

GRAZIERS IN POLITICS: THE PRESSURE GROUP
BEHAVIOUR OF THE GRAZIERS' ASSOCIATION OF
NEW SOUTH WALES

Grant Stewart Harman

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This thesis is my original work

✓ G.S. Harman

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Preface

This study was carried out in the Department of Political Science within the Research School of Social Sciences of the Australian National University between 1965 and 1968. During this period I held a three-year scholarship awarded by the University.

The study is based primarily on the records of the Graziers' Association of New South Wales, on interviews and discussions with its leaders, staff and members, and on observations of meetings of its central and local institutions. The detailed analysis of a pressure group is virtually impossible without the co-operation of the group and without access to its records. For this study I was particularly fortunate. Leaders, staff and members alike not only co-operated to make the project possible but went out of their way to assist in every way they could. Leaders and staff made time available for interviews and discussions, and arranged for me to attend, as an observer, the Association's Annual Conferences and meetings of its General Council, committees, district councils and local branches. Free access was provided to all the Association's records, and no limitations were imposed on their use. During 1966 I made a number of field trips to different country districts and talked to leaders and paid secretaries of branches and district councils, and to many individual members.

Apart from these sources, the study is also based on interviews and discussions with leaders, members and

staff of other farm organisations, with Ministers and members of parliament, and with public servants and employees of other governmental authorities; on documentary material provided by other farm organisations, business groups and trade unions; on the records of the Wheat and Woolgrowers' Association of New South Wales, and the Farmers and Settlers' Association of New South Wales; on city, country and farm newspaper files; and on official publications of the N.S.W. and Commonwealth Governments. Early in 1968 I conducted a postal survey of leaders of the Graziers' Association and two rival bodies in N.S.W. in order to secure data on their social, economic and educational backgrounds.

I would like to express my thanks to all those who assisted me in the collection and interpretation of the data, and in the final preparation of the thesis. I am especially grateful to the two senior officers of the Graziers' Association, Mr S.S. Ick-Hewins and Mr J.H. Fraser, and their colleagues who were most helpful in answering my questions and discussing numerous aspects of primary industry politics. I also owe them my thanks for providing me with such congenial working conditions. I must also thank my supervisors, Dr D.A. Aitkin, Professor R.S. Parker and Dr D.W. Rawson, for their encouragement and advice, and the Australian National University for making the project possible.

G.S.H.

Prefatory Notes

Monetary Amounts

On 14 February 1966 a dollar and cents decimal currency system was introduced in Australia. One dollar is equal to 100 cents. One pound under the old currency equals two dollars, one shilling equals ten cents, and one penny equals five-sixths of one cent.

All monetary amounts before 14 February 1966 are expressed in old currency, and after that date in new currency.

Footnotes and Bibliography

The system used generally follows that recommended by the Style Manual: For Authors and Printers of Australian Government Publications, Canberra, 1966.

Maps

The map of sheep zones in N.S.W. (p.58) was drawn from data supplied by officers of the Bureau of Agricultural Economics in Canberra. The map of electoral districts for representation on the General Council of the Graziers' Association was reproduced from The Graziers' Annual 1965-1966 edition, Sydney, 1966, p.372.

Postscript

Since the text was written, the Victorian division of the Australian Primary Producers' Union has amalgamated with the Victorian Wheat and Woolgrowers' Association; while in N.S.W. the State division of the Australian Primary Producers' Union and the Apple and Pear Growers' Association have united with the United Farmers and Woolgrowers' Association.

SUMMARY

I. Introduction

The aim of the study is to analyse and explain the pressure group behaviour of the Graziers' Association of New South Wales.

The growing importance of pressure groups in Australia has raised many important questions, few of which have yet been answered, or at least adequately. To date there has been little intensive research on pressure groups in Australia. However, the student of pressure groups in this country has available to him many overseas studies and a large body of theoretical literature. The approach used here has been adapted from that developed by Eckstein. It relates behaviour to the environment with which the group interacts.

II. Environment

Environmental factors affect the way the Association behaves and its political effectiveness directly. They also affect the Association's behaviour and effectiveness in politics through their influence on its internal characteristics.

Economic factors are of particular importance. The Association operates in a modern, industrialised and regulated economy in which rural industries and rural dwellers are of decreasing importance, and in which all economic sections are becoming increasingly dependent on governments. Yet rural industries are still important as a source of food and raw materials,

and of export earnings. The Association now claims to speak for the wheat industry as well as the wool and meat industries. In the wool industry, marked economic differences between producers have contributed to angry and long-lived disagreements over marketing and promotion. In the last decade these differences have been accentuated by declining wool prices and increasing production costs.

While Australian political culture provides no barrier to the free organisation of groups or pressure group activity, it places definite restrictions on methods that groups may legitimately use. As primary producers, graziers are accorded special advantages, though these are somewhat offset by prejudice and lack of sympathy arising from graziers' wealth and high status. While they share many attitudes common to all primary producers, graziers have a distinctive sub-culture of their own. This sub-culture differs from that of wheat-sheep farmers, and the cultural differences between graziers and wheat-sheep farmers have been a contributing factor to the conflict in the wool industry.

