swift and menacing southward advance through the Pacific of the Japanese forces blunted, in Menzies’ words, ‘any
disposition in Australia to promote political dissension'. A re-vamped non-Labor opposition could only have been construed in that light. Moreover, Menzies himself was hardly well-placed to promote political reorganisation. Recently forced from the leadership of the federal party and from the office of Prime Minister, there was a possibility, as he reveals in Afternoon Light, that he would leave politics, following a hint that he might be offered a diplomatic post in Washington. Meanwhile, he had other preoccupations — his duties as Minister for Defence Co-ordination, the resumption of his law practice and weekly radio broadcasts, which provided an opportunity to rehearse some of the terms of a non-Labor political outlook relevant to the conditions of the time. Later, Menzies' fluent and practised exposition of 'liberal' policies and philosophy contributed much to the flair with which he exercised leadership of the nascent Liberal Party.

Above all, however, a more influential part by Menzies in the process of party reform awaited the recovery of his former position in the U.A.P. Between 1941 and 1943 the aged Hughes was an ineffectual leader of the federal party. Consequently, during 1942 Menzies reclaimed much of his lost ground within the parliamentary party. In April 1943, having manoeuvred prematurely and unsuccessfully to replace Hughes, Menzies, with the support of sixteen other U.A.P. parliamentarians, formed the National Service Group within the party. Reports in The Sydney Morning Herald on April 6 and 7 record the varied reactions to this controversial move and incidentally reveal both the greater strength of Menzies' support in his home state of Victoria than N.S.W., as well as significant differences between sections of non-Labor in Victoria. Whereas the council of the U.A.P. in N.S.W. publicly reaffirmed its confidence in Hughes' leadership, in Victoria the U.A.O. executive rejected any suggestion that the Victorian members of the National Service Group might be disciplined, but preserved silent neutrality as between Hughes and Menzies. The Victorian Young Nationalist Organisation, however, enthusiastically welcomed any move to ginger up the performance of the opposition. Similarly the Kew branch of the U.A.O, the key branch in Menzies' own electorate and deeply loyal to him, congratulated Menzies and his colleagues on attempting 'to give new force to the U.A.P.' Well before the Canberra conference it is evident that Menzies had the support of most significant sections of non-Labor in Victoria.
During 1944 Menzies' personal standing within the U.A.P. was higher probably than it had ever been before. The federal election in August 1943 had decimated the party, further discrediting Hughes and so tipping the balance of parliamentary support in Menzies' favour as to guarantee his restoration to the leadership. Hughes accepted the inevitable, did not contest his post, but stepped across and down to the deputy's position. Spender has recalled that by early in 1944 Menzies was 'dominant over the party, and his word was pretty well law',\(^{10}\) while Edgar Holt quotes him accepting office on condition that he be given '“the right, the clear right, to develop a new party”'.\(^{11}\)

More than the actions of a parliamentary leader, however, were necessary to launch a new party. Underpinning the formation of the Liberal Party were the considerable resources of the business world and sections of the rural industry. The collapse of the federal U.A.P.-C.P. coalition and the advent of a Labor government in October 1941 had worried business interests and raised fears for the future of private enterprise. These fears were fully expressed and the grounds for them analysed in a report prepared in 1942 at the request of the Victorian Chamber of Manufactures. The report confirmed that in 'the political sphere the position of business [was] dangerously weak', as a result of the U.A.P.'s internal divisions, organisational weakness and flagging popular appeal.\(^{12}\) Following recommendations expressed in the report in September 1942, the Chamber of Manufactures established the Institute of Public Affairs (Victoria) with a small professional staff funded by business firms and responsible to a council of fourteen leading businessmen in various fields of private enterprise. Fearing that the case for a private enterprise economy was going by default, the object of the Institute was to 'combat socialism' by means of a well-researched educative and public relations campaign directed at businessmen, politicians and the general public. The Institute's publications were soon circulating to M.P.s, employers' associations, churches, schools, Rotary and various non-Labor political groups. A similarly powerful Institute was established in N.S.W. in February 1943 and smaller bodies in South Australia and Queensland in June.

The Institutes claimed rather fatuously to be 'non-political'. They certainly did not remain so for long. In the highly politicised
climate of 1943-4, during which there was a federal election, a state election in N.S.W. and an important referendum seeking an extension of the powers of the federal government — a stride towards socialism in non-Labor opinion — the Institutes readily assumed the fund-raising function of the traditional finance committees. In N.S.W. the I.P.A. entirely replaced the Consultative Council, as the finance committee had been known, while in Victoria the Institute supplemented the National Union, which remained in existence in a rather uneasy relationship with the I.P.A., five of the Union’s members being also on the council of the Institute.

There are obvious parallels between the situation which emerged in 1943 and earlier periods in non-Labor history. Studies by B.D. Graham and Philip Hart have revealed the facility with which leading businessmen, working through the so-called finance committees, have been able to reorganise the fragmented non-Labor forces behind their chosen leader — W.M. Hughes in 1917, J.A. Lyons in 1932. By 1943 non-Labor was again politically fragmented. Disillusion with the U.A.P. had led to a proliferation of rival anti-Labor parties, most notably the Services and Citizens Party in Victoria, the Liberal Democratic and Commonwealth parties in N.S.W., and the Queensland Peoples Party. Inevitably the U.A.P.’s vote-winning capacity was reduced by the presence of these rival conservative groups.

In N.S.W. the powerful and politically active Institute (its council consisted of twenty-seven members, including eleven of the former Consultative Council) responded traditionally. In the first instance its political activity was necessarily directed towards the imminent federal elections, which incidentally were too close to allow consideration of any change of federal leadership, even if there had been pressure to replace Hughes. The Institute’s ‘long range political objective’, however, was ‘to endeavour to combine all the anti-socialist parties into one united body’. This objective was said to have gained widespread approval among the Institute’s clientele, enabling the Institute to acquire funds ‘far in excess of those formerly collected by the Consultative Council’. This would seem to be abundantly true. Testimony to the efficiency of the I.P.A. in mobilising political donations, and perhaps to the anxiety of private enterprise at the time, is the fact that even after a federal election in 1943 and a state election the following year, the N.S.W. branch of the new Liberal Party was able, according to the federal
treasurer's report to the federal council, to contribute £10,000 towards the establishment of the federal fund in 1945.

After the disastrous federal election results, especially in N.S.W. where four seats fell out of the total of seven lost by the U.A.P., short-term necessities again tended to cut across the ultimate aim of creating a new Australia-wide anti-socialist party. The N.S.W. Institute decided to press ahead with a political reorganisation in that state alone, in view of the forthcoming state elections. The Victorian I.P.A. disagreed with its N.S.W. counterpart's intention of emulating the Consultative Council and retaining an active role in the areas of finance and candidate selection in the proposed new party, but it did agree that a new party should be started and that the I.P.A.s should undertake the task. Thus in 1943, as in 1917 and 1931, politically active men holding leading positions in the world of private enterprise had assumed responsibility for remoulding political conservatism into an effective parliamentary force. They were intent on repairing their frayed political umbrella. In 1943, as before, a consolidation of existing non-Labor political groups behind a designated leader and a restatement of policy were the basic requirements.

In a paper circulated to the chairman and certain other members of the Victorian I.P.A., entitled 'Party Organisation. Suggested First Steps', a meeting was proposed between 'progressive men now associated with existing parties and groups' and similar men with no such affiliations. This gathering would next devise a mutually agreed-on broad policy which would provide the basis for a public opinion-forming campaign through the media. Details of the policy would be filled in as the campaign developed. Finally a convention of supporters would be called to adopt the policy formally and establish a constitutional framework for the party.

Who was to be the designated leader? There seems to have been no alternative to Menzies' becoming the focus of this movement to establish a new party. Certainly the Victorians were unequivocal about building him into the planned non-Labor reorganisation. Either it was to based on his leadership 'at the outset', or, the new organisation having been launched, would 'take in the U.A.P. with Mr Menzies as leader at a later stage'.

Menzies in fact briefly attended this crucial meeting of interstate representatives of the Victorian and N.S.W. Institutes, at which they exchanged, but by no means co-ordinated, ideas and in-
intentions on party reorganisation. He was asked to comment on the possibility of forming a new, Australia-wide party and how it should be done. He affirmed the need for such a party, sketched its features, dwelling on the federal components of its organisation, and stressed also the need for 'positive policies', reminding the gathering, however, that this was primarily the prerogative of the federal parliamentary leadership.

Menzies' presence and his authoritative style probably clinched his future role as leader of any new party in the eyes of those attending the meeting. The account of the meeting reports that he 'strongly impressed all present'. Hughes, then Lyons, now Menzies. Far from there being any alternative leader to Menzies, there was a conspicuous dearth of parliamentary talent, especially after Percy Spender's expulsion from the U.A.P. in February 1944. Thus the Victorian Institute's report on the Canberra conference mused on

the sobering thought that were Mr Menzies (for whatever reason) unable to lead the proposed new party, its chances of success would be diminished to the point of probably failure — unless other forces from outside the present ranks could be introduced to strengthen his team.

A veiled reference to Spender, perhaps?

The background to Menzies' predominance in the Liberal Party, therefore, is not only his own personality and resourcefulness and the alleged shaping of the party structure to suit his purposes, but the absence of credible rival claimants for the mantle of leadership, at the time of the party's gestation, and above all his acceptance in that role by those who were engaged in semi-clandestine party-building activity on behalf of non-Labor's supporting interests.

In August 1944 Menzies led a vigorous and successful campaign by non-Labor organisations against the proposals in the Federal Powers referendum. For non-Labor activists the referendum result was a great boost to morale and the lesson of the efficacy of united action was repeatedly drawn. It was in this unusually optimistic climate of non-Labor opinion that Menzies with a fine sense of opportunism and after consulting his parliamentary party convened the Canberra conference.

Before this, however, the N.S.W. and Victorian Institutes had already begun working towards a reunification of non-Labor
organisations in their respective states. The N.S.W. Institute acted first, hoping to achieve a successful restructuring before the state elections in May 1944, and as a preliminary step on the road to achieving an Australia-wide party. In both states the Institutes’ attempts to merge the main non-Labor groups were only partly successful.

In N.S.W. the council of the U.A.P. announced its willingness to sink its identity in a new, expanded party organisation. The I.P.A. convened its unity talks between the U.A.P. and the Liberal Democratic and Commonwealth parties in a confident mood. The talks proceeded favourably until specific constitutional, structural and policy issues began to be discussed. The uncompromising stance of the Liberal Democratic Party, especially its leader, E.K. White, then shattered the veneer of consensus achieved at the level of broad anti-socialist rhetoric.

The United Australia and Commonwealth parties combined themselves into a new Democratic Party, but the L.D.P. stood its ground, in part because of hostility towards the ‘big business’ interests represented in the I.P.A. and resentment of their involvement in party political matters. By 1944, it seems, the influence of prominent businessmen was insufficient to construct a party capable of containing the broad-based political conservatism embraced by the diverse non-Labor groups then in existence, especially when one element of that conservatism was a suspicion of the political pressures of ‘big business’. It had, in fact, been the well-publicised and often much-denigrated association of the U.A.P. with these sectional interests through its finance committees that had contributed to its loss of broad popularity. The successful establishment of the Liberal Party would require the prominent men of the I.P.A.s, especially in N.S.W., to come to terms with this fact by playing a more self-denying role, not only in the formative process but also after any new party had been constituted. The activities of non-constitutional party finance committees were no longer accepted as legitimate by many non-Labor supporters. Party democracy was now a much stronger motivating concept than it had been in the 1930s. Men like Charles Lloyd Jones, Sir Sydney Snow, Sir Norman Kater and A.E. Heath, who had all been involved in the formation of the U.A.P. and were now engaged again in a similar exercise in N.S.W., were perhaps slow to appreciate this.
The failure of the N.S.W. Institute to achieve the desired unification of non-Labor parties was a sobering experience for its leaders. The feeling grew in the I.P.A. that it had chosen neither the right time nor the right method of promoting the new party. The Sydney press was only lukewarm towards the proposed new party and public opinion was unresponsive, regarding it somewhat cynically as the old U.A.P. in a new guise.

The Victorian Institute on the other hand proceeded more slowly and in greater secrecy than its counterpart in N.S.W. The disappointing experience in that state suggested caution. Furthermore, there were no state elections to prepare for in Victoria in the near future, the I.P.A. itself was less inclined to enter into the same degree of political involvement as the N.S.W. Institute, and it was also still trying to resolve its relationship with the National Union — a sort of political demarcation dispute.

Four secret unity meetings were, however, held in Victoria between June and September 1944, among representatives of the U.A.O., Services and Citizens Party and the Young Nationalist Organisation. The I.P.A. provided a chairman and secretary, but was otherwise unrepresented and there was never the same intensity of feeling against the alleged behind-the-scenes role of ‘big business’ as bedevilled negotiations in N.S.W., which members of the Institute had attended throughout. In the course of the four meetings (which were interrupted for three months during the referendum campaign) some progress was made towards finding a basis for integrating the platforms and structures of the groups concerned, but difficult issues still lay ahead. However, unlike the negotiations in N.S.W., no uncompromising stands had been taken and by the time the Canberra conference was called the achievement of unity among the Victorian groups was constrained more by their caution than by suspicion or animosity among them. The Victorian parties unanimously passed a resolution commending Menzies’ efforts ‘to bring about unity in the non-Labor forces’, and undertaking to implement the decisions of the Canberra conference, if it were successful, or resume their own negotiations for unity in Victoria, if it failed.

Menzies took no direct part in the unity meetings held under the aegis of the I.P.A.s in N.S.W. and Victoria, nor, curiously and unlike N.S.W., did any politician attend the Victorian meetings, except T.K. Maltby in his capacity as acting secretary of the
U.A.O. However, Menzies was fully apprised of progress or lack of it in each state, through informal sources in respect to N.S.W. and in Victoria's case through information supplied to him at his own request by the secretary of the meetings.

Indeed, Menzies was never far from the action in the pre-Canberra stage of political reorganisation. In a broadcast in September 1943, only two days after replacing Hughes as leader of the U.A.P., he referred to the need for organisational reform. A month later he met with the special committee on reorganisation set up by the council of the N.S.W. branch of the U.A.P. Then, orchestrating the referendum campaign gave Menzies and non-Labor leaders from all states a fortuitous opportunity to discuss the need for permanent structural unity as well as specific campaign issues. The question of political reconstruction must, in fact, have been raised time and again in conversations around the country, for it had become, especially in N.S.W. and Victoria, a pervasive, even an obsessive, theme among all sections of the U.A.P. and its associated groups.

It is now clear that Menzies did not pluck the idea of a unity conference out of the air in early September 1944, when the letters of invitation went out to the relevant organisations and parties in all states. The Canberra conference must be set in the context of months of preparatory activity, albeit unco-ordinated and often fruitless. As a result of the unity negotiations already held in N.S.W. and Victoria the delegates to Canberra from these two key states were well-rehearsed on the subject of party reorganisation. They had been thinking, discussing or quarrelling over the question for the best part of a year in N.S.W. and for several months in Victoria. In N.S.W., as late as August 1944 the Democratic and Liberal Democratic parties had been trying yet again to reach agreement on the terms of a merger. Insofar as all of the major parties involved genuinely wanted to achieve a united opposition to Labor and had striven for it, many of the participants must have arrived at Canberra seething with frustration at the elusiveness of their goal.

This made Menzies' task easier. The skill and flair with which he played his part in the conference undoubtedly contributed greatly to its success. It was a situation in which he could and did excel, demanding a controlled brand of oratory blending intellect and emotion. For he was speaking to a converted audience who did not
need to be convinced that the object of the conference was the right one, but reassured that it was, despite past failures, attainable if all present were determined to press forward on the basis of their anti-Labor convictions. The report of the conference by the Victorian I.P.A.'s observers opened with the remark that a 'desire for unity was apparent in the early stages of the conference, and, after Mr Menzies' opening address, it was evident that, with tact and patience, this would be achieved'.

Delegates from other states — Tasmania, Western Australia, Queensland and N.S.W. — spoke strongly on the side of unity at the opening session, thus adding the necessary inter-state flavour to the proceedings. Sir Norman Kater (N.S.W. Institute) appealed somewhat unnecessarily for 'unified support' for Menzies as 'the most capable leader of the forces opposed to socialism and communism'. By now the conference had gathered momentum and the resolution on the second day approving 'the principle of unity of policy and organisation' was of symbolic rather than substantive importance. Two committees were then established, one to suggest a name for the new party and formulate political objectives, the other to establish an organisational framework.

It was a large conference, much larger than the unity meetings held in N.S.W. and Victoria. More than seventy people attended, — representatives and 'observers' from non-Labor organisations (the Victorian I.P.A. had offered to pay the expenses of any delegates from that state whose own organisations could not foot the bill), the I.P.A., and federal and state politicians from all states. With the inevitable conviviality of breaks between formal sessions and at meal times, and the presence of status-bearing political and social élites, the conference generated an atmosphere in which parochial outlooks, rigid stands on detail or personal animosities would be hard to sustain. Nor did there appear to be many. According, again, to the Victorian I.P.A.'s observers, 'a spirit of forbearance and a sympathy with the viewpoint of others characterised the proceedings in the main'. The past tensions between the N.S.W. Democratic and Liberal Democratic parties remained latent on this occasion. The notoriously intransigent E.K. White ('big, brash and a representative of the new rich' as a participant at the Canberra conference once described him to the author) announced at the opening of the final session that the two N.S.W. parties, who had twice in the recent past failed to reach
agreement, already regarded themselves as the N.S.W. branch of
the Liberal Party. Some of the differences between these two
parties over the financing of the Liberal Party surfaced again at the
follow-up conference at Albury in December, at which the Liberal
Party was formally constituted, and they continued to disturb the
party in N.S.W. for several months in 1945. By then, however, the
conflict was no longer a barrier to unity, as it had once been, but
was an internal problem for the new party to solve.

It was the prime achievement of the Canberra conference to have
reduced the dimensions of parochial differences to the point where
progress could be made beyond them. The presence of Menzies, his
political prestige at a new peak, contributed to this, but so too did
the atmosphere and setting of the conference, the optimistic mood
of the delegates after the powers referendum, their sympathy with
the object of the conference, and their detailed familiarity with the
subject of organisational mergers. Lastly, non-Labor’s nurturing
interests, for whom on this occasion Sir Norman Kater spoke,
wanted both political unity and Menzies. The conference, it seems,
was doomed to succeed from the start.

The Canberra and Albury conferences accomplished three major
structural innovations in non-Labor party organisation: first, they
effected a large degree of unity among the fragmented non-Labor
political groups; second, taking a cue from the structure of the
A.L.P. they established a federal organisational tier; third, new in­
stitutions were built into the party’s organisation in the form of
policy committees and finance committees at state and federal
levels.

Menzies has been credited with much — too much it is suggested
here — of the authorship of these changes. In fact there is very little
if anything in the party’s organisational structure and procedures
which one could identify with certainty as being distinctively ‘Menzian’ in conception. In its form and doctrines the Liberal Party
derives from varied sources, and the nature of the reorganisation
which non-Labor underwent in 1944 had been taking shape in
many people’s minds for some time before the Canberra con­
ference was convened.

In the context of the U.A.P.’s dramatic electoral decline in
federal politics, the Australian Labor Party’s organisation presen­
ted a challenging model. In times of political decline non-Labor
had always reacted to a need to match the real or imagined
superiority of Labor’s organisation. In 1944, as in earlier years, the solution to electoral adversity was to close the ranks of political conservatism and improve its electoral machine.

In his letter inviting attendance at the Canberra conference and in his opening address to the assembled representatives, Menzies confronted his audience with the challenge of the A.L.P.: 

The Labour Party . . . is not something which exists under a different name and with a different set-up in each State. It is the Australian Labour Party. Its membership depends upon common considerations all over the Continent. It has State branches and local branches. It has State executives and a Federal executive. 

Therefore, Menzies argued, it was ‘absolutely imperative’ for Labor’s opponents also to achieve a ‘common organisation outside Parliament’. However, this had also been the stated objective of many other influential sections of the party, especially after the U.A.P.’s decimation in the federal elections in 1943. For example, as reported in *The Sydney Morning Herald* (21 September 1943), the Council of the U.A.P. in N.S.W., decided that ‘energetic steps’ should be taken to form ‘a Commonwealth-wide party’. In Victoria, *The Argus* (17 November 1943) quoted the acting secretary of the U.A.O., T.K. Maltby, expressing the hope that there would be ‘a Federal non-Labour organisation bearing a single title, and uniform state branches within its framework’ in existence before the next federal election. Soon after, on December 1, Harold Holt, federal M.P. for Fawkner (Victoria), when speaking to a branch of the Australian Women’s National League, suggested that to match ‘the highly efficient political machine of the Labour party, with its hundreds of branches and tightly knit Federal organisation’, the U.A.P. would also have to create ‘an effective Federal organisation of its own, with a uniform policy’. With less publicity, but more significance for the growing pressure to reorganise non-Labor’s forces, the N.S.W. and Victorian I.P.A.s agreed, as we have seen, on the necessity of forming ‘a new anti-socialist political party in Australia’ and set in motion moves to that end.

There seems to be insufficient reason, therefore, for attributing the federal structure of the Liberal Party to Menzies’ own ‘specifications’. There were many non-Labor voices independently advocating the same basic structural reform; and the A.L.P. provided both the model and the incentive for action.
The suggestion that the Liberal Party was a distinctively ‘Menzian’ construction is often summoned as an explanation for Menzies’ domination of the Liberal Party. No one will deny the fact of his ascendancy in party matters in later years, but, to the extent that this sprang from the absence of organisational constraints on the Liberal Party’s federal leader, it was a perpetuation of existing conservative beliefs about the proper role of the elected parliamentary representatives in general and the leader in particular, in relation to their non-parliamentary organisations. Non-Labor beliefs derived from the essentially Burkean view that an elected M.P. was free from outside direction in determining his policies and actions. It was not pure Burke, of course, for by now it was accepted, even in conservative circles, that an M.P. who took on a party label and enjoyed the benefit of the party’s electoral resources had compromised his independence by aligning himself with a broad party platform and the party’s parliamentary leadership. Nonetheless, non-Labor’s entrenched organisational principles were designed to give their politicians and the party leader maximum freedom in parliamentary matters, including the formulation of the policy. In a statement to The Argus (13 November 1941) the president of the Victorian U.A.O. recited the doctrine in the clearest of terms, even though at the time he was engaged in a heated dispute between himself and the party’s state parliamentary leader: ‘Once those members have been elected the extra parliamentary organisations . . . do not have any control over them, and they are free to vote and speak as they think fit.’ Thus the distinction Menzies himself drew between ‘Parliamentary leaders who propound policy and those in the organisations who organise in support of it’ was more an expression and confirmation of conservative orthodoxy than an assertion of a personal ‘specification’.

While the U.A.P. was losing ground in federal and state politics, however, the opinion was frequently expressed that parliamentarians were out of touch with their rank-and-file supporters and that the latter should have a more effective voice in influencing party policy. Not only disgruntled party members held this view. Tom Hollway, parliamentary leader of the Victorian U.A.P., argued that the party needed knitting together and that to achieve this there should be formal provision for all sections of the organisational and parliamentary wings to be brought together ‘to
discuss matters of organisation and policy:

Our boast in the past has been that Parliamentary members are not dictated to by the executive of the Party . . . We have, however, gone to the opposite extreme with the result that there is little or no permanent or regular contact between members and the organisation.

‘In my opinion’, he wrote in *The Australian Statesman*, ‘this is a weakness which must be cured if we are to become more than merely a party of independents’.17

This idea surfaced after the federal U.A.P. had fallen from office in 1941. The formation of a ‘consultative committee’ within the U.A.P. was suggested, the purpose of which was ‘to facilitate the interchange of ideas’ between organisational members and politicians, ‘who would be called into frequent consultation’.18 Nothing appears to have been done at the time, but the concept was to be built into the institutional structure of the Liberal Party in the shape of the federal and state policy committees. The committees were constitutionally defined to include both organisational and parliamentary members. Their function in relation to the conduct of parliamentary policies was, however, strictly in accordance with conservative doctrine. In the formal language of the party’s first constitution, it was the task of the joint policy committees ‘to advise the Parliamentary Party upon any matters affecting the implementation of the Platform’. Or, as Menzies explained it, the purpose of the committees was to ‘enable Parliamentary leaders and their colleagues to be brought directly into contact with the ideas of outside members of their organisation’.19

The Liberal Party’s structure thus took account of dissatisfaction with the loosely-articulated U.A.P. by providing formally for what had been until then only an informal linkage process; but there was no compromising of basic conservative organisational doctrines and no pressure from any source to do so. The parliamentary leadership was to be subject to advice only, never directives.