The Association operates in a political context where decisions affecting graziers are made at three different levels of government. At Commonwealth and State levels effective power now lies mainly in the hands of Ministers and public servants, and with statutory boards and commissions. Considerable opportunity exists for responsible and representative groups to participate in policy-making and

administration. The Association's behaviour and effectiveness are influenced to a large extent by the policies of official actors, and by competition from other groups. The most serious competition faced by all graziers' associations is from the wheat-sheep farmers' organisations, and the long-lived political rivalry between the two sets of organisations has contributed to the disagreements and unrest in the wool industry.

III. Group Characteristics

Unlike many groups, the Association was not formed to secure government assistance or veto government action, but in reaction to the industrial organisation of pastoral employees in the late nineteenth century. At first the Association saw itself as an industrial rather than a political organisation. But through the influence of a variety of environmental factors, it was drawn increasingly and permanently into politics.

In its resources, goals and beliefs, the Graziers' Association differs significantly from its main rivals. Its political resources include: a large constant membership; members of high social status; skilful leaders; financial resources and a well-staffed secretariat; an effective organisation structure; and a serious and rational approach to decision-making. At the same time it has some serious disabilities: inability to speak for all producers of wool, wheat and meat in N.S.W.; a marked anti-Labor, anti-trade union bias; a conservative ideological position; and intense antipathy from many sections of the community. Its

goals and beliefs clearly reflect the grazier sub-culture. The Association still seeks to resist unfavourable government action and is opposed to socialism and communism, but at the same time it is concerned to achieve many forms of extended government activity and expenditure.

IV. Behaviour

The Association has its own distinctive political style or manner of performing political actions. Its style is refined and experienced, and reflects the cultural norms of graziers.

Today the Association is concerned with a wide range of issue-areas at three different levels of government. Of the three levels, State government is still the most important, though the importance of the Commonwealth is rapidly increasing. Since the 1920s the volume of demands of governments made by the Association has increased by three or four times. Demands differ in many ways but especially in the tone in which they are made, and in the kind and degree of change sought (some, of course, seek retention of the status quo, rather than change). Today the Association seeks to achieve its goals primarily by political action.

Overall, the Association pursues its political objectives with fervour and persistence. Intensity however, varies from time to time, and between different issue-areas and types of demands.

In Australia most economic pressure groups cooperate and form different kinds of alliances with other groups. The Graziers' Association not only works with other graziers' associations and other farm organisations, but also with different business pressure groups.

Demands are articulated by central and local organs within the Association, and by other groups with which it is affiliated. The Association prefers to communicate its demands directly to governments, but it also directs demands to secondary and intermediate targets; these targets include the electorate, political parties, members of Parliament, the judiciary, committees and Royal Commissions and other pressure groups.

V. Effectiveness

The Association's effectiveness in politics is determined by environmental factors, its internal characteristics, and its political behaviour. On the basis of three criteria - political influence, impact on other actors and the political system, and success in achieving its goals - it must be regarded as an effective pressure group.

VI. Case-Studies

Three case-studies illustrate how the Association behaves in certain situations and in relation to specific objectives.

The first, concerning the wool sales deduction acts of 1950, illustrates the kind of situation in which partisan political pressure groups sometimes find themselves when a favoured political party achieves office and introduces legislation opposed by members of the group. The study also illustrates the unsuccessful use of veto power, and some problems facing groups when they participate in confidential negotiations with governments.

The second study is of the Association's role in the reserve price referendum campaign of 1965. It provides an example of the successful use of veto power by means of a public campaign directed to woolgrowers.

The third study relates to cattle compensation, a largely non-controversial matter at State level. It illustrates the Association's role as an initiator of policy and as an ombudsman on behalf of its members, its competence on technical and less important administrative matters, and its relations with both Labor and non-Labor governments.

VII. Conclusions

The study shows the importance of environmental factors, and suggests that many criticisms of the Association and of economic pressure groups are unjustified. It also questions common generalisations about the methods employed by pressure groups, illustrates the important functions they perform, and points to the need for further research.

Abbreviations

Organisations

ABC	Australian Broadcasting Commission
ALP	Australian Labor Party
APPU	Australian Primary Producers' Union
AWC	Australian Woolgrowers' Council
AWGC	Australian Woolgrowers and Graziers' Council
AWIC	Australian Wool Industry Conference
AWMPF	Australian Wool and Meat Producers' Federation
AWU	Australian Workers' Union
BAWRA	British Australian Wool Realisation Association Ltd.
FSA	Farmers and Settlers' Association of New South Wales
GA	Graziers' Association of New South Wales
GFC	Graziers' Federal Council
JO	Joint Organisation (U.K. - Dominion Wool Disposals Ltd.)
UFWA	United Farmers and Woolgrowers' Association of New South Wales