The structural circumstances of Menzies’ dominance, as distinct from its personal sources, thus arose from the widely-accepted conservative belief that the organisational and parliamentary wings of a party were functionally separate. In this respect, therefore, it cannot be accepted that Menzies was the prime architect of an organisational structure which strengthened his dominance within the Liberal Party.
An even more important innovation than the creation of policy committees was the Liberal Party’s assumption through its state and federal finance committees of responsibility for raising money for electoral, publicity and organisational purposes. In this the party broke forty years of dependence on the fund-raising activity of non-constitutional finance committees composed of leading men in the various sectors of private enterprise. Even before 1944 the finance committees were hopelessly discredited institutions. As R.S. Parker has explained with reference to the N.S.W. Consultative Council:

the occult cash nexus with ‘the interests’ not only could not get a party’s organisational work done nor win elections, but in view of the adverse publicity it was receiving at the time, it was a positive liability.20

Menzies harboured his own deep suspicion of the meddling role of the finance committees. For when the Prime Minister, J.A. Lyons, had died in office in 1939, the National Union in Victoria worked behind the scenes for S.M. Bruce and opposed Menzies, who only narrowly won the position he was forced to relinquish in 1941.

Although there is no evidence that Menzies sought a head-on clash with the influential spokesmen of non-Labor’s supporting interests, nor publicly attacked the presence of the finance committees or the Institutes which replaced them, he aligned himself at least once with those who did denigrate them and who, like T.T. Hollway in Victoria, believed that the party should break free from the finance committees. The issue flared up in 1941, in the dispute between Hollway and T.S. Austin, the president of the U.A.O. Hollway, in some acerbic correspondence in The Argus (13, 14, 17 November 1941), explicitly and forcefully denounced the National Union’s modus operandi. There is no clearer statement than Hollway’s of the strand of thinking which underlay the eventual creation of the Liberal Party’s own finance committees:

I believe it has been entirely wrong for a small body to control the finances of the party without presenting any balance-sheet, and without explaining what money is collected or how it is disposed of . . .

I have always felt, and have since my appointment as leader of the Parliamentary party strongly expressed the opinion, that party funds should be controlled by the whole of the members of the organisation. At present a small coterie of not
more than half a dozen, who describe themselves as the National Union, have a complete stranglehold on a party which represents 400,000 Victorian voters by reason of the fact that they alone control the whole of the party funds...

Unless the whole U.A.P. is reconstituted to give rank and file membership control of finances and selection of Parliamentary candidates, we will never make any headway.

Menzies concurred. Although their joint press statement on the issue, unlike Hollway's previous utterances, avoided any specific reference to the National Union, by implication at least Menzies had signalled his opposition to the system of non-constitutional finance committees. He was always circumspect, however, and even at the Canberra conference his public remarks on party finance went no further than a rather bland advocacy of a greater role for the party's membership in the interest of party democracy. For Menzies to have attacked either the finance committees or the Institutes of Public Affairs would have been crass tactlessness, especially when he was party leader, given the history of interference of such bodies in non-Labor party politics. Moreover the Liberal Party depended as much as its predecessors on the financial support of the interests for whom the influential men of the Institutes by and large spoke.

In fact there was no need for Menzies to risk offending them by publicly arguing the case for the party's financial autonomy. The Victorian Institute had already adopted this principle and was discomfited by the reluctance of its N.S.W. counterpart to do likewise. Furthermore the criticism of the finance committees, initially voiced so loudly by Hollway, had met widespread approval among the party rank-and-file by 1944. Consequently the mood of the Canberra delegates was closer to that of Hollway and the populists of the Liberal Democratic Party in N.S.W. than to the N.S.W. Institute of Public Affairs which, even after the Liberal Party was formed, unsuccessfully tried to continue to function in its traditional role of unconstitutional party finance committee.

By judicious choice of personnel for the key positions of federal president and federal treasurer the Liberal Party retained an effective attachment to its customary supporting interests while bypassing any intermediary bodies and so avoiding the adverse publicity suffered by the U.A.P. Thus the first federal president, T.M. Ritchie, was able personally on the basis of his status as a
leading businessman to solicit substantial donations in Victoria and N.S.W. to help tide the party over until its federal finance committee had been elected and could take over the task.

No innovation has done more to distinguish the Liberal Party from its discredited predecessors than the effective channelling of political money from private enterprise direct to the party through its formally constituted finance committees and elected treasurers; and no innovation has been more important than this one for the effective funding of professional party services at the federal level. In relation to the finance committees, however, just as was found for the policy committees, there is obviously no ground for regarding the innovation as distinctively 'Menzian' in conception. Certainly the change was made with his willing, if understandably tacit, concurrence; but once again the source of change was the widespread conviction among politicians and party members that the old way was anachronistic and ripe for change along lines foreshadowed by T.T. Hollway.

If, for good reason, Menzies abstained from his role as authoritative spokesman in relation to the finance committees, there is by contrast substantial evidence that he was an insistent advocate of professionalism within the new federal organisation. He visualised a federal party headquarters in Canberra, a strong central secretariat and paid organisers in a number of key electorates. Arguably he was more concerned with the development of an independent resource for federal politicians than with the functioning of the elective structures of the federal party — the federal council and executive. At the inaugural meeting of the federal council he referred yet again to the necessity of 'a strong, skilled office — a real Federal Secretariat' which would primarily be responsible for publicity. 'The whole object of a political organisation', he told the assembled councillors, 'is to make an impact on the public mind. Publicity is the very essence of a political organisation' 21 The accent on professionalism in party activities was a novelty for those accustomed to the shoestring resources of their state parties. T.K. Maltby, for example, recalled to the author that when he took over the secretaryship of the Victorian U.A.O., in 1943, his staff consisted of one organiser in the field and 'two typists and an old accountant' in the office. The Liberal Party's independence of the finance committees and so its control over the disbursement of its
own funds went hand in hand with the employment of a professional federal staff. That the Georgian-style building in Canberra housing the party’s federal headquarters is named in honour of Sir Robert Menzies is a just acknowledgment of his insistence on such a resource.

It is clear by now that the formation of the Liberal Party was very largely a process of restructuring organised political activity along lines foreshadowed for several years and traceable to varied sources. The birth of the Liberal Party was also the occasion for a revision of non-Labor’s political outlook. By 1944 there was a demand for a new and clearer statement of what the party stood for — in addition to non-Labor’s traditional negative function of staving off ‘socialism’. The reorganisation of political conservatism required the difficult additional task of redefining the party’s position in relation to the changing social, economic and political circumstances of the war years — the search, in Menzies’ words, for ‘positive policies of liberalism’. In his capacity as party leader, Menzies accepted this task as his. This was a prerogative of conservative leaders which he guarded with great conviction. Furthermore, defining a plausible new political outlook called on intellectual resources and speaking skills which he possessed in abundance. He excelled at the task. Through Menzies, liberalism was installed as the central rhetorical concept of non-Labor’s political philosophy. The new party became the Liberal Party, a name which linked it both to the philosophy and to non-Labor’s respectable organisational origins, while at the same time burying its associations with the sullied labels of its more recent predecessors, the Nationalist and United Australia parties.

Menzies as leader and orator established the Liberal Party on the basis of a brand of political conservatism which acknowledged the policy implications of Keynes, Beveridge and the world war. The Liberal Party retained its predecessors’ rhetorical emphasis on the efficacy of private enterprise and individual initiative as the essential mechanisms for achieving a materially prosperous community, but under Menzies new doctrines were woven in. He ushered the Liberal Party into the age of interventionism: he accepted the political necessity of an expanded role for the state in economic management, social welfare and education, in pursuit of the by now widely-sought values of full employment, social security and equality of opportunity. These had become too deeply entrenched
in people's expectations to be left to the uncertainty of market forces.

Menzies' political outlook, however, was broadly in harmony with that of the 'ideologues' and intellectual guardians of private enterprise, the officers of the Institutes of Public Affairs. Indeed, he borrowed heavily from them. At the Canberra conference Menzies quoted at length a section on the economic functions of the state from the Victorian I.P.A.'s publication *Looking Forward*, and as is evident from extensive correspondence in the files of the Victorian I.P.A., the federal party platform and the Victorian state platform were substantially the product of work done by the president of the Victorian Liberal Party, W.H. Anderson, in regular collaboration with C.D. Kemp, economic adviser to the I.P.A. (Victoria).

Clearly, after Menzies was reinstated as federal parliamentary leader of the U.A.P., he played a key role in the formation of the Liberal Party, whose label the federal politicians adopted in February 1945. There can be no doubt that the construction of the Liberal Party was greatly facilitated and perhaps only made possible by the fact of the parliamentary leader's active involvement. For the process of reviving non-Labor was never envisaged by any of the main actors as one of shouldering aside the state and federal parliamentary parties, but rather of constructing around them, out of existing conservative political groups, a more broad-based, unified organisation. Consequently, at both state and federal levels, successful political reorganisation required at the very least the acquiescence of the parliamentary leaders. Much of the importance given to Menzies' personal part in the formation of the Liberal Party is therefore more properly attributed to the influence of the office he occupied, though undoubtedly his particular oratorical and intellectual style of leadership maximised the potential of the position. In addition to this, however, Menzies was an advocate from long conviction of the need for party reorganisation and greater non-Labor unity. Despite this it cannot be said that Menzies was the leading participant in moves to achieve reorganisation, prior to the Canberra conference. In his biography of Sir Robert, Kevin Perkins is right in saying that 'Menzies did not originate the move which resulted in the unity of non-Labor political organisations' (though Perkins' account of the real source of the move is somewhat dubious). 22 Rather it was non-Labor's
traditional self-appointed guardians and spokesmen for its supporting interests who quietly and purposefully usurped the initiative in both N.S.W. and Victoria. In this they were merely doing as they had done in 1917 and 1931. Paradoxically their partial failure in 1944 did not set back their own long-term aim of achieving an Australia-wide party, for the unity moves they had sponsored contributed to the success of Menzies’ own subsequent effort in Canberra, with its emphasis on an inter-state solution to non-Labor’s disunity.

Menzies’ personal influence derived in part from his formidable political skills, partly from his prominence as leader of an electorally-decimated party, but in even greater part it was contextual. Dissatisfaction with aspects of the U.A.P.’s organisation, personnel and policies had been simmering for years among its own active supporters. On top of this an electoral defeat of the magnitude suffered by the U.A.P. in 1943, when it was reduced to sixteen representatives in a federal House of seventy-four, inevitably generated a determination among all sections of non-Labor to seek change. Other prominent state and federal politicians besides Menzies, as well as organisational leaders and politically-active spokesmen for private enterprise signalled this need. Non-Labor opinion at all levels was thus unusually receptive to the idea of a major reconstruction of political conservatism.

The formation of the Liberal Party was not, therefore, the ‘almost single-handed’, herculean effort by Menzies that some have rather romantically made it out to be. On the contrary, a necessary condition of the emergence of the Liberal Party was not simply Menzies’ allegedly inspired leadership, but that the leaders of the various non-Labor political and ‘non-political’ groups — notably the men of the I.P.A.s — wanted unity, and built Menzies into their plans, whether from long conviction (as in the case of the Victorian groups) or by conversion (as would seem to have been the case with the I.P.A. and elements of the U.A.O. in N.S.W.).

Ultimately it was the ‘non-political’ organisations which would determine the viability or otherwise of a reconstructed non-Labor party. The existing organisational and parliamentary sections of the U.A.P. did not have unlimited freedom to transform themselves into a new, expanded party; for no major party can exist without regular funding from more affluent sources than its rank-and-file membership. Just as crucial as Menzies’ leadership to the
Australian Conservatism

successful establishment of the Liberal Party was the role, expressed through the I.P.A.s, of non-Labor’s traditional supporting interests. The difference between 1944 on the one hand, and 1917 and 1931 on the other was that, in the first year, for the first time the efforts by the ‘non-political’ groups to rescue political conservatism faltered and the initiative passed at Canberra to the politicians and the political groups. The Liberal Party therefore was established on the basis of a convergence of efforts by Menzies, in his role of parliamentary leader, his federal colleagues, the state U.A.P.’s conservative groups outside these structures and the I.P.A.s.

In several specific aspects — its professionalism at federal level, its symbolic philosophy, even its name — Menzies’ influence on the Liberal Party is clearly demonstrable. In the more general analysis, however, the birth of the party is better understood, not as the achievement of one man, which is a distortion of reality, but, like the formation of the National Federation and United Australia Party before it, as a case study in Australian political conservatism, which reveals something of the dispersed parliamentary and extra-parliamentary location of non-Labor’s political resources, how and under what circumstances they are marshalled.

Notes

I am grateful to Dr Peter Loveday, Political Science Department, Research School of Social Sciences, Australian National University, Dr David Walker, School of History, University of N.S.W., and the editor who read and commented on an earlier draft of this essay. Throughout the essay the terms ‘non-Labor’ and ‘political conservatism’ exclude the Country Party.


Looking at the Liberals, p. 5.

Strictly speaking the term United Australia Party referred only to the elected M.P.s — the parliamentary parties — while the non-parliamentary wings in Victoria, N.S.W. and Tasmania were known in each case as the United Australia Organisation (U.A.O.). In this essay, however, the abbreviated form U.A.P. has been used to refer to either or both sections of the party.


'Report ... on the formation of an organisation to combat socialism'. (I.P.A. file). All references to and quotations from I.P.A. sources are from records on file in the Melbourne office of the I.P.A. (Victoria) and examined by the author in 1967.


A fuller account of these meetings is in Peter Aimer, *Politics, Power and Persuasion. The Liberals in Victoria*, James Bennett, Melbourne, 1974, pp. 17-19.


Ibid., Vol. XI, No. 11, Nov. 1941.

Ibid.,

Ibid., Vol. XV, No. 1, Jan. 1945.


The Liberals’ Image of their Party

Peter Loveday

Any political party prominent in government and elections for any length of time has an identity or image which distinguishes it from its competitors. This is built up largely if not wholly from what people say about it. That, after all, is mainly how we know our parties: very few of us meet party politicians, belong to parties, give them money or work for them. We depend on what journalists, friends, parents and party publicists say about them for most of our information and, above all, our evaluations of them.

But not all that is said about a party enters into its identity, at least as it is perceived by those favourably inclined to it. What Labor says about the Liberals may wash with Labor supporters (and vice versa) and even have something in common with what Liberals say about themselves, but it will not be how Liberals see their party. For them, what counts most is what the party says about itself through its leaders and spokesmen. When they tell us what the party stands for or talk about the principles, the philosophy or the nature of their party, they are presenting us with their image of it, or at least with the image of it that they would like us, the audience, to have.

There are, however, many audiences, not one, and leaders have no choice but to blur the images they present. When the wings within a party differ and expect recognition, a form of words reassuring to both and maintaining a facade of unity is bound to be
imprecise, as we will see, and the image ambiguous or out of focus. The same will follow as leaders try to calm the fears and excite the hopes of other competing audiences. Doctrinaire parties, especially those on the left, may try to get themselves in focus, perhaps at the cost of a split in their ranks, but mass parties in democracies do not. They do not have clear ‘official’ images.

The major Australian parties are non-doctrinaire, of course, but this is not to say that they have no ideologies. Beliefs that have successfully been maintained over long periods of time are particularly important components of their images. In the web of beliefs contributing to the Liberals’ image of their party, three subjects — party and parliament, government and the economy, and federalism — have been particularly salient. These beliefs have been upheld by the predecessors of the present Liberals since the time of the formation of the early Liberal parties and they have now been firmly established for over half a century.

**Party and Parliament**

Malcolm Fraser drew on several components of the image when he spoke about the nature of the Liberal party in *The Age* on 22 May 1973. Liberals, he said, were more concerned than Labor with the position of the states as against the commonwealth and with the creation of wealth as contrasted with the division of it. In defence and foreign policy they were anxious that alignments with the third world should not prejudice their traditional friendships with Britain and the United States. Being compassionate for the less able and less fortunate but preferring private initiative and self-help to government action they would maintain welfare programs but take care not to create a ‘society in which many people will have better provision made for them by government than they are able to make for themselves’. Finally, Liberals expected their parliamentary representatives to exercise their own judgment and, being concerned with individuals above all, they would not legislate for a class. Fraser emphasised that the Liberals ‘are the only party that is truly national, that can claim and seek to govern for all Australians without concessions to race, to colour, to religion, to class or to economic grouping’.

This has been one of the central ideas in the party throughout its history. To feel ‘peculiarly representative of the whole society’, in S.H. Beer’s words, is one of the similarities between Liberals and
The Liberals' Image of their Party

their English predecessors in the nineteenth century. Another idea, closely connected with this attitude to party, is what has been called parliamentarism and that too has had its place in the ideas of Australian Liberals. By this term Beer recalls the view, usually referred back to Edmund Burke, that the member of Parliament should maintain an independence of mind and position which would enable him, under the guidance of his own judgment and in unfettered debate in Parliament, to represent not only his constituents and particular interests but the interests of the nation as a whole. Deliberation and independence, usually in the name of 'good government', were the basic ideas and they had been long known and used, usually in justification of non-party politics, in the Australian colonies before the parties began to take shape at the end of the nineteenth century.

The names chosen for the party in Australia in its different incarnations reflect the view that it is not sectional like the Labor and Country Parties. In times of domestic peace its leaders have been content with the name Liberal and to reassure their public that although the party accommodates conservatives it is not dominated by them. As the party paper The Nationalist said on 31 May 1937, the United Australian party 'is not a party of diehards and conservatives but is truly progressive and democratic'. But when the non-Labor forces were reconstructed in times of deep discord in World War I and then again in the Depression the names National and United Australia were chosen for the party as if to say that by being reorganised in a national crisis — on both occasions under the leadership of ex-Labor men — it had redeemed itself as the party above class and section. The implication has always been that to be 'truly national' is to have an incontestable claim to power and that the legitimacy of the other parties is defective, even if they are in power, simply because they are sectional. Fraser's comment suggests that the Labor and the Country Parties have been compromised by the need to make concessions to groups defined on grounds of race, religion, colour, class or economic position; compromised because it is assumed that no government concerned with particular interests can give proper consideration to the public, national or general interest.

Different arguments have been used to establish the national character of the party. Enunciating one of them that has survived
to the present day, the Liberal and Reform Association of New South Wales saw itself in 1903 as national not so much because it was somehow *of* all classes, a claim that would have been quite implausible, but because it was *for* all classes. Its platform announced that its legislation would tend ‘to the common good’ and would not be based, as Labor’s was, on class interests: ‘we do not believe in catering for any class as distinct from the whole community’.

W.H. Anderson echoed the idea in 1948: as federal president of the Liberal Party he reminded an annual council meeting that the policy of the party was in the interests of all citizens, even including working men who should now ‘look to it as the “Workers’ Party” of today’.

The distinction between ‘of’ and ‘for’ is easily elided and then it can be said that the party is ‘of’ or represents all classes, sections and interests. The Liberal Party, J.L. Carrick said in the late 1940s, ‘is established in all States . . . is representative of both rural and urban interests . . . The professional, clerical, trades and unskilled groups are intermingled . . . The Liberal Party is the only truly non-sectional party’. According to Lyle H. Moore, in a federal presidential address, it was because the party’s membership was drawn ‘from all classes, creeds and sections’ that it was ‘truly representative’ and therefore able to reflect the ‘largest body of opinion in the community’.

This leads to the fusion of the two ideas and to the next step in the analysis of the image. To be ‘of’ all, that is, to represent all, is sharply contested by both the Country and the Labor Parties, to mention no others, and consequently it is not plausible for Liberals to give that as their reason for claiming to be ‘for’ all. They have therefore drawn on other arguments as well to support the claim and the most common is to say simply that they endeavour, in the words of the United Australia Party this time, ‘to formulate and carry out policies designed to benefit the community as a whole’ or the whole state or all interests or the largest body of opinion or the country as a whole, to take some other formulations as well. Then there is the kind of endeavour as well as the endeavour itself: only Liberalism ‘practises and preaches favour for none and justice for all’ or, as William McMahon put it thirty odd years later, tries to pursue the national interest without permanently injuring or
The Liberals' Image of their Party

The distinction between 'of' and 'for' is not, however, always overlooked and then it has to be admitted that the party is the party 'of' the middle class and reasons have to be found to explain why that class is somehow capable of doing what other classes in Australia are not, namely of rising above its own interests and being able to govern 'for' all.

Crisis, of course, produced one rather special answer. In 1932 at the first state convention of the United Australia Party, A.J. Gibson argued that the U.A.P. was the middle party and that it was always the middle class which saved Australia in times of distress. In different circumstances others said that it was the party of the average or general class rather than the saviour class, the party of the class that provided stability and resisted disorder, the one which had been forgotten in the struggle between particular sections because it had not been as selfish and pushing as the other parties. John Latham, then federal attorney general in Lyons' U.A.P. government, put it forcefully in 1933:

the middle class is too often left out of it in political matters; though it is one of the most valuable in the whole community. It is not rich, but it is not poor, and it is often forgotten. It includes very nearly all professional men, most farmers and rural producers, a tremendous number of shopkeepers, a large number of clerical employees, a considerable proportion of manual workers, especially the skilled and more particularly the highly skilled artisans and all kinds of people working on their own account.

Ten years later, on the eve of the re-formation of the Liberal Party from the ruins of the U.A.P., R.G. Menzies chose the title The Forgotten People for a collection of essays in which the claim of the middle class and its party was most uncompromisingly set out. For him the middle class was not so much the average or representative class as the best class. It was also the class which, by its
own achievements, showed what Australians of all kinds hoped to attain. To summarise: it was ‘the backbone of this country’; it had a ‘stake’ in ‘homes material, homes human, homes spiritual’; it provided ‘the intelligent ambition which is the motive power of human progress’; it provided ‘more than perhaps any other [class] the intellectual life which marks us off from the beast’ and, finally, ‘this middle class maintains and fills the higher schools and universities and so feeds the lamp of learning’. Notwithstanding its advantages it was ‘constantly in danger of being ground between the upper and the nether millstones of the false class war . . . We do not have classes here as in England . . .’ With that comment Menzies touched on an old idea in Liberal thought.

George Reid, leader of the federal Anti-Socialist Party, claimed in 1906 that there were no fixed social divisions on which to base class politics:

we did not start with [an] aristocracy with inherited fortunes. We started with the cream of the enterprise of the old world — men who came out here with a few shillings or a few pounds, and who by their own indomitable industry and frugality and sobriety worked their way up to become capitalists.

Men like Henry Gullett, Charles Wade and John Latham — all knighted — echoed the thought and W.H. Anderson, among others, restated it for the Liberals in 1954:

we reject the conception of class. It is anti-democratic and outmoded . . . in this new industrial age rigid class concepts are absurd. This age, with its changes, its opportunities, and its mobility, obliterates the old distinctions of a fixed and static society.

About the same time Menzies reminded a management audience that ‘attempts to create class hatred in a nation whose only true classes are the active and the idle are . . . attacks upon democracy’.

The idea was, perhaps, inherent in the assertion — dating back to the nineteenth century and reappearing from time to time ever since — that ‘employer and employee have a sense of common interest and duty, and share as co-operators in all advances of prosperity’ to quote the party platform of 1960. More recently R.V. Garland told a party conference in Western Australia that the ‘poison of the
outdated class war' had to be ended and the platform of 1974 makes the same point. Given the underlying idea that opposition between class interests is possible only where classes are composed of individuals with fixed positions in society, Liberals were bound to conclude that a middle class of socially mobile individuals in a developing society was quite unlike the classes of the old world. That too links them with English Liberals of the nineteenth century who spoke as if they thought 'their values were not those of narrow class interest. On the contrary, they broadened into a vision of the classless society. For the middle class was the class that would bring all classes, all hierarchy, to an end'.

The parliamentarism of the Liberals is hinted at in various ways, usually in remarks like Fraser's that their parliamentary representatives exercise their own judgment. The platform of 1974 captured part of the image: 'Members of Parliament . . . are responsible to their electors and should not be subject to direction by persons or organisations either inside or outside Parliament'. Liberals have always seen Parliament as a deliberative assembly and have posed as its defenders against its alleged loss of power to the executive and the bureaucracy on the one hand and to party or, pejoratively, machine politics on the other. Both aspects have been touched on in phraseology like that of the Nationalist Party resolution in 1931 that the ministry should be responsible solely to Parliament and Parliament solely to the electors and not to any outside organisations.

Menzies was both more eloquent and more explicit. In his policy speech in 1946 he argued that Parliament had been reduced by the caucus methods of the Labor Party to 'a mere rubber stamp for the recording of decisions made elsewhere . . . [it will be] an evil day for our civic freedom and our self government if this degradation of the functions of Parliament is allowed to continue'.

Linking caucus methods with executive dominance, he warned that 'the sovereignty of Parliament . . . is today being threatened . . . there is a disposition . . . to regard Parliament as a sort of creative or procreative organism which gives birth to an executive and then becomes of secondary importance'.

Labor, so the argument runs, has deprived Parliament of its deliberative power by committing party members to vote according to decisions taken in party caucus meetings prior to debate. As a result members can no longer exercise their independent judgment
and freedom of choice; the tie between members and their constituents has been weakened and the responsibility of members has been transferred to an ‘organisation outside’ Parliament.

Taken far enough, referring of course to the times when Labor has been in power, this has been used to prove that Parliament has been made into an instrument of class rule. In the more extreme forms of the argument, in words foreshadowing the ‘thirty-six faceless men’ jibe of the Menzies era, the government itself had been passed to a ‘secret junta’.23

The parliamentarism of the Liberals in Australia was attenuated or distorted because it was used almost exclusively as a reference point for attacks on the Labor Party; to justify the view that members ought to be independent of some forms of party control was its main function. And the other part of the image, namely that members should use their independence and judgment in order to transcend the particularities of political life, was commonly forgotten except when a Menzies remembered it. Reminding his readers that Burke had stated the argument originally, Menzies translated it to a democratic political system:

Parliament should, if popular self-government is to be good government — indeed the best government — represent the cream of the nation . . . how strange that we should not be at pains to find and appoint our wisest and best citizens . . . [but in fact] politics was disregarded as fit only for loudmouthed careerists [and Parliament was] very little more than an average representation of the people . . . a perfect cross-section . . . But the world’s progress depends . . . not on the average man, but on what Confucius called the ‘superior man’.24

A few years later he came back to the argument and explained that though politics was one of the most important activities in the modern state it was often depreciated and as a result parliaments were a cross section not a corps d’élite.

The first-class mind is comparatively rare. We discourage young men of parts by confronting them with poor material rewards, precariousness of tenure, an open public cynicism about their motives, and cheap sneers about their real or supposed search for publicity25 and he thought we did it because we treated democracy as an end, not as a means.

This meant that the attitude of Liberals to party politics was
bound to be ambivalent. To the extent that party — any party — interposed itself between the member and his conscience, making the first demand on his loyalty and judgment at the expense of constituency, interests and nation alike, then it was acting improperly. And yet they could hardly deny their own party and, although they have hesitated at times, Liberals have generally approved of party in principle, especially when talking about democracy, Parliament and responsible government. The early Liberals in New South Wales, faced with a challenge from independents invoking one side of the ideology, put the other:

We believe in healthy party life in politics ... the great mother of Parliaments — the House of Commons at Westminster — [is] an instance of how true party organisation ... has conduced to pure and honest government. Destroy healthy party politics and you get in their place personal politics ... We unhesitatingly condemn the so-called 'independent' candidate, who has been well described as 'one who cannot be depended on' ... 

Menzies put it more briefly in 1932: independent members caused mischief. And yet, as Carrick said later, the Liberal Party was 'very sensitive and responsive to its individual personalities'. Liberals have therefore always insisted, when confronted with their own apparent ambivalence, that their party’s extra-parliamentary organisation does not have the same power as Labor’s conference: their council has an advisory role only in relation to the leader and the members of parliament and they in turn are not rigidly bound by decisions of their party meetings. McMahon — before he became Prime Minister — may be allowed to have the last, still enigmatic, word: ‘The individual Member is not bound by the collective judgment of the Parliamentary Group. The sanctions against recalcitrants are persuasive and moral only.’

**Government and the Economy**

Fraser’s remark in his article in *The Age* that Liberals were ‘sharply divided’ from Labor by their concern for the ‘creation as opposed to the division of wealth’ touched on another basic theme in the Liberals’ image of their party, one which goes back, like their ideas about party, to their founding years at the turn of the century. Their polemical point is that Labor is determined to redistribute
wealth in favour of the lower classes and pays no attention to the need for increasing it. But, as Menzies said in 1942, prosperity and happiness cannot be obtained merely by the redistribution of wealth; more must be created. The basic ideas behind this are that only free or private enterprise is productive and that the Liberals are the party defending and promoting it in favourable contrast to the image they present of Labor as indifferent or hostile to it.

Menzies, for example, went on to say that to create more wealth, enterprise was needed and that the ‘dead hand’ of the state was of no use or, as the party put in in 1963, ‘Governments are not producers, nor are they intended to be’. It then explained that ‘in a free enterprise economy operating competitively, the resources of manpower, capital and initiative are put to greater long-term use than they are . . . under socialistic or totalitarian control . . .’. The party platform of 1960 had also included the observation that a free enterprise economy was the most effective ‘dynamic force for progress’. Most of this was embodied in the section on the philosophy of Liberalism in the platform of 1974:

Liberalism aims to create a society in which individual economic freedom exists. It recognises that free enterprise is the crucial factor in achieving general economic progress . . . [and] the importance of effective competition as a preventive of monopoly power and as the incentive to creativity and productivity.

But this has never meant that the party has favoured unrestricted private enterprise. The platform of 1974 pointed out that Liberals ‘reject the doctrine of laissez-faire . . . [as well as] the collectivist and authoritarian dogmas of fascism, socialism and communism’.

The implication is that the party favours a limited and controlled form of capitalism, one in which government and private enterprise are, in some sense, partners. In early statements of the idea the emphasis was on the individual and on helping those who had ‘enterprise’. In the 1920s, Bruce said that the ‘National Party stands for a developmental policy, based on the initiative and enterprise of the individual, with a reasonable measure of assistance to those who are prepared to help themselves’. After elaborating on the same point in the 1930s, T.R. Bavin in New South Wales added that ‘this, when all is said and done, is the best that any Government can do for any community . . .’. In the 1940s, Menzies allowed that the state might properly do rather more than that and
The Liberals' Image of their Party

then went on to explain to the founding meeting of the Liberal Party that in his conception

the State and private enterprise are regarded as partners in the common purpose of improving the material conditions of the community . . . From plans of State action designed to secure full employment and social security, private enterprise stands vastly to gain. Conversely . . . the State will be greatly aided by a vigorous, healthy and enlightened private enterprise.35

But at this point what appears to be a clear image becomes blurred and ambiguous because the subject of the proper relations of government and business has always been a source of tension and dispute, usually in ideological terms, between different sections of the party.

Disputants of whatever interest or kind have always drawn heavily on the two main ideological traditions of the party, both exemplified in English Liberal thought, the *laissez-faire* and the interventionist.36 In Australian history, these two traditions were embodied at the turn of the century in two distinct parties, the Deakinite Protectionists, based in Victoria, and the Reidite Free Traders, based in New South Wales, both seeking, the latter the more successfully, the co-operation of non-Labor organisations in the other states. The Reidites, although distinctly reformist and interventionist in New South Wales politics in the 1890s, drifted under the banner of anti-socialism in federal politics in a highly conservative *laissez-faire* direction from 1903 onwards. Alfred Deakin's New Protection, owing as much to earlier Victorian liberalism as to pressure from the federal Labor Party on which his second government depended for its tenure of office, was highly interventionist and anathema to extreme anti-socialists. The first Liberal Party was created from the fusion of these two groups, and ever since then moderate interventionist ideas and policies have been described as in the Deakinite tradition and the less interventionist as in the right wing or *laissez-faire* tradition in the party.37

The anti-socialist position, as put by Reid in his 'socialist tiger' speech in 1906 was that

the terms 'capital' and 'capitalist' cover more than money. They include the few who have much money, the many who have some, and all who have none at all. The brains of a man, his physical strength, his frugal, indomitable spirit, all these
are forms of 'capital' . . . Almost every successful man in
Australia began life with no other capital. These qualities
were translated by arduous labour and enterprise into money,
just as the qualities of some other men translate themselves
into failure and self-indulgence. In seeking to destroy the
motives which make men 'capitalists', you seek to destroy the
motives which make men, and nations of men, successful.
You do more. You sound the death-knell of personal liberty
as well as contract the opportunities of personal ambition.38

On the other side Deakin may be cited, speaking in 1910 about the
need for social welfare legislation:

We have to realise that unemployment, if continuous, not
only discourages a man, but disqualifies and finally
demoralises him . . . We believe much in the way of social
amelioration can be done by way of Government inquiry . . .
with perhaps new agencies, Government supervision and
perhaps Government aid [he was speaking of friendly
societies]. When I spoke of Old-Age pensions as a basis, I had
this and similar problems in mind.39

As these remarks suggest, both traditions provided ideas on other
topics besides the relations of government and business for the
ideologically disputatious within the party.

The two traditions may first be exemplified briefly by comments
on two of these topics, unemployment and social security. Whether
to accept Labor's policy of full employment after World War II
was a major question for the party and its associated Institutes of
Public Affairs, one in New South Wales and one in Victoria. The
latter argued in 1944 that the 'supreme task' of post-war policy
would be to prevent large-scale unemployment.

Upon this objective there is no room for, nor should there be,
any difference of opinion. The failure to achieve it in the past
provided the chief source of condemnation of the economic
system . . . Failure to achieve it after the war would almost
certainly lead to political and social consequences of a
disastrous character . . . 40

But differences of opinion continued and in 1947 the Institute in
New South Wales published a pamphlet arguing that
to question the practical possibility of full employment is not
to court despair, but to make a realistic approach to the
problem. Although fluctuations in business activity will not
be eliminated, appropriate steps can be taken which will rob
depressions of many of their terrors... introduction of unemployment personal insurance paid for by the insured persons in proportion to the benefits they receive... one hundred per cent employment could be achieved only by thorough going regimentation of workers and their jobs through complete central planning... this is total socialization.41

In reply to this kind of thinking the Victorian Institute maintained its view that disaster and socialisation would come if full employment were not secured. It emphasised that \textit{laissez-faire} theorists could not show that private enterprise ‘if left to its own devices’ and the ‘automatic dispensations of the free price market’ would achieve full employment.42

Not long after Deakin had spoken of the need for social amelioration in 1910, the secretary of a Women’s Liberal Club inveighed against the new Labor government’s proposed maternity allowance in the party journal. The baby bonus was repellant and at variance with the high ideals of true motherhood... the mother prefers independence to provide to the best of her ability for the supreme part which Nature demands of her... [rather than] the State-aid stigma... [aid would corrode] the spirit of charity and benevolence which has called them [the lying-in homes] into existence, and which is a great asset to a nation... the great concept of family life... must become obsolete if the people of any nation allow themselves to become State reared and State fed... when the family altar is raised, the best stimulus for its increasing prosperity and growing usefulness depends on self-help... such homes need no baby bonus.43

Within the same tradition, J.A. Lyons thought in 1931 that Australia would become ‘a nation of mendicants’ if people learned to depend on social services for help in adversity and in 1947 W.C. Wentworth argued that it was not the cost of Labor’s proposals that mattered, but their ‘moral impact’: ‘Will the Services make the individual the creature of the State?’ he asked forebodingly.44

But on this question, the interventionists in the Deakinite tradition had won the day: making the connection with capitalism clear, Menzies said in his policy speech in 1946 that no one wanted ‘to go back to the idea of an untrammelled competition which pays no regard to the victims of the conflict’ and the party platform of 1948 called for ‘social provision... in relation to superannuation, sickness, unemployment and widowhood on a contributory basis,
free from a means test, and in which adequate medical services are within the reach of all'.

On the subject of government and business, the extreme position, of course, was to appeal to the 'laws of economics'. From this point of view some thought that 'political nostrums' were of little use for 'economic diseases' and that governments could do little to mitigate or solve economic problems and would probably create new ones. Government, Leon Trout said as president of the Brisbane Chamber of Commerce in 1954, 'should not interfere in the conduct of business by imposing controls and other restrictions . . . once people commence to defy the rigorous laws of supply and demand they create artificial shortages, black markets . . .'.

Another line of argument, not overtly depending on 'economic laws', was that government regulation was bad because it crushed individual initiative and because it resulted in the creation of a bureaucracy which, besides absorbing manpower unproductively and imposing delays and paperwork that added to costs, often exercised an arbitrary and authoritarian control over matters it did not properly understand — perhaps in pursuit of some Labor-inspired 'theory' about the economy. This was a regular theme in presidential addresses, especially to Chambers of Commerce, but it could frequently be found in party rhetoric too. For example, much of it was captured in a Liberal Party pamphlet of 1959:

you cannot have a controlled economy without controlling human beings. Nor would they [Labor's leaders] understand that the economic salvation of Australia rested with unfettered men — men encouraged and with the capacity to break through the maze of rules, regulations and foggy theory choking the economy.

Finally, government enterprises called forth a distinct set of comments, again from the Chambers as a rule but reflected from time to time in party documents. Government business, of necessity conducted under 'set regulations', lacked the ability to make quick decisions and the flexibility of control inherent in 'successful competitive business'. It was unsound economically, it subjected employers to 'unfair competition', it restricted the movement of private capital and its losses were borne by the taxpayer. The basic thought in all of this was that the less government had to do with business the better for all concerned, the country as well as business.
Private enterprise, then, was best but it could not be relied on for everything and at this point the interventionists' view that the state should play an active part in a variety of areas, over and above those of law, order and defence, became important. By the time the early Liberal parties were being formed it was no longer possible in practical politics to take to extremes the argument that the state should have minimal functions. By 1900 governments had intervened in all colonies in the working of capitalism either to help in the process of developing the country and its economy, for example by assisting migration, controlling land settlement or by imposing tariffs on the importation of manufactured goods, or to counteract the undesirable effects of capitalism, for example by setting up machinery to facilitate the settlement of industrial disputes and by legislating to prevent 'sweating' in factories. To mention only one colony: in Victoria liberals and conservatives at this time both accepted that the government should intervene to regulate and promote economic activity and, although they bickered about it in ideological terms, they were not fundamentally opposed to one another and this left the extremists among them politically isolated and ineffective.\textsuperscript{49}

Intervention, once the necessity for it has been conceded, is not easily subjected to theoretical justification, especially when governments have been under constant pressure to be inventive in enlarging the scope of their activities in good times and bad alike. Development, for example, can be interpreted to comprehend tariffs, public works, transport and communications, migration, education and research, export promotion, special forms of banking and much else as well but there has been little or no theory of development to guide the interpretations that have been made.\textsuperscript{50} Monopoly and restrictive trade practices, industrial relations, inflation, depression and unemployment, to name only a few, have also been accepted, some more tardily than others, as proper subjects for Liberal action and, among topics more remotely connected with capitalism, social welfare, health, the conservation of resources and the preservation of the environment. Justifications for policies on this variety of subjects have not been linked in one broad interventionist theory and consequently there is no one basic argument for their opponents in the party to attack. Besides that, the non-interventionists have long since agreed that capitalism does
have its shortcomings and have learned to pay attention to the ex­
pectations of interest groups and to the party’s electoral strategies.

As a result, it has not been difficult for Liberals to say they are
non-interventionists while at the same time giving reasons for
ignoring the principle in particular instances. For example, in 1906
when Reid was shaping his anti-socialist slogans, he could protest
to W.A. Holman in a major public debate on socialism that surely
he could see

the difference between a municipality running within its own
boundaries a water supply, a gas supply, or a tramway ser­
vice, and running all the farms of Australia, all the mines of
Australia and all the factories of Australia. The difference
between works of distribution and works of manufacture is
known I think even to rudimentary political economists.51

The party in 1963, after explaining that a ‘free enterprise’ economy
was best, went on to say that

on grounds of basic principle, [it] is opposed to State owner­
ship of any service or business undertaking which can be
financed and operated efficiently by free enterprise. This does
not mean that, under some circumstances, State ownership
might not be acceptable to the Liberal party either as the only
practicable means by which an essential service can be con­
tinued or a nationally important developmental project com­
menced.52

In the absence of an encompassing interventionist theory, the
Liberals have not been able to decide, officially or unofficially,
where the line should be drawn between public and private en­
terprise. Reid might distinguish works of manufacture and works
of distribution but others would draw the line at the point where
profit stopped or where competition could not be sustained. For
example, in the 1950s the federal president W.H. Anderson could
insist that the true Liberal ‘proclaims the way of free enterprise’
and that he

recognises that certain operations are best conducted by the
State — post offices, public services such as water and
sewerage, defence etc. He distinguishes these legitimate func­
tions of the State from the legitimate functions of private en­
terprise by the simple rule that the former cannot be con­
ducted competitively . . . .53

Again, if governmental action was carried out in the name of
development, even those limits need not be rigidly observed.
By 1974, although Liberals still regarded ‘free enterprise’ as the ‘crucial factor’, the platform recognised such an extensive list of governmental responsibilities for economic intervention, in the name of either the welfare of the individual, fostering community services and amenities or general economic development, that there was almost nothing left that it might be improper for government to do.

The Commonwealth and the States
If the Liberals have had mixed ideas about government and the economy, they have been more single-minded on the subject of federalism. With only occasional disclaimers, they have seen themselves as the defenders of federal arrangements against the centralising tendencies of Labor governments and the commonwealth bureaucracy in Canberra.

Even before enlargement of the commonwealth’s power was first proposed by the Labor government in 1911 and well before the potentialities of the commonwealth government for expanding within the existing constitution were evident, the more conservative Liberals had started to express anxieties about states’ rights. W. Knox, a prominent Victorian anti-socialist, argued in 1908 that the non-Labor parties in Parliament should combine on a platform which included maintenance of the commonwealth constitution, and of the ‘full rights and privileges’ of the states. Another federal member, A. Bruce Smith, urged that any anti-socialist program should avoid ‘legislation that unnecessarily interferes with or challenges State rights’. Joseph Cook, leader of the Liberal opposition, outlined the basic position rhetorically in 1913:

Liberals stand also for a Federal as opposed to a unitary Australia . . . Our constitution is declared by constitutional authorities to be one of the best and most balanced in the world . . . This logical, clear and precise document is sought to be torn into ribbons by the caucus, the autonomy of the States is to be destroyed, and almost the whole of the powers now exercised by them are to be gathered into the slow-moving, despotic and distant control of a centralised Government . . . bureaucracy and centralisation have always resulted in revolution . . . local self-government has saved the nations from disaster.

L.E. Groom added that the federal system was a barrier to a federal Parliament bent on the ‘extreme socialistic aims of the
nationalization of the means of production, distribution and exchange'.

Liberals were not, of course, wholly satisfied with the federal system, particularly when they considered the growth of commonwealth power in the decades after 1910. They had a number of complaints, besides those about the delays and despotism inherent in a distant bureaucracy, all of which if remedied, would have weakened the central government. The growing financial dependence of the states on the commonwealth was one of the main grievances, but in addition there were repeated complaints about the 'overlap' and consequent 'confusion', 'friction', 'duplication' and administrative 'waste' of the dual system of government.

It was often assumed that, if someone set their mind to it, functions could be properly sorted out between the national and the state governments to remove duplication and to increase the autonomy of the states. In the 1920s the Nationalists had a plank in their platform that an all-party convention should be held to consider 'the respective powers and relations of Commonwealth and States, with a view to abolishing friction and overlapping and to ensure more efficient and economical government'. The subjects most often mentioned in complaints about overlap and friction were finance, taxation and industrial relations. Bavin thought governments and arbitration at the state level more likely 'to promote good feeling and harmony between employer and employee'; R.L. Butler, the Liberal Premier of South Australia, thought the 'financial disability' of his state and overlapping in taxation and arbitration justified a constitutional convention.

Occasionally a voice was raised in protest against prevailing opinions and their confederalist undertones. Menzies, for example, said in 1936 that Australia was a nation and should tackle its problems as a nation and not as six separate states — except, he hastened to add, for purely local matters which should be the responsibility of local governments. Stanley Argyle, while not questioning the basic federal principle, somewhat testily insisted in 1938, that states' rights conflicts were 'futile' and that commonwealth and state governments must co-operate to be effective.

But the old ideas remained unchanged and seemed particularly appropriate after World War II when once again Labor was in power in the commonwealth. The party in 1948 announced that it
was for ‘the maintenance unimpaired of the Federal system’ and for a convention to review the constitution ‘to preserve the Federal system and improve the machinery of Government by the rearrangement of powers between the States and the Commonwealth’. In his policy speech the following year Menzies touched on the subject, explaining that Liberals believed the ‘division of powers between Commonwealth and States, as distinct from complete centralisation of power at Canberra’ was conducive to both more ‘efficient’ government and the freedom of the citizen.

Ten years later, after a decade of Liberal rule, nothing had been done to meet the complaints. Menzies promised to call a special premiers’ conference and the federal president told the party’s annual federal council meeting that

the evolution from a collection of independent states to a Federation was a decisive and important phase in our approach to nationhood. But the old tradition and the envisaged concept are not yet wholly fused. That is understandable in a country of pretty rugged individualists. The refusal to surrender all power to a Central Government is not only consistent with the national temperament, but also in harmony with the Liberal idea of Federalism. On the other hand, Federalism means partnership between the Commonwealth and the States...

Those who made a fuss were clearly going to be fobbed off with fine phrases. The platform in 1960 spoke under ‘constitutional’ of the need to develop a ‘national spirit’, to maintain ‘unimpaired the Federal system of Government with appropriate division of powers’ and to foster ‘co-operation between the Commonwealth and the States in the exercise of their respective powers’. Only vague and non-committal notice was taken of the ancient call for new states and for review of the constitution ‘to determine what, if any, adjustments consistent with its Federal quality have become necessary’.

By 1975, a three year interlude of Labor government had enabled Liberals to revive all the old phrases: Labor’s ‘centralist goals’ and its policies led to ‘heavy-handed interference and duplication of functions’, ‘overlapping, waste and interference’ and ‘inroads into the constitutional responsibilities of the states’. They were able to go back to the old argument that the ‘principal justification’ for federalism is that it prevents ‘dangerous concentration of power in
These long-standing beliefs on federalism are linked with beliefs about party and Parliament and about government and the economy, to mention only those dealt with here, by a few basic notions, sometimes no more than signalled by a key word or phrase: individual, bureaucracy, socialism. This is an important characteristic of the ideology of the party: it is flexible not only because of its ambiguities and generality but because of the linkages between its various parts. Above all, there is the integrating anti-Labor rhetoric of the party. Within the network of beliefs, made familiar by constant repetition, party spokesmen without any special philosophical expertise can move easily to and fro, drawing on the components they feel are appropriate for the different versions of the party image for different occasions. And yet the standard topics and key linking notions ensure that the ideology is relatively changeless over time and uniform throughout the country.

Notes


4 Liberal and Reform Association, *Manifesto and Platform* [Sydney, c. 1903].


*United Australia Review*, 20 April 1933.


Ibid., pp. 1, 3, 5-7.


22 Quoted in The Record, Melbourne and Brisbane Chambers of Commerce, September 1948.
23 W.M. Hughes, Mr W.M. Hughes' Policy Speech, National Government's Record, Nationalist Party, Melbourne, 1922.
25 Menzies, Speech is of Time, p. 185.
27 In Mayer, Australian Politics, p. 313.
29 Menzies, The Forgotten People, p. 113.
31 Federal Platform, p. 5.
32 Federal Platform, p. 4.
33 National Federation, Mr Bruce on National Objectives [Melbourne], 1925, p. 6.
34 T.R. Bavin, Extracts from His Speeches, 1923-32 [privately published], Sydney, 1933, p. 36.
35 Forming the Liberal Party of Australia, Melbourne [1944], pp. 11-12; for the same text see also, Institute of Public Affairs (Victoria), Looking Forward, A Post War Policy for Australian Industry, Melbourne, 1944, pp. 29-30.
38 G.H. Reid, Mr G.H. Reid's Manifesto [Sydney], 1906, pp. 14-15.
40 Institute of Public Affairs, Victoria, Looking Forward, p. 15.
42 I.P.A. Review, August 1947; February 1948; October 1948; March-April 1950; July-August 1950.
The Liberals’ Image of their Party


51 Reid, in *Socialism as Defined in the Australian Labor Party’s Objective and Platform*, p. 32.


54 *Argus*, 12 May 1908.

55 A. Brue Smith, *Some Thoughts in Regard to an Anti-Socialist ‘Liberal’ Programme for the Australian Federal Parliament*, Sydney, 1908, pp. 9-10; see also Liberal and Reform Association of New South Wales, *General Platform*, Sydney, 1910.


58 *The Liberal Leader*, 1 January 1924.
60 In *The Nationalist* (Western Australia) [October], 1936.
In terms of holding office and occupying seats the question of who dominated federal politics after 1941 has a clear answer: the conservative parties in the 1950s and 1960s; the A.L.P. in the 1940s and early 1970s. The relationship between electoral dominance, in this sense, and popular support for particular policies is not so clear. To start with, some of the contests were reasonably close; and a number of governments were established on less than half the vote. Menzies won in 1953 and again in 1954, but it was Labor that was preferred by the majority. McMahon lost in 1972 (and Snedden in 1974) though Labor was the first choice of only a minority. Even when governments came to office with a majority of the vote — as happened more often than not — the distribution of public sentiment on any of the things for which they stood cannot automatically be inferred.

To what extent then did the U.A.P./Liberal and Country parties dominate public opinion after the 1930s, and to what extent did the A.L.P.? Were the policies of the conservatives always supported by L.-C.P. voters and the policies of the A.L.P. by Labor voters? Was the grip of the conservative parties on the hearts and minds of their supporters stronger or weaker than the grip of Labor on theirs not just at election time but in the inter-election period as well?
To confront these questions is to confront the structure of mass consciousness within the context of a developing party struggle. To dismiss the conservative parties with the claim that Labor is ‘the natural majority party’ (because most voters are workers); to dismiss the Labor Party on the grounds that the electorate is ‘basically conservative’ (because federal Labor governments have been the exception rather than the rule); or to dismiss the electorate with the claim that attitudes can simply be inferred from the distribution of votes or the swing of the pendulum is to beg such questions and to leave the nature and extent of party dominance and intra-party division unexamined.

This essay attempts to tackle these issues across a period which stretches from the decline of one conservative government in 1941 to the fall of another in 1972. The attempt is based on the findings of national opinion polls. Of these, the bulk comes from the published results of the Morgan Gallup Poll which date from 1941. They are supplemented, for the period 1971-2, by data from two new organisations, the Australian National Opinion Poll and the Australian Sales Research Bureau. Altogether these sources yield 1,243 usable items on which opinion is reported in terms of party preference. Each item falls within one of six areas — party leadership, foreign affairs, the economy, personal liberties, social or political style; and within one of four periods — 1941-9, 1950-9, 1960-9, 1970-2 (see Appendix).

The analysis starts with two questions, each more direct than the questions to which we wish to return. For each item, what proportion of conservative voters and what proportion of Labor voters came down on one and the same side; and to what extent were conservative and Labor voters divided among themselves? Once the answers to these questions have been organised we shall be ready for the more general questions of dividing and ruling.

Poll Results, 1941-1972
No set of issues has so consistently and deeply divided non-Labor from Labor voters than the performance of the Prime Minister and of the Leader of the Opposition. Yet, on the evidence summarised in Table 1, this has not meant that among themselves non-Labor and Labor voters have been especially united in their judgments. Indeed, in the 1940s (non-Labor) and the 1970s there is evidence of greater internal division over the leaders than over most areas of policy.
Apart from questions of leadership the greatest differences between Liberal-Country and Labor voters have emerged over foreign and economic issues. The evidence (see Table 1), suggests that this has been due less to the cohesiveness of Labor voters than to cohesiveness on the non-Labor side. Non-Labor voters have been more consistently like-minded over issues of foreign policy than over issues of any other kind. The 1940s, the era of Labor's parliamentary dominance, seems to have done less to unify Labor's supporters than to unify the conservatives. Only in the 1950s, and then only partially, could the situation be said to have been reversed.

Limits to the success of the parties in organising electoral opinion, less marked on the conservative side, are evident on both. Party cohesion on economic issues — issues which are regularly points of discord between the parties themselves — was not much greater than on social issues and questions of personal liberties issues on which there is much less often a party line. On foreign policy and political style party cohesion was not consistently greater. There was no period in which partisans were more than moderately united across all categories.

Table 1. Partisan division: mean of differences in percentage points between proportions for and against each item (0 = complete division; 100 = complete accord)

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N Approx, as in Table 4
* only one item

In what follows we shall be concerned, in some detail, with the kinds of issues on which conservative and non-conservative voters take different sides and with the more numerous occasions on which they take the same side. We shall examine issues on which
party supporters were split down the middle, united in varying degrees and the rare occasions on which there was a consensus.

To make sense of these patterns demands a recognition not only of issues on which the parties have been weak but issues on which they have been strong. More than that, it involves a recognition of many issues on which the conservatives have outgunned Labor and the rarer occasions on which the gun has been fired from the other hip. The dominance of conservative ideas has been especially marked on class issues but has encompassed other areas as well.

Nor is the party struggle the only determinant. There is the struggle organised at the industrial level and the day-to-day struggle; there are institutionalised alternatives which open up choice and the various media of mass information which close them off. While considerations such as these will help to pull things together our first task is to pull them apart.

**Party Leaders.** Labor voters were unanimous in their approval of Curtin’s performance in the years 1942-3. A moderate majority of U.A.P.-C.P. voters also found it excellent or at least fairly good; only one-third thought him ‘not a success’ or felt someone else might do better. In the eyes of Labor supporters Curtin stood head and shoulders above any alternative as Labor leader; so, in turn, did Chifley — not least on the eve of the conservative coup of 1949 and as leader of the Opposition in 1951. Following Chifley’s death Labor voters transferred their allegiance to Evatt. But the Petrov affair and ‘the split’ cut Evatt’s support back to a bare majority. By 1958 it had hardly increased.

By contrast, Menzies’ claim to the leadership of the conservatives in Opposition was a matter of considerable disagreement from the start. Not until he came to be Prime Minister did he establish — in the eyes of Liberal-C.P. and former U.A.P. voters — an unassailable ascendancy over his party rivals. From then on there were few Liberal voters who entertained the idea that someone else from within the government might do the job better. On the eve of Menzies’ retirement most of the electorate could think of no one to fill his shoes; similarly with Evatt. Yet so completely may any leader overshadow his colleagues in the political coverage of the media that when Holt succeeded Menzies three-in-four Liberals and one-in-two Labor voters declared him the person best suited to head the party. When there are divisions within a party and mass
media willing to play them up the result may be very different. Thus in the run up to the 1966 election one-quarter of the electorate thought Calwell the best man to head the Labor party; one-third, Whitlam.

Gorton started his Prime Ministership on a similar footing to that of Holt. Two-thirds of L.-C.P. voters approved the job Gorton was doing; two-in-five Labor voters agreed. The L.-C.P. majority for Gorton was solid but over Whitlam’s performance as Leader of the Opposition they were almost evenly split. Labor supporters in the 1960s presented a mirror image; strongly united around Gough Whitlam but with only a small majority against Gorton. Each leader gained the same number of supporters in his opponent’s camp and lost equal numbers in his own.

In the run up to the 1972 elections the standing of both McMahon and Whitlam was lower; and the decline was evident across the board. The pattern was neither regal nor presidential. The non-Labor majority for McMahon was no more than moderate; non-Labor antipathy to Whitlam firmed to the same level. Labor voters were no more enamoured of Whitlam than Liberals were of McMahon; and the mild majority against Gorton had grown large against McMahon.²

Foreign Policy. Non-Labor voters accepted or rejected foreign policy items by large majorities overall; Labor voters by only moderate majorities. In each period division was more marked on the left. Among non-Labor voters the spread of items across the range, from completely divided through moderately and strongly united to overwhelmingly united, was fairly even: one in four fell into each of the categories. Among Labor voters there were overwhelming majorities on only 10 per cent of the issues; the rest fell evenly into the other categories. On the right there was a clutch of issues on which there was a consensus; on the left there were only a couple. The issues on which Labor voters recorded overwhelming or even large majorities were, for the most part, issues which similarly united non-Labor voters; and the propositions to which they assented were the same.

Where majorities were only moderate, overlap was at a minimum: only one-third of the items on which Labor voters were loosely united were the same as items over which non-Labor voters were similarly united; and vice versa. More than one-half the items
that divided L.-C.P. voters sharply also divided the Labor vote. Labor and non-Labor views were opposed on only forty-nine, or 15 per cent of foreign policy items. 3

Those items on which non-Labor voters were least divided included a number on compulsory military training and the stationing of Australian troops overseas. Both during the war and after it, Liberal opinion regularly registered a net figure in excess of 60 percentage points in favour of conscription; and this continued through to the 1970s. Liberal opinion was less solid on sending conscripts overseas with the majorities in favour sometimes no more than moderate.

During World War II conservative opinion saw large majorities in favour of sending the militia overseas. In the 1950s large to very large majorities backed the presence of Australian forces in Malaya and Singapore. The same was true in the 1960s during Indonesian ‘confrontation’ of Malaysia; and again in the 1970s. Opinion was similarly sympathetic to the idea that Australian forces should be on hand after the British withdrawal East of Suez.

There were large Labor majorities for compulsory military training during the war and even larger ones in the 1950s. Through the Vietnam war moderate majorities were maintained. Only in the aftermath did they moderate. On the sending of conscripts overseas Labor opinion during and after the Vietnam war was very much divided.

Labor opinion on sending the militia overseas during World War II was sometimes (like non-Labor opinion) solidly in favour and sometimes disunited. Though, on balance, in favour, Labor opinion was divided over the sending of troops to Malaya and divided again on the sending of troops to Malaysia.

Menzies’ decision in 1965 to send 800 Australian troops to Vietnam divided Labor voters, as no doubt it was intended to do, and united the right. The early decision to increase the size of the force had a similar effect. Over the sending of conscripts to Vietnam, however, the boot was on the other foot. The decision divided the government’s supporters and, by 1967, had the opposition’s supporters largely united. From 1965 to 1968 a series of items on the involvement of America and its allies in Vietnam established that Liberal-Country Party opinion was largely, even overwhelmingly,
in favour with Labor also in favour though by the narrowest of margins.

By 1968 public sentiment had turned. Liberal opinion lent only moderate support to the American bombing; Labor voters were moderately opposed. By 1969 the question of continuing the war had been transformed from an issue on which government supporters were overwhelmingly agreed, with Labor supporters split down the middle, to an issue on which government supporters were only slightly in favour with opposition supporters largely opposed. In the run up to the 1972 election Labor opinion argued for a withdrawal ‘now’, non-Labor for continuing the fight; Labor against giving military aid to Cambodia, non-Labor (with rather more conviction) for giving it. The Indo-China war became, of course, the major battle ground in the party struggle itself. The transformation of opinion is a reflection of it.4

Vietnam can also be seen in a wider context: as one of a long line of threats devised for mass consumption by the right. In the post-war years the intentions and actions of Russia served to divide Labor rather than non-Labor opinion. In the late 1960s, when the Gallup poll asked whether any countries threatened Australia’s security, Labor opinion was divided; L-C.P. voters had significantly fewer doubts.5 The pattern was much the same where voters were asked whether Australia should keep fairly big forces in ‘friendly countries’ in South-east Asia or keep all our forces at home. Even after Vietnam the distribution of opinion on threats and menaces (likely within the next ten to fifteen years) was more or less unchanged.

While attitudes to communist countries were hostile they were not relentlessly so.6 By large margins, right and left approved the resumption of diplomatic relations with Russia on the eve of the resumption three years after the Petrov affair; and attitudes were just as solidly bi-partisan in favouring visits by Russian leaders and Russian farmers. Trade with China in wheat and steel was strongly supported but both sides were split on the question of China’s admission to the U.N. — a split which reflected perhaps the government’s own strictly conditional acceptance of the idea. This is as close as public opinion came to treating diplomacy or trade as war by other means.

The British connection represents one area in foreign relations where Labor has succeeded in prising the initiative from the conservatives. In the wake of Labor’s appointment of the former
N.S.W. Labor Premier, William McKell, to the position of Governor-General, the polls showed little Labor support for the idea that an Englishman should occupy the post; non-Labor, on this issue, was caught at sixes and sevens. Ten and fifteen years later Labor support for an Australian incumbent (or for the abolition of the post entirely) was large to overwhelming with their opponents still in disarray and conceding ground. Before Lord De L'Isle's departure and his replacement by Casey the balance of non-Labor opinion had swung even further in favour of an Australian. By the early 1970s it was no longer an issue.

Where the conventions go unchallenged, at the level of ideas or of practice, the structure of opinion is relatively undisturbed. In the 1950s, while conservative voters were still moderately in favour of 'God Save the Queen' as the national anthem, Labor voters were leaning towards an Australian anthem — a choice made all the more real by the existence of three well established alternatives: 'Advance Australia Fair', 'Waltzing Matilda', and 'Song of Australia'. By the end of the 1960s there was a moderately large Labor majority against the official anthem; conservative opinion, having drifted in the same direction, was now completely divided. By the early 1970s Labor and non-Labor opinion was decisively in favour of an Australian anthem. Again, the influence of an alternative to the Privy Council, that is the High Court, was evident even by 1955 when support for the right of appeal to the Privy Council came from only one-quarter of L.-C.P. voters; by 1965 the figure was one in ten. Whereas in the 1940s three out of four L.-C.P. voters preferred to call themselves British subjects rather than Australian citizens, by the 1970s both they and Labor supporters were overwhelmingly in favour of calling themselves Australian.

Conversely, with knighthoods being bestowed by governments of every colour — and the Order of Australia still to be conceived — it is not to be wondered that six out of ten Labor voters in the 1950s, as well as most non-Labor voters, supported the practice. The Union Jack and the monarchy itself found equally wide support. Five years before the Governor-General's dismissal of the Whitlam government a moderate-sized majority of Labor voters joined with a large majority of Liberal and Country Party voters in looking forward to King Charles, rather than a President, as the successor to Elizabeth II.

In the mid-1950s British A-bomb tests 'in Central Australia' were
supported by small majorities of Liberal-Country Party voters and opposed by moderate to large majorities of Labor voters. So were British H-bomb tests on the Christmas Islands. Nevertheless test-ban treaties were favoured by both sides in the 1950s, and the 1960s saw similar majorities in favour of Australia’s signing the non-proliferation treaty rather than making its own atomic bombs.

The end of the war saw solid majorities in favour of a post-war alliance between the British Empire and the United States. In the first half of the 1960s a proposed Australian base for British and American nuclear weapons was supported by a moderate majority of the Liberal-Country Party vote but it cut Labor down the middle. At the same time moderate to large bi-partisan majorities were prepared to allow the Americans a base for submarines carrying nuclear weapons. On one proposal that was to materialise, the North-West Cape communications base, moderate majorities on both sides insisted that control be exercised jointly by Americans and Australians. A call in 1969 for Australia to cancel the F111 order, which came from the Labor camp but was endorsed by government supporters as well, proved totally in vain.

Finally to matters of trade and aid. Fewer than one in three in the 1960s wanted Australia and New Zealand to remain separate. Moderate to large majorities wanted the two nations to merge into one — or at least to set up a customs union. Japan was seen as a possible menace by solid majorities even in the 1970s. Opinion in the 1960s opposed its having an increased share of the Australian car market.

For Papua-New Guinea the 1970s saw strong views among Australians that aid should not continue past Independence. In 1964-5 Labor, like non-Labor opinion, had been evenly divided on whether to continue ‘humanitarian aid’ to Indonesia; it was well disposed to do so once ‘confrontation’ had ceased.

From the 1940s to the 1960s the United Nations, yet to be dominated by the Third World, was counted a success by large, even overwhelming, majorities. But opinion was opposed to the suggestion that Australia should vote for a trade boycott of South Africa or Rhodesia. In the 1970s opinion was overwhelmingly in favour of Australia’s playing cricket against South Africa.

Unionism. The connection between the Labor Party and the trade union movement is one of logic as well as history. Though this
relationship has been on the wane since the 1940s the proportion of union and wage issues on which Labor and Liberal voters were opposed, about one-quarter overall, was well up on the corresponding figure for foreign policy issues.

Even in the 1940s, however, the parties of 'town and country capital' (along with the merchants and the media men) proved more successful in mobilising sentiment against the working class than did the Labor movement in organising in its defence. In the 1940s, and again in the 1970s, industrial issues generated large anti-Labor majorities against a Labor vote which was only moderately united. Over the entire period, 1941-1972, there were small to moderate Labor majorities on half the items and overwhelming majorities on only one in seven. Non-Labor majorities were small to moderate across fewer items and overwhelming across twice the Labor number.

Unsurprisingly, there was a consensus among Labor voters that unions were a good thing; and an overwhelming majority of non-Labor voters agreed. On the question of whether membership should be voluntary or compulsory there was a clear parting of the ways. In the 1940s and 1950s the overwhelming majority of conservative voters supported voluntary unionism. A subsequent slackening of resolve still left a large proportion in favour. The Labor vote, by contrast, was continually divided with rarely more than a small majority coming out for compulsion.

The right to strike was denied by the overwhelming majority of non-Labor voters during the war and by small majorities thereafter. The war succeeded in dividing Labor voters on this issue but the post-war period found them solidly in favour. The net effect was that the parties drew closer together. On the question of secret ballots it has been a by-word on both sides that no strike should be called without one. Not surprisingly, support for the arbitration commission has been strong among Liberals but it has been moderately strong among Labor people as well. Again, in the 1970s R.J. Hawke as President of the A.C.T.U. was satisfying an increasing number of Labor voters while dissatisfying a decreasing number of Liberals.

During and immediately following the war the policy of post-war preference for ex-servicemen had the support of the overwhelming number of non-Labor voters as well as the support of a large majority of Labor voters. In the 1950s preference for unionists 'if
jobs get scarce’ was largely supported by Labor voters and opposed by only a small majority of Liberals.

Conservative resistance to a shorter week was overwhelming from the 1940s through to the 1960s and was still strong in the 1970s. They have paid the piper and called the tune. Labor voters, who in 1948 were divided over whether the arbitration court had introduced the 40-hour week too soon, by the 1950s were only moderately opposed to a return to the 44 hour week. In the 1960s larger Labor majorities argued against a reduction in the working week but only small majorities in the 1970s resisted the idea of a gradual (if not immediate) cut in hours to 35. The 1950s and 1960s saw automatic (rather than court) adjustments in the basic wage supported by moderate-sized Labor majorities and opposed, though erratically, by non-Labor majorities. Labor also showed the way on equal pay. From the 1940s onwards it gave solid and increasing support for a principle that non-Labor voters would only endorse in more modest numbers.

**Economic Policy.** Given the class basis of the party system one might expect to find right and left opposed over economic issues. In fact, just under three in ten items generated this pattern of response — about the same proportion as for union and wage issues. At each level of cohesion we find similar proportions of the Labor and non-Labor vote. Small or moderate majorities prevailed on 60 per cent of the items. But a breakdown by period suggests that Labor was least united during the 1940s and most united in 1970-2. The proportion of items on which Labor and L.-C.P. took different sides was also at its peak in the 1940s.

Presumably the two sets of figures go together: Labor’s challenge to, and their opponents’ defence of, the capitalist order divided Labor from non-Labor in the electorate at large. Labor’s challenge, culminating in the 1949 election, was successfully repelled. The dominance of the non-Labor cause is evident not only by its inroads into the Labor vote but by Labor’s division on the very issues of ownership and control. In the 1970s these issues are no longer on the agenda. Labor, in this sense is less of a threat, hence less to be threatened. On a different set of issues its supporters could remain more solid.

While the battle for the banks was clearly one of the issues of the 1949 campaign Labor’s policy on rationing may have contributed as much if not more to its final defeat. Certainly by 1949 support
for rationing was thinly distributed even within Labor's own ranks. During the war, however, majorities on both sides favoured rationing to enable more meat and other foods to be sent to England. But in a series of proposals for increased rationing, which singled out butter, only a slight majority of the conservative vote favoured the idea and there was a moderate Labor majority against it. Given the differences in sentiment for the Empire the wonder is that differences of this order were not more widespread.

The same might be said of attitudes to compulsory savings. The scheme, introduced by Fadden in 1941, provided most benefit to the largest contributors — those who were better off. In 1942 U.A.P.-C.P. opinion was moderately in favour, Labor opinion moderately against. By 1943 non-Labor opinion had firmed considerably and Labor opinion had also swung around to support it.

After the war the political battleground was largely determined by the socialist challenge. On two out of every three questions posed by the Gallup poll left and right found themselves opposed. During the war Labor opinion had been completely divided over whether the government should buy up all air transport; non-Labor opinion had been overwhelmingly opposed. At the end of the war Labor voters were marginally in favour of the government's setting up an interstate airline (in competition with the commercial operators), non-Labor voters largely opposed. Once T.A.A. was established and the question became one of whether or not to continue, Labor opinion firmed up and anti-Labor opposition diminished.

Both during and after the war Labor opinion supported, but non-Labor opinion more firmly opposed, the idea that the government own and operate coalmines. Similarly with the government's move to own and operate its own shipping line. Throughout the 1940s a moderate-sized majority of Labor voters also opposed non-Labor opinion in preferring to work in government rather than private industry. But on a proposition which Labor had never pushed, or even implied, that the state should build homes after the war rather than simply encourage private builders, Labor opinion was solidly on the Liberal side.

It was banking, however, that was to become the major issue. Even as the war ended non-Labor overwhelmingly approved while Labor was totally divided over the proposal to abolish the Commonwealth Bank Board and place the bank under government con-
Party Dominance and Partisan Division

trol. In 1947 Labor was divided over the proposition that the government should take over private banking; non-Labor was totally opposed. In 1949 non-Labor affirmed its total opposition to the nationalisation of any additional industry.

With the defeat of Labor the issue became one not of whether to nationalise any industry but of whether to divest the state of its present holdings and of how to protect private enterprise against subsequent encroachments from a Labor government. Before the referendum on the Communist Party was held the Gallup poll floated the idea that Menzies hold a referendum to determine whether a referendum should be necessary before any industry was nationalised. Labor opinion was moderately well disposed to the idea; the non-Labor response was unanimous. With the defeat of the Communist Party referendum there was a loss of faith, on the conservative side, with the process: the margin in favour of Menzies holding another referendum to keep the socialists at bay was halved. There was little loss of faith in private enterprise itself. L.-C.P. voters remained overwhelmingly opposed to state ownership of hotels and broadcasting. Labor voters took the same line on radio and T.V. but not on hotels.

On whether to divest the state of the enterprises it already owned Menzies’ followers were more circumspect. They were only moderately enthused at the prospect of selling the coastal shipping line, even at ‘the right price’. They were no more enthusiastic about selling T.A.A.; and when the government decided not to sell they actually approved. For Labor the loss of the ships was not an issue which roused them, but large majorities wanted T.A.A. retained even before its future came to be assured.

Under Chifley, Labor tried to strengthen the powers of the federal government especially on economic matters. In doing so they were forced to resort to referenda. On social services they carried the overwhelming majority of the Labor vote plus half the non-Labor vote and were successful. On employment and on marketing they carried most of the Labor vote, but that was not enough. On prices and rents, had a referendum been held, the Gallup evidence suggests a similar result. During the war Labor and non-Labor voters were equally sympathetic to the view that life would be easier without the states. Once Chifley had taken on the
banks, however, conservatives realised that life would be easier with the states. Labor did not organise on this issue and the non-Labor mood almost carried Labor opinion with it.

In the first half of the 1950s Labor voters were moderately unimpressed by the job the state governments were doing on price control. That non-Labor voters could not often muster a favourable majority reflects the ambiguity of their situation: at most, they only favoured price control as such by a small margin. Labor was largely in favour in general terms, though only moderately so when it came to continuing price control on clothing. The 1950s and 1960s saw a large majority of Labor voters getting behind the idea that power over prices should be given to the federal government; and non-Labor was clearly inclined to agree.

By the 1960s the issue of nationalisation was being overtaken by that of foreign investment. That local capital should have a share in any new undertaking in Australia was never in question so far as the electorate was concerned: all voters agreed that it should. If there was an issue it was over how great that share should be. Even then it was not an issue that divided Labor voters from non-Labor. In the 1960s both were overwhelmingly of the view that subsidiaries of multi-nationals should offer the Australian investor at least a 30 per cent equity. In the early 1970s the poll changed the figure to 50 per cent and that was overwhelmingly approved too. The figure that voters on either side would have liked to see is impossible to fix. Certainly non-Labor voters were completely divided over whether foreign investment would prove greatly to Australia's advantage rather than only partly or not at all; and Labor voters, though inclined to the last of these views, were only narrowly so.

From the movement of capital to the movement of people. Here the differences are clear. Non-Labor voters were never inclined to think the migrant in-flow too great. Labor voters, during the 1950s, took the opposite view. During the 1960s, a period of economic growth and relatively low unemployment, Labor voters concurred with L.-C.P. opinion, though by a distinctly smaller margin.

The provision of social services has been another continuing item on the political agenda, with the parties, and in turn the polls, concerned with a wider range of issues than was the case with immigration. In the 1940s questions about Labor's 'free' medical and
dental scheme, to be paid for out of a social service tax, won strong support from Labor voters and moderate opposition from non-Labor. Couched in terms of the government versus the doctors, non-Labor antipathy increased and Labor support for the government weakened. The 1950s saw moderate Labor support for having all medicine free rather than just the 'expensive' medicine; and opposition, by a narrow margin, to the idea that hospitals should charge. Conservative opinion was moderately in favour of restricting the free list to expensive medicine and of hospitals charging.

On the question of whether the cost of hospital and medical services should be met from taxation revenue, or via a two shillings per week levy on families, opinions in the 1940s seemed to favour the contributory scheme: in the case of Labor by a small margin; in the case of non-Labor by a moderate to large margin. Yet on the question of financing social service payments overall, Labor preferred taxation to a uniform levy. Asked, in 1951 and again in 1952, whether they were for or against Dr Earle Page's contributory health plan, overwhelming majorities of Liberal-Country Party and Labor voters said they were for it. (On this matter the poll first asked whether people had heard of the plan; when only seven in ten claimed they had, the scheme was outlined to them.) When party lines were being redrawn in the early 1970s, and the coalition was on the defensive, voluntary health insurance was the declared preference (by the narrowest of margins) of L.-C.P. voters while Labor preferred (by a moderate margin) the proposal for a 'free' scheme to be financed by a 1.25 per cent levy on income tax.

At the end of the 1940s Labor voters moderately preferred a reduction in taxation to an increase in social service payments; non-Labor opinion was overwhelmingly of the same mind. Labor voters were stronger supporters of welfare payments all round. Child endowment, not unpopular among non-Labor voters, was supported in the 1940s by substantially more voters on the Labor side where families were larger and poorer and where the party had provided the major political push. Similarly, for the 1940s at least, on the proposal (attributed by the poll to Labor's Frank Crean) that the government advance £150 to young men getting married. The abolition of the means test, the transformation of an act of charity into a right, drew greater support from Labor throughout, despite the fact that in financial terms non-Labor voters were the principal beneficiaries.
State aid to non-government schools offered something to middle-class Protestants sending (or hoping to send) their children to prestigious private schools and to working-class Catholics with children at parish schools. The polls on state aid do not contradict this. Even before the 1963 election at which Menzies promised money for science blocks, the polls indicated bi-partisan support for some kind of state aid. When announced, Menzies’ plan was overwhelmingly approved. After that bi-partisan majorities of moderate size continued to support increased allocations to these schools.

Right and left in the 1950s took different sides on rent control, with moderate-to-large Labor majorities in favour and slight-to-large non-Labor majorities against. Labor voters, of course, are more likely to pay rent; non-Labor voters, to collect it.

The introduction of a road tax by some state governments to help finance roadworks was supported by a moderate Labor majority and a large non-Labor majority. Labor voters would have been in a worse position to pay the levy than non-Labor voters. Voters on both sides were divided over whether to tax interstate carriers; and, in the 1960s, over whether to raise the tax on petrol to spend the proceeds on local roadworks. Both sides divided fairly evenly on the merits of indirect versus direct taxation. But, operating at both the federal and state levels, so have the parties.

Personal Liberties and Social Issues. On these issues the parties usually avoid taking stands. Where they take a stand they usually stand together; and the same is true of their supporters. On only 6 per cent of liberal items and 10 per cent of social items were L.C.P. and A.L.P. voters on different sides of the fence; even then, they were usually within touching distance. But on more than 50 per cent of liberal items conservative voters are no more than moderately united; the corresponding Labor figure tops 60 per cent. On social issues the figures are 60 and 65 per cent respectively, with the conservative side again rather more united than the Labor side. Looked at in terms of cohesion rather than opposition the figures are not substantially different from the figures in areas in which party conflict is common. Clearly, parties are not the only means by which electoral opinion is organised.

A lower voting age was something to which Labor was committed, in principle, during the 1940s but not until 1972 did they actually fight on it. From the middle of the war, when the subject was
first broached by the Gallup poll, to the mid-1960s, opposition to a lowering of the voting age ranged from moderate to strong and was almost as marked among Labor voters as among conservatives. By 1968 non-Labor opinion had reached the corner and Labor opinion had turned it. Adult rights had already been extended to people under 21 in a number of areas; and young men were being conscripted for Vietnam. So the reason for the shift on the voting age may have been Oakeshottian: the need to remedy an anomaly.

In the earlier confrontation with the Communist Party the conservatives made the initial running. Post-war conservative opinion was overwhelmingly in favour of banning the party and Labor opinion, by a moderate margin, concurred. In 1950, while the Country Party was urging Menzies to take it to a referendum, an overwhelming number of L.-C.P. voters and a moderate-sized majority of Labor voters agreed that it should be illegal for a communist to hold trade union office. Only after the referendum was announced did the A.L.P. come out against banning the Communist Party. In the run-up to the ballot L.-C.P. and especially Labor opposition increased. From a consensus of L.-C.P. voters intending to vote ‘yes’ and a large majority of Labor voters intending to follow suit, there was a dramatic collapse of support and a final majority for ‘No’.

During the latter half of the Vietnam war the imposition of penalties on those who did not register for National Service was supported by the overwhelming majority of government and the large majority of opposition supporters. The right of dissenters to ‘demonstrate peacefully’ in the main streets was supported by only a moderate majority on the government side but by a large majority on the Labor side. Nonetheless, the description ‘moratorium marches’ was enough to undercut this support substantially.

Capital punishment, whether as a federal or a state issue, has usually been fought along non-party lines. Yet not until the 1960s was public opinion itself bi-partisan. In the 1940s and mid-1950s Labor opinion was less well disposed to the death sentence than was non-Labor. In the 1960s, with white collar workers forming a larger part of both parties’ support, there is nothing to pick between them. Opinion throughout is in favour though the margins vary considerably. This is true, in the 1950s on flogging; and in the 1960s on whipping. But on both Labor opinion is less sanguine than non-Labor.
In the early 1960s Labor opinion favoured 10 o’clock closing but opposed, by a similarly moderate margin, the suggestion that liquor be available at any time with meals. Labor opinion also opposed Sunday trading — in the mid-1960s by a large margin; at the end of the 1960s by only a small margin. Liberal opinion was less liberal. Both, on balance, favoured the introduction of taverns in their own districts. A decade earlier support for compulsory blood tests of drivers who seemed drunk had been overwhelming. By the 1960s it too had moderated.

The war saw Labor support off-the-course betting. But Labor divided over Saturday racing and remained unpredictable about mid-week racing. On each of these issues conservative opinion was opposed. More recently there has been joint support for football pools and joint opposition to casinos.

Abortion was not an issue in the polls until 1968 and again not a party issue. By early 1972 bi-partisan support for abortion under at least some circumstances had grown from large to overwhelming. Support for those alternatives which came closest to allowing women to decide for themselves also increased though apparently still opposed by large majorities on both sides.\(^8\)

Bi-partisan support for divorce law reform was evident well before Garfield Barwick entered Parliament. But the poll did not give clear breakdowns by party until Barwick had set the ball rolling in the early 1960s. As in the Parliament, so also among the public: large majorities on both sides supported the legislation that made divorce possible after a separation of five years.

The movement in the 1960s to stop women being treated as children was of course much stronger than the movement to have children not treated as children. It was also more successful. Support for censorship of children’s material was strong in the 1950s and 1960s. For retaining or increasing censorship of adult matter, rather than reducing or abolishing it, Labor support in the late 1960s and early 1970s was slight, non-Labor support moderate. No doubt the actual availability of offensive material was much greater in the 1960s than either Liberal or Labor voters would openly approve. Similarly, in the 1970s, with marijuana. Again, Labor voters were marginally the more liberal. But the majority against legalising marijuana was still overwhelming.

At the end of the war and to the end of the 1940s a majority of voters on both sides felt that Australia should not accept even a
limited number of ‘coloured’ immigrants. By the late 1950s this had changed, but only just. In the early 1950s there had been moderate to large majorities for allowing the Japanese, Malaysian and Chinese wives and children of Australian soldiers to come to Australia, but the suggestion that Australia allow fifty people a year to enter from countries not yet acceptable to the government was turned down. Conservatives were moderately opposed to the description ‘White Australia’ for our immigration policy; Labor voters only marginally.

In the early 1960s the Gallup poll elicited attitudes to the entry of ‘skilled’ Asians and found moderate support on both sides. By the mid-1960s most were in favour of allowing at least some Asians into the country. Thereafter, as indeed before, where there were party differences, it was the conservative vote that proved to be more liberal.

Just as the jobs of L.-C.P. voters were less at risk through immigration than were the jobs of Labor voters, so also were Liberal voters more likely to be involved in the creation and introduction of new technologies, including new ways of doing old things. From 1958 to 1963 a change to decimal currency was supported by moderate majorities of L.-C.P. voters while Labor was only slightly in favour and sometimes even opposed. Likewise, metric weights and measures enjoyed large L.-C.P. but only moderate Labor support, even in the 1970s.

In the 1960s there was a consensus in favour of compulsory annual inspections of cars; overwhelming support for a points system in connection with driving offences; and division over the introduction of compulsory seat belts for front seats. But L.-C.P. voters were less well disposed to speed limits, marginally favoured by Labor voters, and better disposed to on-the-spot fines, again marginally favoured by Labor. By the 1970s, differences over speed limits and seat belts had disappeared. Seat belt legislation had been introduced; the speed limit item in the poll explicitly sought endorsement of the current law; and neither law was opposed by the parties. Electoral support for both proposals firmed.

Daylight saving was supported by majorities of moderate size in the 1960s and by large majorities once it had become institutionalised in the 1970s. Understandably, support was stronger among workers in the city than among those in the country. Similarly, on the question of whether to restrict margarine by
quotas, opposition was overwhelming among Labor voters but less than overwhelming among Liberal-Country Party voters. The baking of bread on Saturdays was generally supported as was the baking and selling of bread on Sundays. Where there were differences it was the Labor side that held back.

A ban on cigarette advertising was opposed by moderate majorities from both sides in the 1960s but supported, once it had come into effect on T.V. Fluoridation of the water supply was also supported.

Political Style. During Labor's period in office Labor voters were less cohesive on issues of political style than when Labor was not in office; and less cohesive than non-Labor. With the coalition in office L-C.P. voters themselves were more divided than hitherto. Left and right were no more than moderately united on one item in every two; they were opposed on one item in five.

Agreement on some issues no doubt reflects an antipathy to politicians and to parties as such. The war saw slight to moderate support for postponing state and federal elections; and the war and immediate post-war period saw overwhelming majorities opposed to any increase in the size of Parliament. Only slight majorities on either side thought it made a great deal of difference whether left or right formed the government. This flight from politics and its conservative origins was clearest among the large majority of non-Labor voters during the war who preferred an all-party government not just to a Labor government but to a government of their own stripe; and 1947 after all saw the emergence of a quasimilitary organisation, perhaps 100,000 strong, opposed to Chifley's attempt to nationalise banking. But limits to the dominance of the anti-party ideology are also suggested: a moderate-sized majority of Labor voters preferred government by Labor to an all-party government.

Among his followers, satisfaction with the Menzies government showed up strongly soon after Menzies came to office. It dropped to be marginal by 1952, was considerably boosted by the Petrov Commission and the Labor split; and was on the wane again by 1957. Among Labor voters, support for the Menzies government ran along parallel lines: at first divided; then overwhelmingly antagonistic during Korea and the heady inflation of the wool boom; marginally on-side during the split; then marginally opposed.
With Menzies holding on into the 1960s the question of a retiring age emerged. An overwhelming majority of Labor voters insisted on a compulsory retiring age for politicians. Non-Labor voters first by a moderate, later by a large margin, agreed. But about Menzies in particular there was disagreement. Most non-Labor voters treated him as an exception; few Labor voters did.

Conservative voters wanted other institutions, like compulsory voting and broadcasts from Parliament, maintained as well. The same moderate to large majority of Labor voters agreed. But there was division in the 1970s over the lowering of the voting age: A.L.P. marginally in favour, L.-C.P. marginally against. Given the way the under-21s were likely to vote the conservative position was perfectly sensible. Equally sensible were the overwhelming bipartisan majorities in favour of introducing party names (next to candidates’ names) on ballot papers and in favour of uniform divorce legislation.

The Labor practice of having M.P.s choose the Cabinet has been preferred, even by Liberals, to the Liberal practice of Prime Ministerial fiat. Labor’s choice of first-past-the-post over preferential voting is easily understood; non-Labor’s complete division over the issue, less so. Doubly self-denying, given the usefulness of the D.L.P., was the nearly unanimous opposition among conservatives to Church leaders advising members how to vote or for whom not to vote.

**Interpretation.** On the evidence of the polls Labor and non-Labor voters, more often than not, were of the same mind. Positions supported by non-Labor voters were not usually opposed by Labor voters; and vice versa. At the same time opinion on both sides was marked more by division than by unity. Partisan opinion overall was no more than moderately united.

The picture is just the opposite of the one that sees Labor and non-Labor as two nations at war on all fronts. Only on questions of leadership (among the general categories), where three in five items found Labor and non-Labor on opposite sides, was the pattern of opinion one of opposition. Even then, internal dissension is no less marked than in other areas.

The division of opinion between Labor and non-Labor is a reflection of the party division itself. Where there is a party contest partisans divide; where there is no contest, partisans do not. Thus,
60 per cent of the leadership items generated partisan majorities on opposite sides, but only one in four economic items, one in five political style items, one in six liberal and one in ten social items. In the battle to mobilise opinion the two sides have not been equally successful. The grip of the conservative parties on the minds of conservative voters has been greater than the grip of the Labor Party on Labor voters; the grip of the conservatives on Labor voters has been greater than the grip of Labor on conservative voters. Clearly this does not apply in areas where the parties have failed to take a stand (including the area of political style) nor to an important group of issues on which conservative voters are closer to Labor voters and the Labor Party than they are to the conservative parties. For the rest it applies fairly well.

The greater leverage of the conservative parties was strikingly illustrated during the Labor period in office. On economic issues, the 1940s found Labor in greater disarray and non-Labor more united than in any subsequent period. The L.-C.P. vote was also more united on foreign issues than at any later time. Labor was also more united, but then, as later, it was less united than non-Labor. Only on issues of political style was there to be a sustained turn-about in the relative solidarity of the two sides.

Though the vulnerability of poll items to changes of wording cautions against our treating them as measures of conservatism or radicalism in any absolute sense we may still pursue this argument about the strength of the parties a little further. For the evidence does suggest areas not just of party advantage and disadvantage, but of ideological dominance and of ideological subordination — with the less radical, more conservative, alternative preferred not only by L.-C.P. voters but by a majority of Labor voters as well.

Insofar as this is true it holds not just for the Liberal years but for the Labor years as well. Indeed the 1940s, the period of socialist challenge, throw up some of the most telling examples of Labor voters defending private ownership of the means of production; state regulation of unions and of industrial conflict; private goods over public goods and a regressive taxation policy. Thus, the apparent opposition of Labor voters to the nationalisation of air transport (even to the idea of a state airline, before the establishment of T.A.A.), to state home building, to the Labor government going ‘left’; Labor support for the arbitration system and a compulsory secret ballot before any strike; and Labor support for in-
come tax cuts in preference to a boost in social services and in preference to a cut in indirect taxes. In the 1950s opposition to state ownership extended to its opposing state monopolies in hotels and broadcasting and to its opposing state ownership of any industry unless nationalisation were first endorsed by referendum. In the workplace Labor voters wanted voluntary rather than compulsory unionism and a system of incentives to boost production.

Class issues constitute the most important but not the only domain in which the forces of conservatism have established an ascendancy. At various times there has been bipartisan support for the sending of Australian troops, including conscripts, into South-East Asia and for similar expeditions of British and American forces. The British connection has been reinforced through support for various of its symbols (monarchy, the Union Jack, knighthoods); the American connection via support for naval bases in Australia. Labor voters, not just conservatives, have opposed independence for Papua New Guinea on pain of a reduction in Australian ‘aid’; opposed the admission of Asians into Australia; and supported visits from South African sports’ teams.

There have been illiberal majorities on issues of personal liberties too: whipping, flogging and capital punishment; censorship and abortion; Sunday drinking and marijuana; compulsory blood-alcohol tests and fluoridation. The Labor Party either let these issues go by default (for example, abortion, capital punishment), or itself adopted the conservative position of other major cultural institutions. The Liberal hegemony of the 1940s was not achieved in the face of a comprehensive challenge from the left. Rather was it reinforced by the very narrowness of this challenge.

The pattern of conservative dominance has been broken by party and industrial organisation (for example, bank nationalisation, Vietnam), by legislative and administrative action which no major party has thereafter opposed (Asian migration, the voting age, T.A.A.), and by direct self-interest (cost-of-living adjustments to wages, ‘free’ medicine, child endowment).

If the electorate is not inherently radical neither is it inherently conservative; and for a similar set of reasons. On some issues not only Labor but also conservative voters have opted for the less conservative alternative. Two areas in particular stand out. First issues touching on the day-to-day struggle for a livelihood (immigration, equal pay, price control, rent control, the pension), and for liberty
Australian Conservatism

(divorce reform) including leisure (10 o’clock closing, football pools, off-the-course betting). Second, issues which involve Australian nationalism, the centrepiece of Australia’s radical tradition: a limit on overseas ownership, joint control of the North-West Cape base, an Australian Governor-General and an Australian national anthem.

This list is important. But it is not the equivalent, much less does it ‘balance’, the list of issues on which Liberal and Labor are on the conservative side. Not only is the conservative list longer, its dominance more sustained, but the issues themselves touch the social order of Australian capitalism in a way that the points of non-conservative agreement do not.

Appendix

From September 1941 to the end of 1968 the Gallup poll conducted 201 surveys at a rate of 7 or 8 a year. Over the next four years surveys were conducted at the rate of roughly two a month. By the end of 1972 A.N.O.P. had conducted four and A.S.R.B. had conducted their first on a national scale.

Before July 1966, when the results became available to subscribers on computer printout, Gallup results were only available in brief reports. The reports were similar to the company’s news releases prepared for the Melbourne Herald and for subscribing newspapers in each of the capital cities. The figures singled out in these releases were those considered most newsworthy. As a rule no more than one table was included in any one release. Consequently, information on the public record for the first twenty-five years varies a good deal from item to item. This is also true of the results of more recent origin from A.N.O.P. and A.S.R.B. Only with Morgan items since mid-1966 is there a regular breakdown by party preference.

In establishing a set of items appropriate to our purpose it was necessary to eliminate a large number that were irrelevant or unusable. First to be excluded were two surveys of people too young to vote and a number of items related not to opinions but to facts like union membership. Items restricted to some sub-set of voters (such as a question on Indonesian attitudes to Malaysia asked of those who had heard of ‘confrontation’); or items that
posed a range of alternatives which could not sensibly be
dichotomised (giving three quite disparate possibilities for exam­
ple), were also dropped.

A much larger number of items were excluded because the
published reports give no information on the distribution of
opinion in terms of party preference; do so for only a sub-sample
(such as men); do so in an irreparably incomplete way; or, in a
score or more of cases, give information about the overall division
of opinion and the division of opinion by party which cannot be
reconciled. For all these reasons almost half the opinion items had
to be excluded. The character of these items is indicated in Table 2.

Table 2. Opinion items excluded because of inadequate information on party
preference

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<tr>
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<td>110</td>
<td>163</td>
<td>101</td>
<td>35</td>
<td>409</td>
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<tr>
<td>Political style</td>
<td>30</td>
<td>47</td>
<td>11</td>
<td>8</td>
<td>96</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>394</td>
<td>512</td>
<td>244</td>
<td>49</td>
<td>1199</td>
</tr>
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</table>

Of the remaining items, a number report 20 per cent or more of
respondents as 'don't know', 'no opinion' or 'undecided'. The
nature of these items is indicated in Table 3. Except for items on the
leaders, these have also been dropped. Analysis based in effect on
sub-samples is thus minimised. Items on the party leaders have
been retained so as to maintain continuity with other analyses to do
with the possible emergence of a 'Presidential politics'.

Table 3. Topics covered by the polls, 1941-1972, showing the number of items with
party preference data and 'Don't Know' of at least 20 per cent

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<tbody>
<tr>
<td>Leaders</td>
<td>2</td>
<td>4</td>
<td>20</td>
<td>30</td>
<td>56</td>
</tr>
<tr>
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<td>6</td>
<td>21</td>
<td>39</td>
<td>23</td>
<td>89</td>
</tr>
<tr>
<td>Economic</td>
<td>11</td>
<td>22</td>
<td>12</td>
<td>13</td>
<td>58</td>
</tr>
<tr>
<td>Personal liberties</td>
<td>2</td>
<td>—</td>
<td>1</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Social</td>
<td>—</td>
<td>3</td>
<td>4</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>Political style</td>
<td>—</td>
<td>5</td>
<td>9</td>
<td>3</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>21</td>
<td>55</td>
<td>85</td>
<td>73</td>
<td>234</td>
</tr>
</tbody>
</table>
Altogether the number of items with a ‘don’t know’ of 20 per cent or more represents about one in seven of all items where breakdowns by party are available. The proportion rises from 7 per cent in the 1940s to 24 per cent in the 1970s. This does not reflect changes in the electorate so much as changes in the preoccupations of the pollsters; in particular, the growth in the number of leadership items. Most of these break the 20 per cent barrier. Of the rest those in the economic, foreign affairs, or political style categories — conventionally the most politically charged — are four or five times more likely to break the barrier than items in the liberal and social categories.

Having excluded all except the leadership items in Table 2 we are left with a pool of 1,253 items for which some kind of party breakdown is available. For the most part, especially for items dating from 1966, the breakdown is complete. Where the information is incomplete it is not necessary to complete it but to make sure the necessary information can be inferred.

We wish to establish two things. First, the level of support among non-Labor and also Labor voters on each item. In every case this is either given directly or can be inferred. Support among non-Labor (Labor) voters can be inferred provided both Labor (non-Labor) and overall electoral support are known and a reasonable assumption can be made about the proportion of Labor to non-Labor voters. The mean difference between the A.L.P.’s share of the vote and the share going to the non-Labor parties between 1940 and 1972 was 2.5 per cent. So to assume the electorate in fact divided equally between the two sides over this period is reasonable. Alternatively, where we are told that Labor and Liberal opinion is ‘virtually the same’ on an issue it is reasonable to assign to each side the same distribution of sentiment as is presented by the electorate as a whole. Simplification beyond this is difficult. Certainly no single measure (liberal-illiberal, left-right) could do justice to the weight of opinion over so wide a range of issues as is presented by the polls.

To establish a measure of agreement among each party’s supporters, that is, the difference between the number of non-Labor (Labor) voters in favour of a proposal and the number of non-Labor (Labor) voters opposed — is our second objective; and here it is possible to describe the extent of accord or discord in terms
Party Dominance and Partisan Division

twenty percentage points is clearly a situation where partisans were divided among themselves. A majority of 20 to 39 may be regarded as moderate; 40 to 59 as large; 60 to 79, as an overwhelming majority; and anything over that as representing a party consensus. The labels and the intervals they demarcate are necessarily arbitrary but defensible; and they mesh with the conventions adopted in a study which runs parallel to this.\textsuperscript{11}

The pool of items includes questions that have been asked regularly over a period of time (most recently, for example, questions on the leaders); questions that have been asked infrequently or intermittently; and questions that have only been asked once. Answers to questions asked once are of unknown reliability; and answers may vary as the wording of a question varies. The detailed analysis is therefore restricted to those items which are repeated and repeated exactly, except where it is clear that a change of term has been so slight as not to have altered the response.

In organising the data the items have been sorted, according to subject matter, into six categories. The categories are based on those in an earlier study, \textit{Policies and Partisans}, but with some modifications.\textsuperscript{12} Items on party leadership — once few and far between, but by the 1970s a staple of all the polls — have been removed from what was originally Political Style and placed in a category of their own. Items on the constitutional division of economic powers and on the general redistribution of powers between state and federal government have also been moved out of Political Style and placed under Economic. Questions dealing with Australia nationalism, with the symbolic and constitutional links with Britain and other parts of the Empire or Commonwealth, have been moved from Political Style to Foreign Affairs. The latter now includes items of military conscription (other than items on the penalties for avoiding it), formerly classified under Personal Liberties; and trade with Japan and others, formerly classified as Economic. Immigration items (apart from those dealing with African and Asian immigration), foreign exchange rates and rationing have been moved from Social to Economic; questions about compulsory blood-alcohol tests, the introduction of fluoridation and easier divorce have been moved from Social to Personal Liberties.
The distribution of items under each head is indicated in Table 4. The first nineteen years of polling provide only 45 per cent of the items; the remaining thirteen account for the rest. This reflects the increased frequency of polling and the increase in the number of polls. One item in three comes under the head of Economic. Items in this category account for nearly 60 per cent of the pool in the 1940s and nearly 50 per cent in the 1950s, but far less than 20 per cent in the 1960s and just over 20 per cent in 1970-2. The dramatic decline in the 1960s reflects the impact on political debate of conscription, the American alliance and the Vietnam war; the slightness of the subsequent rise in Economic items reflects less the changed nature of the public debate and more the growing preoccupation of the polls with the popularity of the party leaders.

Table 4. Topics covered by the items used in the analysis

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<tbody>
<tr>
<td>Leaders*</td>
<td>15</td>
<td>13</td>
<td>25</td>
<td>33</td>
<td>86</td>
</tr>
<tr>
<td>Foreign affairs</td>
<td>44</td>
<td>82</td>
<td>158</td>
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<td>Economic</td>
<td>152</td>
<td>145</td>
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<td>Personal liberties</td>
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<td>36</td>
<td>67</td>
<td>32</td>
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<tr>
<td>Social</td>
<td>27</td>
<td>20</td>
<td>110</td>
<td>32</td>
<td>189</td>
</tr>
<tr>
<td>Political style</td>
<td>22</td>
<td>22</td>
<td>29</td>
<td>11</td>
<td>84</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>275</strong></td>
<td><strong>318</strong></td>
<td><strong>479</strong></td>
<td><strong>206</strong></td>
<td><strong>1278</strong></td>
</tr>
</tbody>
</table>

* Includes 27 items (1941-1969) which report results only for Labor or non-Labor voters. None of these form the basis of calculations in Table 1.

Notes

For his comments on an earlier draft of this essay thanks are due to Bob Connell.


Party Dominance and Partisan Division


10 Based on figures in Aitkin, *Stability*, p. 4.


In 1902, less than sixteen months after the Australian Federation came into being, Alfred Deakin, Australia's second Prime Minister, argued that the Australian constitution left the states 'legally free, but financially bound to the chariot wheels of the Commonwealth'. He accurately predicted that gradually the states would succumb to the financial supremacy of the commonwealth, thus drastically altering the nature of federal-state relations. One of the ways in which the central government's financial supremacy contributed to the alteration of the nature of federal-state relations was by permitting a gradual expansion (or 'usurpation' as some states would have it) by the commonwealth of powers and responsibilities at the expense of the states. In this essay I will examine this process and these relations in the important national policy area of education. My themes are the origins and consequences of federal education policy under the Liberal-Country Party governments from 1949 to 1972.

In order to highlight the essential pragmatism of the Menzies government's approach, it will be helpful to bear in mind some of the main features of Australian federalism which have shaped and continue to shape federal-state relations. Federalism has been
defined as 'the method of dividing powers so that the general and regional governments are each, within a sphere, co-ordinate and independent'. Naturally, the maintenance of stability in any federal system depends on the retention of a reasonable division and balance of such powers between the states and the central government. Significantly, this was an issue which deeply concerned Robert Menzies during his long post-war Prime Ministership. In post-war Australian history his Liberal Party (apart perhaps from the brief Prime-Ministership of John Gorton) has largely been cast in the role of a federalist party — one determined to protect the powers of the states, and hence the federal system, from undue commonwealth government encroachment. Nowhere has this federalist stance been more prominent than in the administrations of Menzies and Malcolm Fraser. Yet the reality is that under both these Prime Ministers the growth of central power has continued, though somewhat less rapidly than under their A.L.P. predecessors.

A keen student of federal systems since his university days, Menzies had been attracted by Lord Bryce's analysis of the U.S. federal system, and especially by its notion of centrifugal and centripetal movements, and its applicability to the Australian situation. Menzies believed that Bryce's observations on the dominance of the centripetal or centralising tendencies in U.S. federalism were equally valid in the Australian context — and particularly that this dominance was due not merely to constitutional amendments, but also to shifts in judicial interpretation and financial circumstances. Menzies considered continued centripetal shifts to be dangerous, for he believed the central government could ultimately usurp all state powers and destroy the Australian federation through unification. However, he believed that centripetal movements in the Australian federal system were probably inevitable over time. Whether or not Menzies was correct about such inevitability, there is no doubt that the commonwealth government has greatly increased its powers at the expense of the state governments since federation. For example, in 1901 there were only seven commonwealth departments. Yet by 1970 there were twenty-seven (as well as many other statutory agencies) and by 1973 under the centralist Whitlam government there were thirty-seven.
decisions, and most important of all, economic factors. Throughout the years, the commonwealth has been relatively unsuccessful in having additional powers given to it at the ballot box by constitutional referenda. Since federation, in fact, the commonwealth has proposed more than forty amendments but managed to carry only five. Only two of these appear to have been important in increasing commonwealth power — in 1927 Section 105A enhanced its position in commonwealth-state financial dealings through the creation of the Australian Loan Council, whilst in 1946 the addition of Section 51 (xxxiiIA) enlarged its social service powers. Despite its limited success in enlarging its powers through constitutional amendments, the commonwealth has met a happier fate at the hands of both the High Court and economic circumstances.

The High Court of Australia was established to stand above both state and federal authorities and police the federal constitution. Despite some fluctuations, the general trend of High Court decisions since 1920 has been to enhance federal government power at the expense of the states. In particular, the court’s interpretation of the virtually unlimited powers of the commonwealth to make grants to the states with conditions under Section 96 and its judgments in the uniform tax cases of 1946 and 1957 greatly strengthened the position of the commonwealth vis à vis the states.

However, it is in the economic or financial realm that post-war events have most strongly favoured the growth of commonwealth power at the expense of the states. As a result, in recent decades federal-state relations have increasingly focused on such matters. For, whilst the Australian states, at least on paper, still have wide powers today, their effective translation into policies depends on command over financial resources — and this command has, throughout federation, shifted increasingly to the commonwealth. Both of the major sources of revenue from which the states finance much of their capital works programs and other activities — loan funds and grants — are essentially controlled by the commonwealth government as a result of its domination respectively of the Australian Loan Council and of income taxation.

The commonwealth’s domination of income taxation and hence grants to the states did not occur until 1942 but this development was paramount in establishing its supremacy over the states and in creating the system of federal-state financial relations which has existed ever since. In 1942, the federal government introduced a
series of 'temporary' wartime tax measures whose effect came to be known as 'uniform taxation'. It imposed a high rate of federal income tax, and gave that tax priority in collection over the state income taxes — on condition that they imposed no state income tax.7

This supposedly temporary assumption of sole income tax authority by the commonwealth was placed on a permanent footing in 1946-7 and has continued ever since, thus leaving the states very much at the financial mercy of the central government. Despite its having been a common issue at Premiers' Conferences ever since, rarely has there been unanimity among Premiers in demanding the return of their taxing powers. The commonwealth, despite Menzies' 'offer' to consider the return of such powers in 1952, has generally seemed reluctant to surrender its advantage and several High Court challenges by some of the states have served only to confirm the almost unlimited power of the commonwealth. As Menzies noted in 1960, the High Court's rulings make it clear that the commonwealth's taxation power alone (exclusive of the very wide powers conferred under Section 96) 'is legally capable of being used "so as to make the States almost completely dependent financially and therefore generally, upon the Commonwealth"'.8

In the field of education, during the first three decades of federation, the commonwealth government played a minimal role. Thus in 1927, in the introduction to his book, Education in Australia, G.S. Browne could fairly accurately declare:9 'The Federal Government takes no part in Education, which is entirely under the control of State governments.' Certainly the federal constitution makes no reference to education which was by implication one of the powers 'reserved' to the states.10 This is the view which traditionally guided commonwealth-state actions in education, though since the 1940s this view has gradually been revised as a variety of forces have led the commonwealth to become increasingly involved in the financing and planning, if not the actual administration of education. As we shall see, despite its lack of specific constitutional responsibility in this area, the commonwealth government under Menzies and his successors came to exercise a growing influence on Australian education largely through its financial supremacy and its increasing willingness to use its Section 96 'grants' power for educational purposes.11
Over the years, Robert Menzies’ attitude to the appropriate role of the commonwealth government in education fluctuated markedly. For example, whilst as a constitutional lawyer he appears never to have had doubt about the commonwealth’s constitutional capacity to forge a more active role for itself in education through section 96 grants, over the years he oscillated between support and opposition for such an approach. Thus in 1945 as Leader of the Opposition, Menzies brought on in the House of Representatives the first ever urgency debate on education. In that debate he strongly advocated an expansion of commonwealth involvement to provide substantial financial assistance for most areas of education. However, disturbed by what he considered to be the centralist excesses of the final years of the post-war A.L.P. government, Menzies soon retreated from his expansionist views and in 1949 came to power on a staunchly federalist electoral platform. Establishing the model which his admirer Malcolm Fraser was to emulate in 1975, Menzies successfully campaigned in 1949 on the issue of dangerous socialist government. He promised to cut the size of the Commonwealth Public Service, to restore the private sector to its former health, and to hand back to the states some of the functions acquired from them by the previous expansionist A.L.P. government.

In keeping with his previous election promise, Menzies in July 1951 announced his Cabinet’s decision to retrench 10,000 public servants, that is, roughly 5 per cent of the total commonwealth public service. Not surprisingly, the Commonwealth Office of Education became a logical target for Menzies’ cuts. The office had been established by the A.L.P. government in 1945 and was henceforth viewed with suspicion by federalist non-Labor politicians and jealous state governments. By 1951 it had grown to become an establishment of 375 officers based in the capital cities and engaged in: education liaison activities both with the states and internationally; administration of the universities commission, research grants, commonwealth scholarships and adult and migrant education programs; publication of the *Current Affairs Bulletin*; and provision of educational research and statistics. During the period 1951-3, as strong attacks on the office’s continued existence were made by Menzies’ parliamentary colleagues, its staff was more than halved (from 375 to 158), its budget was substantially cut, and many of its functions such as scholarships and migrant
education were transferred to the states. This effective reduction in the commonwealth's educational profile set the pattern for the next decade. In fact, for most of his long post-war Prime Ministership the financially pragmatic Menzies rejected repeated appeals by state Premiers for federal financial assistance for education, except in the case of the universities. Whilst he acknowledged that the commonwealth had a continuing responsibility for assisting universities as a result of 'historical developments' associated with World War II and its aftermath, Menzies argued that education generally was the sole constitutional responsibility of the states and that any further involvement on the part of the commonwealth government might damage the delicate balance of federal-state powers.13

In his dealings with the universities, however, the elitist Menzies was most generous. This, of course, carried little danger of federal-state conflict, for whilst the universities were established by state acts of parliament, they were largely independent of state education departments in their administration. In 1957, on receiving the report of the Murray Committee of Inquiry into universities, a report which he had personally commissioned, Menzies forced its fairly expensive recommendations through a reluctant Cabinet.14 As a result, the commonwealth established a permanent universities commission to make triennial recommendations to the Prime Minister on the appropriate level of federal funding for universities and substantially increased its level of financial support to universities. As we shall see, Menzies was much more reluctant to assist the equally impoverished schools sector.

During the late 1950s the so-called education 'crisis' in Australian schools was aggravated by the virtual inundation of the secondary schools with the demographic wave of 'baby boom' students. Between 1956 and 1960 the Australian secondary school population increased by 45 per cent. This rapid enrolment rise combined with both the stringency of commonwealth tax reimbursements to the states and decades of postponed school construction, created great difficulties for state education departments. Poor conditions proliferated in both Catholic and state schools, manifesting themselves in overcrowded classrooms, severe shortages of qualified teachers, and inadequate accommodation and facilities.15

As a result of such deteriorating conditions, pressures on the Menzies government to provide federal aid to schools increased
substantially between 1957 and 1960. Some of the more important indices of such increasing pressures were: the large well-publicised national education conferences sponsored by state school teacher-parent organisations in 1958 and 1960 with their attendant federal aid to schools resolutions and deputations to Menzies; the growing volume of federal parliamentary debate on education, including in 1958 the first 'urgency' debate on education since Menzies own 1945 debate; and the emergence in 1958 for the first time ever, of education as a major federal election issue. However, perhaps the most compelling evidence of the seriousness of the education 'crisis' was the decision taken by the Australian Education Council (A.E.C.) comprising all state ministers of education in 1958. At a conference of the traditionally placid state directors-general of education in 1957, the Western Australian director-general, Dr T.L. Robertson, urged his colleagues to become 'spokesmen for Australian education' and to persuade the commonwealth to 'untie' its 'purse strings' by preparing a 'manifesto' of national educational shortcomings. Subsequently in 1958, the A.E.C. endorsed Dr Robertson's proposal and agreed that such a joint 'statement' should be prepared by the directors-general for presentation to the Prime Minister by the Premiers. However, a statement was not ultimately settled upon by the A.E.C. until 1961.

Perhaps anxious about the delay in the preparation of the A.E.C. statement, and tempted by Menzies' generosity to the universities, the Premier of Western Australia, A.R.G. Hawke, at the 1959 Premiers' Conference put a persuasive case to Menzies for the commonwealth to establish a national committee of inquiry into the needs of primary, secondary and technical education. However, Menzies, ever the financial pragmatist, bluntly and somewhat prophetically responded: 'Your proposal invites the commonwealth into a very wide field which could easily have the most tremendous results on its own finances. Therefore I am not attracted by this proposal.' The following year, when asked in Parliament about the possibility of commonwealth assistance for schools, Menzies again neatly sidestepped the question by declaring disingenuously that 'the honourable member puts to me a question that is outside the jurisdiction of this Government'. Despite increasing pressures not only from state school but also Catholic and independent school representatives for commonwealth financial assistance, Menzies was to successfully resist their demands for a
At the Premiers' Conference in 1961, with the backing of all states, Premier R.J. Heffron of New South Wales presented Menzies with the long-awaited A.E.C. statement on education. It declared that unless additional funding was soon found, the deteriorating educational situation would have a 'serious effect on Australia as a whole'. However, the Premiers made no request for specific purpose federal grants for education, presumably for fear of commonwealth control and again brushed the matter under the mat with a vague promise to take the Premiers' views 'into consideration'. Subsequently, in February 1962 the Premiers appealed to Menzies to establish a national committee of inquiry into the needs of education. However, Menzies was already anticipating the likely expensive recommendations of the Martin Committee on Tertiary Education and so forthrightly rejected the Premiers' request:

What you are doing in reality is to invite us [Commonwealth Government] to sign a blank cheque with a committee so that in due course, while we are still struggling with the budgetary implications of the others matters [Martin recommendations] we will have another lot placed on our table... The Commonwealth Government is not prepared to set up another committee which will open up another field of financial responsibility, but it will continue what it regards as its liberal treatment of the states on both the revenue and capital sides...20

As I have shown elsewhere, during 1962-3 the pressures upon Menzies to relieve the financial plight of Australian schools became even more intense.21 In what promised to be a closely fought federal election campaign in November 1963 (previously his government had been returned with a majority of only two seats in 1961), the artful Menzies performed an unexpected but electorally successful volte face on the issue of federal aid to schools. Menzies promised a vote-winning education package which included: the first ever commonwealth scholarships for secondary and technical students; and in addition, capital facilities grants for technical institutions and secondary school science laboratories in government and non-government schools. It was this latter promise which was the most contentious, for it represented not only the first major 'state aid' for independent schools since the 1880s, but also the first
significant commonwealth intervention in the schools — hitherto an exclusively state area of jurisdiction.

Before following the ramifications of this commonwealth initiative in the schools on federal-state relations, the commonwealth’s almost concurrent initiative in the tertiary education sector should also be noted. In 1961, partly as a result of appeals from the Australian (Universities) Vice Chancellors Committee and his own deep concern for the well-being of the universities sector, Menzies requested the chairman of the Australian Universities Commission, Professor Leslie Martin, to lead a national committee of inquiry into the future of tertiary education in Australia.

The committee submitted its report in 1964 recommending a radical reshaping of the structure of Australian tertiary education. It suggested the creation of a tripartite system of tertiary education comprising universities, single purpose teachers’ colleges, and multi-purpose vocationally oriented technical colleges (the latter were subsequently known as colleges of advanced education). All three sub-sectors were to receive generous commonwealth financial assistance and were to be co-ordinated by an overarching Australian Tertiary Education Commission. The Menzies government’s response to these recommendations was mixed. It rejected any responsibility for assisting teacher training and the funding of teachers’ colleges, asserting that this was the sole responsibility of the states. Whilst the commonwealth’s excuse of reluctance to interfere in this area of state jurisdiction was a convenient one, there is little doubt that the real reason was the massive financial costs involved in teacher training. Menzies also rejected the proposal to establish an Australian Tertiary Education Commission and instead established an advisory committee for the new colleges of advanced education (C.A.E.) sub-sector. Within a decade the C.A.E. sub-sector of tertiary education was rivalling in size and importance the once supreme universities sector.

The period from Menzies’ school science laboratories promise to the passage of the necessary legislation (November 1963 - May 1964) was characterised by commonwealth and state bureaucratic and ministerial adjustments to a novel situation. There was considerable evidence of confusion at both levels of government. This was understandable, for the commonwealth bureaucracy in the Prime Minister’s Department, with no forewarning (Menzies’ election promise came as a complete surprise) and no really appropriate
departmental machinery or expertise in school administration, was obliged to devise hurriedly a manageable framework for administering this new laboratories program in state and independent secondary schools throughout Australia. To be told by an external body the lines along which they should proceed in their own domain was a novel experience for state education departments and ministers of education and one they obviously did not relish. Most states were incensed at not having been consulted by the commonwealth in determining which area or areas of education were to be assisted. Few states believed science was the most appropriate area and nearly all would have preferred to use the funds for urgently needed general classroom construction. Nevertheless, in spite of some dissatisfaction with its tied grant nature and the absence of commonwealth consultation on the form of educational assistance, the states were naturally jubilant at the precedent of federal aid for schools having finally been established.

In order to ensure the success of his education schemes, Menzies took the step of appointing the then senator J.G. Gorton as 'minister-in-charge of commonwealth activities in education and research'. While Gorton had no separate department and worked 'under the prime minister', he was given virtual autonomy to implement the programs and so the commonwealth, to the consternation of the states, had in effect created a minister in an area in which it had previously denied having any constitutional jurisdiction!

Gorton and his officers in the Prime Minister's Department, with the assistance of outside consultation, quickly devised a framework for determining the distribution of the available funds between state and independent schools and the conditions under which they were to be spent. He then sought consultations, individually, with state education ministers and officials, many of whom were apparently upset by his manner (one of the ministers described his initial behaviour as 'very piratical!'), suspicious of his intentions, and resentful of the detailed conditions which the commonwealth was attaching to the grants. Some believed that his subsequent roneoed 'summary' of the 'agreement' which he had reached separately with each state was not an accurate reflection of what had been agreed. Concern over such alleged 'inaccuracies' led at least one state director-general of education to insist on the per-
sonal recording of copious ‘aide memoires’ at all subsequent meetings with Gorton.

Historically, these initial meetings with Gorton were the first ever meetings between commonwealth and state ministers of education and at least in some cases, the meetings possessed something of the frictional quality which is popularly associated with commonwealth-state relations. Relations with Tasmania in particular, seemed to get off to a rather unfortunate start. Senator Gorton apparently unwittingly angered his Tasmanian A.L.P. ministerial counterpart, Bill Neilson, by arriving in Tasmania for preliminary consultations on Hobart’s widely observed Regatta Day public holiday. Neilson and his senior officers, already unhappy about the commonwealth’s priority for a science scheme, seemed to interpret Gorton’s intrusion upon their holiday as symptomatic of the commonwealth’s insensitivity to their local circumstances and as symbolic of its infringement of their autonomy. Neilson urged Gorton to use secondary school populations rather than state populations as the initial basis for dividing the scholarship and science laboratory funds between states and argued that unless this was done Tasmania would lose £55,000 which was rightfully hers. Gorton predicted that such a variation in the basis of the formula would make negligible financial difference to Tasmania but agreed to consider a Tasmanian treasury submission on the matter before his final decision. However, without considering the Tasmanian submission, Gorton subsequently announced his plan to use state populations as the basis of division. Neilson was naturally incensed and a lengthy public slanging match with Gorton on the issue ensued. Despite the persuasiveness of Tasmania’s argument about the inequity of a state population rather than state secondary school population basis, the commonwealth did not finally acknowledge this, and alter its science and libraries schemes funding formulae accordingly, until 1971. In the intervening seven years, Tasmania lost to other states many hundreds of thousands of dollars worth of commonwealth education funds. Experiences such as this presumably did little to foster commonwealth-state co-operation.

Perhaps the general reactions of the states to the commonwealth’s unexpected entry into non-university education were best reflected in July 1964 at the first A.E.C. meeting after Menzies’ election promise. Two main reactions were evident. First, there was jubilation amongst state education ministers that Menzies
had finally responded to their repeated appeals for federal aid for schools and their gratefulness was reflected in their decision to give the commonwealth some 'breathing space' and not to appeal immediately for further assistance. Second, there was a sense of trepidation amongst ministers about the manner in which the commonwealth had entered the non-university field. That is, ministers would have much preferred untied funds for education but if funds were to be tied by the commonwealth, then they firmly believed the commonwealth should consult them before taking its decision on the areas to be assisted. If the latter action was not possible then they believed that, at the very least, the commonwealth should consult state departments before imposing detailed and frequently inappropriate uniform conditions upon the use of the funds. As one irate state director-general of education put it:

We want Commonwealth aid but we do not want them imposing their ideas, particularly when those ideas have come not from educationalists but from administrative officers in the Prime Minister's Department.

There were many instances of inappropriate uniform administrative conditions imposed by commonwealth officials. For example, the commonwealth in an effort to ensure 'maintenance of effort' required all states to continue to spend on science from their own funds at the same rate as in the previous (1963) base year. This condition was quite inappropriate to Tasmania and New South Wales, which had spent extraordinarily large sums on science in 1963. Equally serious were the distortions which the new commonwealth scholarship schemes generated in some states. Because of the relatively large number of commonwealth technical scholarships which the New South Wales Education Department had to award, and the relatively small numbers of technical students staying for the final years of secondary schooling, the scholarships had initially to be awarded to almost any senior student who was doing a 'token' technical subject. The New South Wales director-general expressed his concern to his A.E.C. colleagues at the distortion of normal subject selection which this was likely to cause among students. It was not unlikely, he feared, that this commonwealth-imposed scheme would cause many students to elect to do woodwork or metalwork simply to improve their chances of receiving a scholarship.
A final example of the federal-state tensions and resentment generated by the commonwealth's failure adequately to consult the states about implementing these new education programs can be given. Without consultation, the federal bureaucrats advised state education departments that all the new commonwealth scholarships must be awarded on the basis of a competitive external examination. As a consequence, several states which had recently abandoned what they regarded as educationally harmful external examinations were obliged to reintroduce them! Here was a case of the commonwealth, which lacked a detailed knowledge of the state education systems, interfering in very fundamental policy decisions which the states were better placed to make.

Following discussions the A.E.C. submitted a letter to Gorton covering most of the objections raised above and requesting an undertaking for greater commonwealth consultation with the A.E.C. and great flexibility in program conditions in future. Gorton replied that the commonwealth could not bind itself to consult with the A.E.C. on details of administration of programs, but it would bind itself to hold individual state discussions aimed at tailoring implementation more effectively to state needs and idiosyncrasies. However, regarding the A.E.C.'s request that the commonwealth bind itself to discussions with the states and the A.E.C. before selecting new educational initiatives, he was adamant — the commonwealth could give no such undertaking — and would retain its complete independence to formulate and seek the endorsement of the electorate on new educational programs.

Perturbed by the commonwealth's new unpredictability in educational policy matters and acutely aware of the need for improved consultation, the A.E.C. considered the desirability of a motion inviting the federal minister to attend the A.E.C. ('but not necessarily as a full member') when relevant matters were under discussion. On the advice of several experienced directors-general, the A.E.C. rejected a broader motion which provided for the federal minister's attendance whenever commonwealth-state education problems were under discussion. One director noted that, unfortunately, because of a similar broad motion in the conference of directors-general in 1945, the director of the Commonwealth Office of Education became a full member of that conference and consequently an embarrassing party to their most intimate inter-state discussions about the commonwealth! Anxious to
avoid this predicament, the A.E.C. agreed simply to invite the federal minister if and when appropriate. Henceforth it became an annual practice for the federal minister and/or his representative to be invited to attend for a discussion, usually on the final day of the meeting. In May 1972, after years of debate and soul-searching, the A.E.C. finally sacrificed its 'states only' privacy for the advantages of having continual commonwealth presence and advice, and the then commonwealth Minister for Education and Science, Malcolm Fraser, was admitted to full membership of the council.

The commonwealth's 'graduation' in 1972 to full membership of the A.E.C. was made largely inevitable by the rapid growth of commonwealth involvement in education in the intervening years. As noted earlier, in 1964 in addition to the commencement of the school programs promised by Menzies in 1963, the commonwealth government accepted some of the recommendations of the Martin Committee and began building up the new colleges of advanced education sub-sector of tertiary education. This growing host of education responsibilities led the commonwealth in 1966 to create a full-fledged Department of Education and Science with Gorton as its first minister. Thus in that year, probably to the horror of most suspicious state ministers of education and their budget-conscious Premiers, Gorton publicly declared that 'even in the states, education is tending to become, in effect, a partnership between the commonwealth and the states'. During the next few years, the dedicated and ambitious Gorton built up a substantial new commonwealth educational bureaucracy and together they eagerly sought out and established a series of commonwealth initiatives in education. The states, of course, were powerless to stop the commonwealth, for despite their theoretical constitutional responsibility for education, the commonwealth's control over the purse strings and its ability to use Section 96 tied grants for education or any other purpose, left it free to intervene in state jurisdictions at will. Almost paralysed by the financial effort of maintaining existing standards, matching accelerating commonwealth grants for tertiary education, and servicing the rapid growth of enrolments at all levels of schooling, the states were in no position to find funds for new initiatives. Thus the affluent commonwealth, although lacking formal constitutional responsibility for education, was increasingly free to call the tune and dictate the direction of future developments in education to the states.
Through its system of matching funds in the universities and colleges of advanced education sectors, the commonwealth effectively channelled state funds in commonwealth desired directions in tertiary education. Although the matching funds technique was not employed by the commonwealth in the schools and technical education areas, it was still largely able to dictate policy by imposing conditions within the chosen areas of commonwealth assistance. Thus, for example, whilst most state departments requested permission to utilise some of the secondary science scheme money for in-service training of science teachers, the commonwealth forbade it, declaring the scheme to be solely a 'capital aid' scheme. Whereas the states had an urgent need for many small and perishable items of science equipment, the commonwealth decreed that all items of equipment purchased with the grant must be valued at more than £20. Nor is it at all clear that the commonwealth imposed such conditions on the states for educational reasons. Senator Gorton and his government colleagues were most anxious to ensure that the commonwealth obtained full electoral advantage from these programs and hence the attraction of buildings (or commonwealth 'monuments' as he once described them, which could be officially opened by federal government ministers and members at well-attended ceremonies) rather than equally desirable teacher in-service courses which were invisible to the public. Not only were new buildings to display large commonwealth plaques but large pieces of science equipment were to be stamped with a clearly visible commonwealth stamp. In this fashion, then, the quest for federal electoral appeal or other federal needs sometimes took precedence over the real needs and priorities of the states in such tied grant programs.

Whilst it is probably largely attributable to the inherent nature of federal-state relations, it is fair to say that throughout the period 1966 to 1972 state education officials and ministers remained generally suspicious of the commonwealth department of education and its two chief incumbent ministers, Gorton and Fraser. Both men to some extent earned that suspicion by their general tendency to remain aloof from consultation with the states about future policies and their tendency to produce new ad hoc initiatives largely in response to electoral pressures and at election times. Fraser, in particular, rapidly lost the confidence of his state ministerial colleagues as a result of his failure to co-operate with
them as promised in a national survey of educational needs over the period 1969-72. As one commentator, R.T. Fitzgerald, put it, events surrounding this survey 'strikingly revealed the lack of adequate machinery to assess shortages, allocate funds and account for their use'. Speaking in September 1972, just three months before the electoral defeat of the coalition government, Fitzgerald aptly summed up the general historical trend in education and predicted the likely future developments:

It is clear that the Commonwealth has moved since the forties from a peripheral role to a most influential position in the field of education. Given the well-defined trend of rapidly growing expenditure and further expansion of services at all levels, this influence seems likely to become more and more pervasive. The substantial amounts of public funds going to independent schools means that sooner or later some overall machinery to rationalize facilities and plan for future needs will have to be established.

Fitzgerald hinted in his last sentence at the growing public concern about increasing federal aid for independent schools without appropriate assessment of needs and priorities for all schools. By the time of the December 1972 federal elections this public concern, which was naturally magnified at state ministerial level, was widespread, and probably contributed significantly to the defeat of the McMahon government.

In retrospect, it can be seen that the notoriously conservative Liberal-Country Party governments of 1949-72 proved to be surprisingly flexible and responsive to growing educational needs in the states. Perhaps largely through growing public demands, the personal commitment of Menzies to education, and his awareness of the constitutional 'loophole' provided by Section 96, the commonwealth slowly extended its involvement in the educational arena. For pragmatic reasons both of financial cost to the federal Treasury and of state sensitivity to federal interference in education, the process could not be rapid. Nevertheless, gradually and cautiously, the Menzies government, and its successors eased themselves into an educational partnership with the states, first in the university sphere and subsequently and successively in the colleges and school sectors. Ultimately and ironically, however, its electoral downfall in 1972 was probably closely linked not only to its failure to move fast enough to assist the seriously under-financed schools sector, but to a growing public realisation and
desire that the pragmatic extension of the commonwealth’s role in education could be a model for co-operative arrangements in urban and welfare programs as well.

Notes

7 Sawer, *Australian Government Today*, p. 17. For those interested in pursuing the complex issues of federal-state financial relations, the A.N.U.’s Centre for the Study of Federal Financial Relations has over recent years published an impressive series of monographs on the subject.
11 Section 96 of the Constitution enables the commonwealth Parliament to ‘grant financial assistance to any State on such terms and conditions as the Parliament thinks fit’.
12 *C.P.D.*, H.R., 26 July 1945, pp. 4612ff.
13 Southey Lecture; *C.P.D.*, H.R., 7 September 1960, p. 888.
16 Ibid.
Australian Conservatism

19 Smart, *Federal Aid*, pp. 76ff.
21 Smart, *Federal Aid*, pp. 83ff.
23 For a detailed account of federal-state relations in the implementation of the federal science program, see Smart, *Federal Aid*.
32 Ibid., p. 30.
Interpretations of the social policies of conservative parties are almost always unfavourable in tone. Non-Labor social policy in Australia, like that of conservative parties in other countries, is often depicted as part of the 'ransom' strategy forced upon non-Labor parties by mass democracy; social security is suspected of being only a payment necessary for inducing the working class to acquiesce in the preservation of a capitalist economic system. Conservative parties, in this interpretation, do not recognise the existence of social inequality as the fundamental problem to which they should address themselves, and they therefore do not formulate 'coherent' social and economic policies. Similar to this interpretation, but without the Marxist overtones, is the 'convergence on the centre' thesis: non-Labor and Labor have moved closer together over the last few decades and are now fairly well agreed upon the desirability of a mixed-economy welfare state. Differences are matters of emphasis or strategy rather than goals.

* This chapter draws on the author's Ph.D. thesis, Political Ideas in the Liberal Party, Australian National University, 1973, chs. 3-5, which provides further evidence for most assertions. A revised and condensed version of the thesis has been published as The Liberal Party, Jacaranda Press, Brisbane, 1978. The official Liberal documents and policies referred to in the text or below are published by the Federal Secretariat of the Liberal Party of Australia in Canberra.
This essay, concentrating on Liberal statements, shows how Liberal social policy looks to be less one of expediency or benign neglect when seen in its inter-connections with Liberal economic and constitutionalist policies. It also argues that Liberal aims in social policy, though often cast in bipartisan terms, disguise premises of action, values, and priorities which differ significantly from Labor’s.

Social Policy at the Foundation of the Liberal Party

The origins of the Liberal Party of Australia (L.P.A.), however, provide some initial support for the convergence thesis. When the L.P.A. was founded in 1944 it was concerned to move closer to the Labor position on social policy. The L.P.A. emphasised its acceptance of full employment and social security as goals for a ‘better post-war world’. These goals were not only accepted — though with some equivocation — as being morally desirable and politically practicable; they were proclaimed as being an essential part of the new party’s reformist liberalism. That liberalism, Liberals said at the time, had been the reforming and progressive force in British and Australian history. It had inspired the great reforms in Britain since 1688 — the franchise acts of 1832-67-84 and other civil and religious reforms. Then, after a period of excessive attachment to laissez-faire, liberalism had been responsible for the leading measures of industrial and social legislation in Britain and Australia in the later nineteenth and earlier twentieth centuries. The new Australian Liberal Party had been formed to carry on the traditions of this genuinely liberal but also socially-conscious faith. It would be the party for all classes and sections, just like its predecessors had been before they became too subservient to big business.

The times had indeed required the non-Labor side to accommodate itself to the reformist mood. The Atlantic Charter of 1941 had had as one of its aims ‘an improved standard of labour, economic advancement and social security’ and one of Roosevelt’s Four Freedoms was ‘freedom from want’. The Beveridge Report of 1942 had listed as the ‘five great evils’ those of Want, Disease, Ignorance, Squalor and Idleness, and Winston Churchill’s much-cited Four-Year Plan of 1943 had endorsed the idea of ‘national compulsory insurance for all classes for all purposes from the cradle to the grave’.
Those ideas, part of the idealism of the Allies' cause, strengthened developing local ideas on social reform. The groups which went to make up the new Liberal Party or which were influential in its councils joined in the general call for managed capitalism and social security. According to W.H. Anderson's later account, these groups 'all pointed to a post-war new order based on the freedom of the individual and private enterprise and in which social welfare could be nourished. They rejected the idea that socialism and social welfare were inseparable'.¹ The Services and Citizens Party (S.C.P.), for example, a group founded by Anderson, stressed the need for a better and more just social order after the war, recognising that people expected progress and that they would not tolerate a return to pre-war conditions. The Institute of Public Affairs of Victoria (I.P.A. — Victoria), a businessmen's group formed in late 1942, had launched itself 'to show that full employment, social security, and a "new deal" in industrial relationships could be achieved within the framework of the traditional business system and without resort to the extreme measures proposed by the socialists'.² 

Looking Forward — A Post-War Policy for Australian Industry, a booklet published by the Institute in October 1944, listed as the true economic functions of the state those of preventing large-scale unemployment; of ensuring a decent minimum of economic security and material well-being for all responsible citizens; of providing a framework of law which would encourage enterprise and production; and of conserving natural resources. The state and private enterprise would be partners in the common purpose of improving the material conditions of the community. Robert Menzies was to quote these functions in his speech to the delegates at the unity conference of non-Labor organisations in Canberra in October 1944.³

Of course, this was not all a pure change of heart on the part of the non-Labor forces. Those forces realised that, in order to defeat the Labor government, they would have to convince the electorate that they no longer accepted an unrestrained capitalism and that they believed in the ideal of a better life for all people. The sacrifices made to achieve victory in the war had to be justified by material improvements or there could be a revival of the kind of antagonism between classes that had embittered the 1930s. A measure of economic liberty therefore had to be sacrificed to higher social ends: capitalism had to be reformed internally and
businessmen had to become more conscious of their responsibilities for labour relations and social improvement. Nevertheless, the Right believed, the rationale behind private enterprise itself was still sound, and broadly accepted. It had been the disfiguring of society by mass unemployment, and the anomalous spectacle of 'poverty amidst plenty', which had brought disrepute, even moral revulsion, upon capitalism. Capitalism had to be 'controlled', but not replaced. The new economy — one broadly regulated on New Deal or Keynesian lines but given its impetus by private enterprise — would be a sensible compromise between socialism, with its inevitable full-scale planning, and an inhumane and discredited laissez-faire.

There was a fair element of calculated exaggeration in all this rhetoric. The Liberals' predecessors — the United Australia Party and the Nationalist Party — had themselves often claimed to be 'constructive' and 'progressive' and they had always denied that they believed in unrestricted laissez-faire. What was new or distinctive in L.P.A. thought was the emphasis on government control and management of the economy and the explicit acknowledgment that governments had a duty to guarantee social security as a right. The theme of the compatibility of social responsibility with private enterprise had in fact been held, if only in a tentative and experimental way, by the more progressive section of the Right since the early 1930s, but it did not become the orthodoxy until about 1944. And that 'social responsibility', we shall see shortly, was often to collide with traditional conservative notions of economic liberty, voluntarism, and self-reliance.

**Full Employment**

The Liberal-Labor debate in the 1940s over 'freedom' versus 'controls' often came to a sharper focus on the issue of full employment. The Labor government in the mid-1940s had made full employment the primary goal of its domestic economic policy, its 'positive contribution to the security of the individual'. It was for this objective in particular that the government wanted to retain strict controls on the economy after the war.

Some sections of the conservative press and of the business community, however, doubted whether full employment was prac-
ticable, even if desirable. They said, in reaction to the 1945 White Paper, that full employment could be achieved only by ‘regimentation’, industrial conscription, and a continuation of irksome wartime controls. These would destroy liberty, enterprise, and even democracy itself. The I.P.A. — Victoria, however, took a more moderate line. *Looking Forward* had recognised that failure to achieve high employment ‘would almost certainly lead to political and social consequences of a disastrous character’.\(^5\) The Institute’s *Review* stressed in 1947 that full employment was a ‘categorical imperative’; a return to a pool of unemployment was neither politically practicable nor morally desirable.\(^6\)

The attitude to full employment of the Liberal Party itself was two-sided. The L.P.A. wanted to appear sympathetic to the ideal; and in general terms accepted the finding of the new economics that full employment was necessary to keep up the high level of demand necessary for economic growth. At the same time Liberals shared the reservations of some in the business community as to the practicability of full employment. The objectives of the Canberra conference referred not to ‘full’ employment but to ‘constant employment at good wages . . . for all willing and able to work’.\(^7\) And in June 1945 Menzies was reported to have used the term ‘maximum’ in preference to ‘full’ employment.\(^8\) In his 1949 policy speech Menzies denied that full employment was a real issue between the parties and made an apparent commitment to maintain it.\(^9\)

Despite a temporary rise in unemployment in the early 1950s the L.-C.P. government was successful in maintaining full employment, but its near defeat in 1961 at a time of recession was a reminder that unemployment was still a sensitive matter and potential breaker of governments. A temporary rise in unemployment to over 2 per cent in 1971/2 enabled Labor to raise the spectre of ‘200,000 unemployed’ in their 1972 election campaign. A steady rise in unemployment to over 4 per cent in the Labor years 1973/75 allowed Liberals in turn to argue that a socialist party could not successfully manage a modern economy; but Malcolm Fraser’s ‘beat inflation first’ strategy — involving an attempt to lower real wages temporarily — could not reduce unemployment and seemed to confirm the point that Liberals believed in ‘maximum’ not ‘full’ employment.
Liberals give so much emphasis to the private sector that they have always been vulnerable to the accusation that they care little for public provision of social welfare. Perhaps for that reason, they have always indignantly disputed Labor's claim to have been the party which historically brought about the great advances in social welfare. (In fact non-Labor before 1944 had made few attempts to bring in new legislation in the social field; the Lyons government abandoned its National Insurance legislation early in 1939.)

From the beginning of its term of office in 1941, Labor had brought in a wide range of social benefits. Labor enacted legislation for widow's pensions (1942), funeral benefits for pensioners (1943), unemployment and sickness benefits (1944), pharmaceutical benefits (1944), hospital benefits (1945), mental institutions benefits (1948), and a national health scheme (1948-9). It also made an agreement on public housing with the states and took the first big steps in involving the federal government in tertiary education.

These moves presented the U.A.P. and the Liberal Party with a difficult challenge. The non-Labor parties acknowledged that the commonwealth had to do more than it had after World War I. Menzies had said in 1942, in speaking about Roosevelt's Freedom from Want, that the government had 'great and imperative obligations' to the weak, sick, and unfortunate. The N.S.W. division's 1946 pamphlet on social security said: 'It would be un-Christian like that people who are cast on the industrial scrapheap, owing to advancing age or other reasons, should not have some provision made for them'. Of course, Keynesian economic theory now made it easier for conservatives to reconcile welfarism with their predilection for strict restraints on public expenditure. Expenditure on social security, the Liberal platform later recognised, was 'of itself a great stabiliser of business and therefore of employment'. But the suspicion of government activity always remained. Menzies had pointed out that government paternalism had a 'corroding effect' on individualism and self-reliance, and John Carrick, in a pamphlet in 1949, said that liberalism 'does not regard social services as ends in themselves but rather as a minimum below which none may fall and upon which all may build'. (In government later, Menzies would continually warn against the dangers to individualism of too much reliance on the
welfare state while talking with pride of his government’s ‘humane record’ in the social field.)

Liberals, therefore, while not challenging outright the objectives of Labor’s major pieces of social legislation, questioned the financial soundness and moral consequences of the means by which Labor proposed to finance them. The Liberal Party in parliament argued on such bills as the Unemployment and Sickness Benefits Bill and Hospital Benefits Bill that welfare schemes would not be viable if they were financed from general taxation, and that in any proper system of social security the recipients should be required to make contributions. Payments of the kind proposed by Labor would, like the ‘dole’, weaken the spirit of self-reliance in the recipients and encourage a general drift to indolence. The L.-C.P. opposition also denounced the form of Labor’s National Health Act of 1948 as a tactic contrived to by-pass the 1946 constitutional amendment prohibiting the ‘civil conscription’ of the medical profession. The Act, they said, was designed to bring about the nationalisation of medicine through economic pressure. The scheme would be ‘mechanical’ in its operation; it would destroy the ‘special relationship’ between doctors and patients; and it would undermine the voluntary insurance organisations and hence the right of patients to choose freely among them. Liberals also strongly supported the right claimed by the medical profession to stipulate the conditions of service under which it would co-operate in any government health scheme.

In their first ten years of government the Liberal and Country Parties’ own major innovations were those of endowment for the first child (1950), free pharmaceutical and medical benefits for pensioners on full pension and their dependants, and a National Health Act (1953). The Act implemented a comprehensive health service on the basis of stated Liberal principles. The commonwealth, instead of extending its direct responsibility, subsidised the hospital and medical expenses of citizens who contributed to an approved hospital and medical benefits fund. As seen by its propagators, the scheme was normally based on a ‘partnership’ with state governments, the medical profession, and insurance organisations, and the device of stimulating voluntary insurance through subsidies would prevent the development of any psychology of dependence. The Liberal-Country Party government’s major problem of the 1950s and 1960s in the realm of social security was to find a way in
which it could eliminate the means test on age pensioners. Payments could then be made as a matter of 'right' as promised in the original creed of the L.P.A. After a lot of vacillation the government eventually backed away from its promise and settled for 'progressive liberalisation'. This did not satisfy some sections of the Liberal Party. The Federal Council regularly called for the abolition or swifter liberalisation of the means test, as did prominent backbenchers like K.C. Wilson, chairman for many years of the parliamentary party's social services committee, and W.C. Wentworth, Minister for Social Services, replying to the critics, threw doubt upon the reputedly just and self-supporting nature of contributory systems and talked about the 'pooling' of risks. Their most telling argument was that the cost of complete abolition would be enormous. By the time of the 1972 elections, however, the pressure for abolition had become intense and both parties had promised to phase out the means test over three years.

From the mid-1960s the L.-C.P. government departed further from the strict principle of contributory insurance by paying special attention to the needs of more indigent groups and by adopting the 'relative needs of households' principle. The L.-C.P. government expanded the scope of most existing benefits by liberalising the requirements for eligibility. It also brought in a number of new benefits especially for widows, the handicapped, and elderly people. The government's dilemma had been that it had to reconcile its preference for helping the most deserving with the more urgent claims for assistance of the neediest. Liberals always believed that social services should only supplement personal savings and insurance and help from private charity organisations; but they gradually had to recognise that the social service structure was based more on need than on rewards for the thrifty.

From the late 1950s criticism of the entire social service structure began to mount even in more conservative quarters. The Federal Council called for a thorough examination of the health scheme and the press regularly found fault with the scheme. John Gorton's government from 1968 had to respond to pressure from independent critics like the Nimmo Committee on Health Insurance by instituting a 'common fee' system and by extending benefits to cover cases of chronic illness. At the same time Liberals persisted in claiming that their health scheme was sound and that a multiplicity of funds did not add significantly to costs. They claimed that in-
dependent and informed critics had not wanted the scheme fundamentally changed but only improved.

The Labor Party’s solution to the health problem, and a central plank in its election campaigns of 1969, 1972 and 1974, was the concept of a compulsory, tax-financed ‘universal health insurance’ scheme staffed mainly by salaried medical practitioners and free at the point of service. Liberals again said that this scheme was socialistic in its intent and likely effect, if not in the strictly constitutional sense, and that it would inevitably result in higher costs and lower standards of medical care. But Liberals now needed to pose an alternative to Medibank, and in April 1974 they produced a new health policy which departed from previous Liberal principles in being compulsory, though it retained a device for the exercise of voluntarism. Under the new scheme those not already insured — about 8 per cent of the population — would be covered automatically for standard ward accommodation through additional tax deductions unless they contracted out. Labor’s Medibank scheme was passed at the Joint Sitting of Parliament in August 1974 — the Liberal and Country Parties opposing it to the last — and the scheme began operating in July 1975. It was funded from consolidated revenue because in late 1974 the opposition in the Senate had rejected an intended special levy of 1.35 per cent. Don Chipp, the Liberal Party’s shadow minister for social security, implied in the 1975 campaign that an incoming Liberal government might still dismantle Medibank. Fraser realised that this would now be difficult, and possibly unpopular. ‘We will maintain Medibank’, his policy speech stated, ‘and ensure that the standard of health care does not decline’. The saga of contending health schemes continued under the Fraser government. Fraser first set up a Medibank Review Committee whose report recommended the introduction of a 2.5 per cent levy up to a maximum amount. The government then altered Medibank in such a way that about half the people — including most middle income earners — would have been forced out into the private funds. A public outcry led by the A.L.P. and trade union movement brought about a compromise in June 1976. The government now allowed Medibank to compete directly with the private funds for private and intermediate insurance. In doing so the government offended the health funds but argued to its own
satisfaction that it had preserved the citizen’s right to choose within a system which was genuinely competitive and also universal in that every citizen had to belong either to Medibank or a private fund. Under the new health scheme introduced late in 1978, the Medibank option disappeared.

**Housing**

Better housing, like social security, was part of the common vision of requirements for a better post-war world. All parties accepted that the commonwealth would have to take action to help the states reduce the housing backlog resulting from the depression and war. Houses would have to be provided not just for the poor but also for ex-servicemen and for the migrants whom it was hoped to attract to Australia. Those on the non-Labor side in particular emphasised the value which home ownership had in giving people a ‘stake in the country’. Menzies had made the classic statement here when he talked in his *Forgotten People* broadcasts of the ‘material’, ‘human’, and ‘spiritual’ values of the home. There was also a lot of talk in the 1940s about the ‘social evil’ which resulted from poor housing. R.G. Casey, in an address in the late 1940s, saw it as essential for the well-being of the Australian community that ‘slum areas should be eliminated and that every breadwinner should have a decent home of his own or one available at a rental within his means’. More home ownerships, he said, would substitute ‘a vested interest in content among many who at present have a vested interest in discontent’.

The primary concern of the Labor government’s housing policy was of course to help the most underprivileged. The Commonwealth and State Housing Agreement of 1945 contained an administrative provision under which houses were to be rented at no more than one-fifth of the tenant’s income, with no option of purchase. Liberals condemned this provision as one of ‘state landlordism’. When John Dedman, as Minister for Post-War Reconstruction, said that Labor was ‘not concerned with making the workers into little capitalists’, Liberals had a catchphrase by which they could contrast their own views in favour of home ownership with Labor’s.

In 1955 the L.-C.P. government was able to alter the basis of the agreement to accord with its own doctrines. An amending bill allowed for the sale of government dwellings in such a way that the
purchaser could pay off the price over a long period. In 1956 the
government allocated a certain percentage of the total money
available for housing as funds for home building accounts. The
Minister for National Development of the day, Senator W.H.
Spooner, explained that those who had saved the deposit for a
home were 'at least as entitled' to receive aid from the community's
funds as those who put their names down on a Housing Com-
mission list.25 From 1964 the government's Homes Savings Grant
scheme also gave tax-free grants to young married couples — this
was virtually abolished by the next Labor government but then
restored in a different form by the Fraser government — and an act
of 1965 set up a Housing Loans Insurance Corporation which
aimed to close the 'deposit gap' for home seekers by insuring len-
ders against risk of loss on low deposit, long-term loans. In the
Labor years, 1973/5, Liberals objected to the policy of funding
state land commissions to buy and service land which could then be
sold at cost. In negotiating a new Housing Agreement in 1973
Labor also tried to induce the states to offer more rental ac-
commodation for needy families and to sell fewer homes. The Vic-
torian Minister for Housing, Vance Dickie, made the most of
folklore in warning federal Labor that its previous government had
been voted out of office in 1949 because of its hostility to 'little
capitalists'.26 (Victoria, however, took the money after com-
promises were made on both sides.) Federal Liberals blamed the
decline of housing construction in 1973/4 on Labor's restrictive
economic policies and raised the spectre of future 'shanty towns'.

Education

Liberal attitudes to education were also influenced by the wartime
and post-war sentiments in favour of greater equality of oppor-
tunity. Education was the 'right of all', according to common
Liberal rhetoric of the time; and 'no consideration of wealth or
privilege' should be a determining factor in a modern system of
education.27 But Liberals often appeared to assume that equal op-
portunity would lead to unequal achievement and that those who
rose to the top in the competitive struggle deserved to prosper and
enjoy positions of power as 'leaders'. Liberals — notably Menzies
— also emphasised the importance of religion and ethics as
ingredients in an educational curriculum which included 'character'
and a sense of citizenship. The more practical aim of a skilled
society was not, however, forgotten. R.G. Casey argued in 1947 that more should be done to foster talent in lines of work other than those of advanced scholarship.28

In its period of rule from 1950 the Liberal-Country Party government established tertiary scholarships, expanded tertiary education through large grants to universities, set up Colleges of Advanced Education in the 1960s, inaugurated state aid to independent schools in 1964, and established a full Ministry of Education in 1966. The government increased federal involvement in primary and secondary education in a piecemeal way through scholarships and aid for special purposes while remaining reluctant to assume direct and comprehensive responsibility.

Despite its efforts, the federal Liberal government was increasingly criticised from the early 1960s for having done too little for education. Labor alleged that primary and secondary education were in desperate need of federal aid and that many capable students were being effectively deprived of a tertiary education because of under-privileged backgrounds. The government met this criticism by arguing that education was the 'normal constitutional responsibility' of the states. In rebutting the argument frequently put by Labor that 'national' matters such as education should be taken over federally Menzies could say in 1962:

The fact that a matter is important to the nation does not mean that it should become primarily the responsibility of the Federal Government. The states are in a better position to assess local needs and to provide for them. The proper role of the Commonwealth is to co-operate with the States, but not to take over their functions, and to make use of existing state facilities.29

Liberal Ministers for Education admitted that there were problems in catering for expanding educational needs but denied that there was a 'crisis' or any severe inequality of opportunity in the educational system.

Nevertheless Labor was making the running on education by the later 1960s with the general policy that the federal government should fund and oversee all levels of education and improve the system through a massive injection of funds. The Labor government’s acts to implement this grand design — the States Grants (Schools) Bill and the Schools Commission Bill of 1973 — were passed by the Senate in December 1973 when the Country Party,
fearful of electoral backlash, supported the bills in return for the government agreeing not to abolish immediately per capita grants to independent schools.

Labor's education programs were generally popular. They were thought by many writers, and by the L.P.A. federal executive, to have been a big factor with swinging voters in 1972 and in helping Labor to retain office in 1974. Billy Snedden felt compelled in his 1974 policy speech to state that a Liberal government would 'maintain the financial commitments of the Karmel Report'. He also stated that tertiary fees, abolished by Labor as from June 1974, would not be re-introduced. By 1975, however, Liberals were able to make play of stories of wastage or extravagant usage of funds poured into education. Senator Margaret Guilfoyle, the federal Liberal spokesman on education, hinted that cuts in educational expenditure might have to be made as part of the overall reduction of government expenditure. She questioned whether the dollars spent on education under Labor had meant 'actual facilities reaching children'. The Liberal Education Policy of 1975 promised to retain the Schools Commission but stated that a 'continuing evaluation and appraisal' of education programs should ensure 'first, that resources are being used effectively; and second, that specific educational objectives were being achieved'. The new policy made some concessions to egalitarianism but an elitist tone was still detectable in numerous references to 'excellence', 'equality' or the need for 'variety'.

The 1970s

By the early 1970s the calls by Labor and independent commentators for 'national action' in various social fields had forced the Liberal Party to re-think its policies. It was no longer sufficient to say, in response to Labor proposals, where's the money coming from? Affluence and the growing middle-classness of society had clearly not solved all of the old social problems, and had even created new ones. Liberals had had to acknowledge that there were 'pockets' of poverty left, and in 1972 William McMahon as Prime Minister commissioned an inquiry into poverty headed by Professor Ronald Henderson.

Particular disadvantaged groups — especially Aborigines, women, and migrants — had also been clamouring for special consideration or 'rights', and the L.P.A. had to broaden its social
policy to include what became known fashionably as ‘community
development’. The L.P.A. had fallen behind Labor in formulating
policies for disadvantaged groups; and it knew that Labor was
gaining public approbation, and electoral support, for its sensitive
policies in these areas. Liberal policy on Aboriginal affairs as it
developed recognised the ‘fundamental right’ of Aborigines to
‘retain their racial identity and traditional life-style’ or when
desired ‘to adopt partially or wholly a European life style’. To this
end it proposed various kinds of assistance which would bring
Aborigines to the point of ‘self-sufficiency’. But Fraser was again
able to exploit stories of waste or abuse of funds and to claim in his
1975 policy speech that Aboriginal affairs under Labor had been ‘a
disaster’. Despite his promise to maintain ‘present levels of
assistance’ the 1975/77 Liberal budget cut funds for Aborigines
and restored them only in part after the subsequent outcry. Settled
Liberal policy on women, as expressed in the 1974 document The
Way Ahead and the 1974 Federal Platform, is sympathetic to
women’s rights and the ideal of the working woman while re-
asserting the important contribution to society of the ‘housewife
and mother’. By the time the Liberals went into opposition in
December 1972 sustained questioning of the economic benefits of
mass immigration in relation to social costs had also forced them
on the defensive in this issue. Liberals in opposition were critical of
what they regarded as Labor’s half-hearted and unrealistic ap-
proach to immigration; but the Liberal Immigration and Ethnic
Affairs Policy of 1975 shows the impact of the criticism that
migrants had been treated as a mass industrial workforce and
largely ignored where their needs as citizens and ethnic groups had
been concerned. Policy was now to be guided ‘by principles of
humanity, equality and compassion’ and ‘by the Australian
people’s economic, social and cultural capacity to successfully ac-
cept and integrate migrants’.

Liberal social thought as it was consolidated in 1974/5 re-stated
traditional Liberal policies in the language of pluralism and par-
ticipatory democracy. Policies thus took on a more ameliorative
tone but they frequently also had conservative implications.
Policies were to be developed ‘in consultation with the States, local
government and voluntary bodies’ for a society of ‘diversity’,
‘variety’ and ‘alternative life styles’. Power was to be devolved
from large impersonal bureaucracies to smaller units of decision-
Liberals' Ideas on Social Policy

making. In these concepts and phrases Liberals picked up modern thinking on social policy yet relieved the federal government of much of the moral and financial responsibility for initiating and funding social programs.

By late 1974, when public tolerance of Labor's reformism had waned, Liberals were able to express more boldly the conservative side of their thought. They relentlessly attacked 'dole bludgers' and 'extravagant' spending on 'dubious' social programs. Malcolm Fraser, who characterised his philosophy as one combining 'freedom and concern', denied, as all his predecessors had, that Liberals believed in a Darwinian society in which only the strongest survived. But he constantly reiterated the traditional non-Labor argument that more could be done for the disadvantaged only by the creation of more wealth in the first place. He also claimed the authority of the Henderson Report on poverty in support of his view that attempts to carry out a number of social reforms simultaneously only accelerated the inflationary spiral and in fact did more damage to poor people than the assistance provided by those reforms. Liberals also claimed it as one of the salient lessons of the Labor years that not all social problems could be solved by the expenditure of more money by large federal bureaucracies. 'Human relationship' and information were often just as important, allowing the poor to retain their dignity and self-respect. This underlined the continuing vital importance of voluntary associations as contributors to welfare. These associations fostered diversity and choice and attracted highly committed people; they provided assistance 'while enhancing the capacities of the disadvantaged to help themselves'.

Conclusion

Is the 'real' purpose of non-Labor social policy to buttress the capitalist social order? Such buttressing may be the long-term effect of L.P.A. social policy, but it is not necessarily the intention, at least in any cynical or quasi-conspiratorial sense. Liberals are conservatives in the sense that they are broadly satisfied with the social order as it exists. The purpose of their social policy is to identify areas of need and to respond to them as a matter both of Christian compassion (or what critics might see as middle-class paternalism concerned with making the poor more 'moral') and of efficient government. True, there have been times, as in the 1940s,
when it has been necessary for non-Labor to change in order to forestall the threat of social revolution. But the pejorative adjectives frequently applied as a ‘description’ of Liberal policies — ‘patchwork’, ‘ad hoc’, ‘bandaid’ etc. — either do not recognise, or simply disagree with, the L.P.A. view that existing arrangements with their built-in systems of contributory insurance and private charity provide more or more helpful benefits in the long term. Liberals see themselves as striking a reasonable balance between the retention of incentives and the provision of social welfare. They will admit to ‘gaps’ in their system; but they argue that the critics’ ‘coherent’ policies represent an undesirable uniformity and are part of a more sinister trend towards collectivism. Liberals still profess to favour greater equality of opportunity, and in the 1940s even talked in terms of a fairer distribution of wealth; but they would now oppose redistribution for the purpose of boosting welfare services. The promotion of equality has never been a prime objective of the non-Labor parties, and Fraser seems to assume that more equality is simply not possible at this stage of history.

Are Liberals complacent in their attitudes to poverty and inequality, or worse, callous? It follows from the above that Liberals are, within the terms of their own creed, humanitarian without being egalitarian. Liberals hold a Whiggish view of history, stressing the achievement of liberty rather than equality. Because of that, together with the class composition of the L.P.A. and the presence of self-made men, the party has genuine difficulty in comprehending the scale of inequality in Australia and the extent of ‘hidden’ or ‘secondary’ poverty. Australia, in Liberal rhetoric, is a rich, egalitarian country with unmatched equality of opportunity and social justice. It has had an arbitration system and decent working conditions dating back to its days as a social laboratory. Yet it is apparent Liberals have narrower definitions of ‘need’ and ‘poverty’ than Labor and they do not fully accept that membership of society alone entitles a citizen to guaranteed security in the socialistic sense but only to a ‘safety net’. The old conservative distinction between the ‘deserving’ and ‘undeserving’ poor lingers on in such things as Fraser’s questioning whether a person who voluntarily leaves his job should be eligible to receive unemployment benefits.

Finally, do conservative parties like the Liberal Party in Australia change their policies, coming closer to Labor, just
because they want to win or retain office? Certainly the break-up of the U.A.P. and the poor electoral reputation of non-Labor were among the factors in the mid-1940s which caused non-Labor to accept the principle of 'security within liberty'. It is also apparent that Liberals' need for electoral support in 1973/4 made them accept higher levels of federal expenditure on education and pensions, and a degree of compulsion in health insurance, which they had been reluctant to accept before. (Of course, in many cases the Labor schemes would also have been too difficult to undo.) But other factors have been as important as electoral considerations, even if mixed up to some extent with them. Liberals in the 1940s, I have shown, shared in the growing feeling for social justice in the aftermath of depression and war and then, in the later 1960s, shared the growing feeling that the government's social record did not match the rhetoric of affluence, equality of opportunity, and social justice. Overseas ideas have provided cues at times. The fact that Beveridge and Keynes were gradualist Liberals made local ideas on social security and economic management more palatable in the 1940s, and later, the L.P.A. appropriated the jargon of humanistic psychology and sociology in its talk about 'human growth' and 'autonomy' and concern for 'people' rather than economic growth.

Liberals move closer to Labor in social policy at times when Labor expresses ideas and sentiments held more generally in the community. But they move away from Labor, as in 1974/6, when they are confident that a change of mood favours more conservative policies. Even when Liberal social policy appears to move closer, it can usually be found to retain significant differences. Different means or strategies on health, education, or welfare really amount to different goals or priorities, though these may be disguised in the Liberal language of 'humanity', 'compassion', and 'concern for the neediest' which steals Labor's cherished claims. But always a hard-headed calculation enters into Liberal social policies. Liberals know that their regular and most of their prospective supporters do not expect them to out-bid Labor on most benefits; they know that their party will probably get more electoral advantage from stressing its economic and constitutional responsibility than from engaging in an auction for votes.
Postscript

The early record of the Fraser government on social policy reflects the two sides of traditional Liberal thought. A Liberal government should help the deserving poor and the genuinely needy especially in ways that would eventually make them independent of government assistance; at the same time a low-tax, federalist-minded party must dispel the 'cargo-cult' and 'free lunch' notions of government finance and discourage the idea that the central government must initiate, administer or fund all welfare projects.

Fraser had said in his 1975 policy speech that his government would maintain 'essential' spending on welfare and education. During its first year his government found to be inessential, or too costly to maintain, many of the projects of the old Departments of Urban and Regional Development (merged into the new Department of Environment, Housing, and Community Development); the Australian Assistance Plan; a number of public hospital building programs; and the operations of the Social Welfare Commission itself. The government tried abortively to abolish funeral benefits; it did little for welfare housing and outer suburbia and in April 1977 was contemplating further cuts in welfare spending and even the re-introduction of the means test on pensions for people over 70. On the other side of the ledger his government brought in a Family Allowances scheme which redistributed, in ways favourable to low income earners, the money from the old child endowment scheme together with that from tax rebates for children. (Fraser liked to describe this as the 'most significant social reform since Federation'.) Senator Guilfoyle, his Minister for Social Security, was said to be pressing for benefits for deserted fathers, and the Income Security Review Committee was reportedly examining a proposal for a compulsory and contributory scheme to guarantee all citizens a minimum retiring allowance of 30 per cent of average weekly earnings.

Conditions of economic austerity, however, had not revived or reinforced old capitalistic values of thrift, self-reliance and hard work to the extent that Fraser must have hoped for. It was not clear, after nearly eighteen months, that Fraser could succeed in permanently reversing those collectivist trends based on 'extravagant spending' and 'soft options' out of which he had made such rousing propaganda in 1975.
Notes


2. The later words of C.D. Kemp, the Institute's long-term Director, in his *Big Businessmen: Four Biographical Essays*, Institute of Public Affairs, Melbourne, 1964, p. 169.


11. The Pharmaceutical Benefits Act and parts of the National Health Act were declared invalid by the High Court. Labor had also set up a National Welfare Fund in 1943.


16. See, for example, the speeches of Senator McLeay (then U.A.P. leader in the Senate) and Menzies on the Unemployment and Sickness Benefits Bill, HR, *C.P.D.*, Vol. 177, pp. 190-5, and Vol. 178, pp. 2261-8.
See, for example, the speeches of Senator N. O'Sullivan, Deputy Leader of the Opposition in the Senate, E.J. Harrison, then acting Leader of the Opposition, and Sir Earle Page on the National Health Service Bill of 1948, *C.P.D.*, H.R., Vol. 200, pp. 3703-12, 4133-41, 4168-75.

See, for example, the speeches of Page (now C.P. Minister for Health) on the bill, *C.P.D.*, HR, Vol. 221, pp. 1755-62, and Vol. 222, pp. 154-67.


The Age, 10 April 1974; *The Australian*, 22 April 1974.


'The Age, October 1955.


Double or Quit, pp. 82-7.


The Australian, 12 May 1975.


For example, Fraser's address to the Victorian Council of Social Service, April 1975, and *Test of Prime Minister's Address to the Melbourne Rotary Club*, 21 April 1976, both press releases.


Index

Advertiser, The, 97, 98
Age, The, 30, 34, 37, 38, 41, 43, 45, 240
All for Australia League, 118, 154, 161, 163, 164, 168
Allan, John, 172-5, 177, 179, 180
Allan-Peacock government, 175, 176
Anderson, W.H., 234, 242, 244, 254, 313
Argus, The, 216, 227, 228, 230
Argyle, Sir Stanley, 178, 179, 180, 181, 256
Argyle government, 179, 180, 181, 184
Austin, T.S., 86, 87, 230
Australian Assistance Plan, 328
Australian Economic Advisory Council, 125
Australian Education Council, 299, 300, 303-6
Australian Labor Party, xii, 30, 36, 47-8, 51, 86, 91, 92, 117, 218, 226, 227, 241, 242, 245-6, 247-51, 255, 263, 297; and electoral system, 55, 56, 67, 68; anti-Labor rhetoric, 245-6, 247, 248, 251, 256-8, 321; defectors, 51, 52, 53, 57, 59, 63, 66, 67, 85, 91, 97, 241; electoral support, 51-69 passim, 176, 177, 182, 190; Labor press, 30, 36, 40, 41, 43, 44, 48; organisation, 53, 56, 102, 226-7; social policy, 311-17, 319-25, 327; states, 47, 152, 156, 161, 170, 172, 174-8, 180-2, 185-7, 189-90, 216; see also Political parties
Australian Tertiary Education Commission, 301
Australian Universities Commission, 297, 298, 301
Australian (Universities) Vice-Chancellors' Committee, 301
Australian Women's National League, 73, 87, 133, 227
Baillieu, Clive, 127
Baillieu, M.H., 123, 136
Baillieu, M.L., 123
Baracchi, Guido, 18, 19
Bavin, Thomas, 155, 160, 165, 248, 256
Bavin-Buttenshaw government, 153, 156, 157, 164
Brand, David, 76
Brimage, Tom, 92, 93
Britain: attitudes to, 269, 270-1; see also R.G. Menzies (and Imperial Connection)
Browne, G.S., 296
Bruce, S.M., Viscount Bruce of Melbourne, 59, 76, 86, 99, 114,
Electoral behaviour, 55, 58, 60, 62, 63; informal vote, 55; urban-rural, 56, 62, 63, 68
Electoral systems: compulsory voting, 55, 56, 57; first-past-the-post, 53; in the states, 53, 55, 56, 57, 66, 67; preferential, 53, 54, 56, 57, 59, 63, 69; proportional, 54, 55, 57, 68
Electorates, 62, 63, 67; bias, 56, 67, 68; redistribution, 52, 55, 56, 62, 175, 176
Emergency League of Western Australia, 76
Environment, Housing, and Community Development, Department of, 328
Evatt, Dr H.V., 201, 266
Fadden, A.W. (later, Sir), 216, 274
Fairbairn, Sir George, 73, 98, 103, 130, 135
Federalism, 255-8, 293, 294
Fitchett, Ian, 9
Foreign policy, 194-209 passim; attitudes to, 267-71; see also Russia; Vietnam
Fraser, Colin, 122, 123
Fraser, Malcolm, 240, 294, 297, 306, 307, 315, 319, 324, 325, 326, 328
Fraser government, 321, 328
Free traders, 249
Garland, R.V., 244
Gepp, H.W., 125
Gibson, F.E., 89, 94
Gibson, Sir Robert, 118
Goudie, George, 173, 178, 181
Graham, B.D., 112, 116, 137, 150, 219
Graziers’ Association, 150, 156, 157, 158
Green, Frank, 111
Greenwood, G., 51, 64
Groom, L.E., 255
Guilfoyle, Senator Margaret, 323, 328
Gullett, Henry (later, Sir), 204, 244
Hancock, Sir Keith, xi, xiii, xiv, 16
Harvey, C.L., 90, 91, 92, 99
Hawke, A.R.G., 299
Hawke, R.J., 272
Hawker, Charles A.S., xiii, 96
Hawkins, H.M., 162, 163, 168
Health, see Social welfare
Heath, A.E., 222
Heffron, R.J., 300
Henderson, Kingsley, 115, 117, 118, 121, 135, 136
Henderson, Professor Ronald, 323, 325
Herald, The (Melbourne), 113, 118, 127, 286
Heydon, Sir Peter, 5, 6, 115
Higgins, Sir John, 115, 121, 134, 135, 136
High Court of Australia, 270, 295, 296
Hocking, A.E., 178, 179, 180, 183,
Page, Sir Earle, 11, 12, 59, 128, 131, 277
Parker, R.S., 112, 116, 137, 230
Paton, J., 90, 93
Peacock, Alexander, 174, 175
Pearce, G.F. (later, Sir), 53, 76, 84, 91, 92, 93, 99, 114, 125, 131, 132
Perkins, Kevin, 10, 15, 113, 234
Perry, S.W., 91, 94, 98, 104
Phillips, P.D., 14
Playfair, T.A.J., 75
Political parties: electoral support, 51-69 passim, 263, 265, 288; image, 264; non-Labor, xi-xiii, 51-6, 58, 59, 62, 63, 66, 68, 69, 72, 78, 80, 84, 94, 95, 102, 216, 219-21, 224, 226-8, 233-6, 241, 311, 313, 314, 316, 325-7, (financial and business connections) 71, 72, 80-3, 95, 102, 111-13, 137, 218-20, 222, 230, 311, 313-14, 316, 325-7, (press) 29, 30, 34, 35, 37, 38, 40-5, 216, 314; partisan divisions, 263-6, 283-6, (party leaders and style) 266-7, 282-3, (foreign affairs) 267-71, (trade and aid) 271, (unionism) 271-3, (economic policies) 273-6, (social services) 276-8, (social issues) 278-82; see also Individual parties
Polls, 264-90 passim; see also Political parties (partisan divisions)
Poverty, see Social welfare
Pratt, Ambrose, 115, 120, 121
Premiers’ Conference, 127, 299, 300
Premiers’ Plan, 117, 118, 134, 155, 178, 179
Press: and the Russian revolution, 29-49 passim; see also Australian Labor Party (Labor press); individual papers; Political parties (non-Labor press)
Price, J.L., 57, 97, 98
Primary Producers’ Restoration League, 184
Primary Producers’ Union, 175
Prime Minister’s Department, 301, 302, 304
Proportional Representation League, 96
Protectionists, 54, 249
Queensland, 53, 58, 60-7, 69, 101, 128
Queensland People’s Party, 78, 79, 219
Referenda, 57, 79, 219, 221, 275, 295
Reid, George, 244, 249-50, 254
Rickeson, Staniforth, 115, 117, 118, 120, 121, 126, 130, 134, 135, 136
Robinson, W.S., 115, 123, 124
Roxburgh, D.W., 75, 104
Rural relief schemes, 83, 124, 131, 132, 137, 153, 161, 175, 184, 185
Russia, 29-49 passim, 269
Ryan, J., 165
Sampson, Sydney, 4, 8
Savage Club, 114, 121
Scullin, J.H., 118
Scullin government, 51, 52, 65, 117
Services’ and Citizens’ Party (Vic.), 74, 219, 223, 313
Simons, J.J., 90, 91, 92, 93
Simpson, E. Telford, 75, 76, 104, 128
Sinclair, C.A., 150, 153
Smith, A. Bruce, 255
Smith, Sir James Joynton, 42, 43
Snedden, B.M. (later, Sir), 323
Snow, Sir Sydney, 75, 113, 115, 127, 128, 133, 164, 168, 222
Social Credit Party, 58
Social welfare, 151, 153, 161, 162, 323-5, 327-8; Aborigines, 324; full employment, 314-15; health, 157-9, 276, 277, 317-20; housing, 320-1; immigration, 276, 281, 324; legislation, 316, 317, 321, 322; poverty, 323, 335-6; social security, 316-20; see also
Australian Labor Party (social policy); Education; Liberal Party of Australia (social policy); Medibank; Political parties (partisan divisions)

Social Welfare Commission, 328
South Australia, 53-5, 60-7, 101
Spender, Percy, 58, 214, 218, 221
Spicer, Senator J.A., 216
Spooner, Senator W.H., 321
State Rivers and Water Supply Commission, The, 187
Stevens, Sir Bertram, 83, 128, 136, 149, 150, 151, 152, 154-6, 157, 159, 160-6
Stevens-Bruxner government, 149-68 passim
Stewart, P.G., 173, 175, 178
Stretton Royal Commission, 187
Sunday Times, The (Perth), 91
Sydney Morning Herald, The, 30, 32, 42-4, 46, 82, 101, 217, 227

Tasmania, 53, 57, 60-6, 101, 303-4
Tasmanian National Federation, 134
Tunnecliffe, Thomas, 178, 180, 181
Turner, Dr Ken, xii, 149

Uniform taxation, 181, 295, 296
United Australia Review, 75
United Country Parties, 152, 153
United Country Party, 75, 171, 175
Urban and Regional Development, Department of, 328

Victoria, 52, 53, 55, 56, 59-66, 68, 69, 74, 101, 169, 170, 171, 174, 175, 179-80, 190
Victorian Country Party, 63, 169, 170-84 passim, 186, 187, 189-90, 216
Victorian Farmers’ Union, 171
Vietnam, 268, 269, 279
Vincent, R.S., 94, 153

Weaver, R.W.D., 154, 156, 157, 158, 159, 160, 162, 168
Wentworth, W.C., 251, 318
Were, J.B. & Son, 115, 135, 136
West Australian, The, 30, 32, 37, 39, 40, 43, 44, 47, 93
Western Australia, 53, 60-7, 69, 76, 89, 101
White, E.K. (later, Sir), 222, 225
Whittington, Don, 113, 214
Whitlam, E.G., 267; Whitlam government, 270, 294
Williams, J.R., 112, 137
Willis, E.H., 73, 80, 84, 113, 114, 119, 127, 128, 129, 130, 131, 132, 133, 136
Wilson, K.C. (later, Sir), 97, 98, 318
Winterbottom, W.J., 94, 104
Wren, John, 180

Yarwood, F.N., 75, 104
Young Liberals, 97
Young Nationalist Organisation (Vic.), 14, 87, 217, 223