Documentary Material

<u>Annual Report</u>	<u>Annual Report of the Proceedings of the Graziers' Association of New South Wales</u>
<u>C.P.D.</u>	<u>Commonwealth of Australia: Parliamentary Debates</u>
<u>N.S.W.P.D.</u>	<u>New South Wales Parliamentary Debates</u>
<u>Report of Proceedings</u>	<u>Report of Proceedings of the Graziers' Association of New South Wales</u>
<u>Year Book Australia</u>	<u>Official Year Book of the Commonwealth of Australia</u>
<u>Year Book N.S.W.</u>	<u>Official Year Book of New South Wales</u>

I. INTRODUCTION

CHAPTER I

Introduction

In Australia graziers occupy a special place in society and in economic life. Not only do they constitute a social and economic elite, but in terms of their numbers they produce a disproportionate amount of the exportable wealth of the nation. Through founding and developing the wool industry they made an important contribution to the economic development of Australia. As Sir Keith Hancock aptly put it, 'Wool made Australia a solvent nation, and, in the end, a free one'.¹

Since the early colonial period graziers have participated in politics in different ways. Their high social status, their education and their economic interests provide strong motivation for political participation. Many graziers seek office on shire and municipal councils or on Pastures Protection Boards. Many write letters to newspapers; many join and contribute financial support to political parties. A few run for office in State and Commonwealth parliaments. But perhaps the most important means by which graziers today participate in politics is through organised associations and formal groups. In each State of Australia formally organised graziers' associations play a significant role

¹

W.K. Hancock, Australia, Brisbane, reprinted 1964, p.2.

in the political process and provide graziers with an important channel to communicate their demands to governments and public authorities.

This study is concerned with the largest and strongest of these graziers' associations, the Graziers' Association of New South Wales (hereafter referred to, for reasons of economy, as the GA although the Association's own informal abbreviation is 'the Graziers'). The GA is a highly complex organisation which performs many different functions. The study however, is concerned with its political functions only or, more precisely, with its role and behaviour as a political pressure group.

The term 'pressure group' is used in a technical sense; it does not imply any sort of value-judgment. A pressure group can be defined as a group of persons, or a formal association or institution, that communicates demands to public authorities and that seeks to influence the content of public policy and how policy is administered. A pressure group is a group seeking to achieve political change. Some students of politics have rejected the term 'pressure group' on the grounds that it implies coercion, or at least the use of sanctions. However, alternatives such as 'lobby' or 'interest group' are also open to objections,¹ and the term 'pressure group' is now more firmly established in the language of political science than any of the alternatives. Moreover, the term 'pressure group' implies political action, even if such action is not pressure in its close metaphorical sense.

1

For example, the term 'lobby' suggests political influence aimed solely at legislatures.

In Australia there is a fairly clear distinction between parties and pressure groups. Pressure groups generally aim to achieve influence over certain policies, rather than to achieve control of government. Parties concentrate mainly on contesting elections, while most pressure groups use a wide variety of methods; since parties have to attract wide electoral support, their policies are usually broader in scope and more general than those of pressure groups.

The GA can be classed as an economic pressure group. Economic pressure groups can be defined as groups whose main political objective is to make claims upon governments to benefit the interests they represent in a material or economic sense. They are the groups that speak on behalf of labour (including the professions), businessmen, and primary producers in relation to their functions as employees and employers, and as economic producers. Except for the Returned Services League and one or two other groups, economic pressure groups are by far the most important pressure groups in the Australian political system. They are concerned with all the main policy areas of government. They exercise considerable power, and can disturb the balance of the economy. They are constantly involved in politics, and most of them have complex structures and machinery to develop their own policies and to articulate their demands,

Pressure Groups and the Australian Political System

The 'direct and ubiquitous influence of pressure groups upon the framing of national policy', wrote the Australian journalist and author Craig McGregor in 1966,

'is one of the outstanding characteristics of the Australian power scene'.¹ While there is nothing peculiar to Australia about this, it is true that pressure groups are of considerable and increasing importance in the Australian political system. There is also good reason to believe that pressure groups perform much more important political functions than most Australians (including many students of politics) seem to realise.

Pressure groups are not a new phenomenon in Australian politics. Before the federation of the Australian colonies in 1901, and even before the first colonies achieved responsible government in the 1850s, organised groups of pastoralists, merchants and workers, and organisations such as churches sought to influence public policy. But in this century, particularly since the 1930s, pressure groups have assumed distinctively new forms and have acquired much greater political importance. The leading pressure groups of today with their well-staffed secretariats, their public relations bureaus and their imposing office blocks located close to the government departments they wish to influence, differ greatly from the loosely organised and often short-lived groups characteristic of the nineteenth century or even of the early years of the present century.

The growing political importance of pressure groups is viewed with concern by some Australians who see the power of farmers to secure subsidies, or of manufacturers to gain tariff protection, or of the Returned Services

1

Craig McGregor, Profile of Australia, London, 1966, p.331.

League to secure pensions for its members, or of the Roman Catholic Church to get money for its schools, as a direct threat to the stability of the political system and to the public interest. Those who fear and oppose the growth of strong pressure groups argue that with the free organisation of groups wealthy and well-organised interests have an unfair advantage over other sections of the community. Small but wealthy groups of manufacturers, it is asserted, are clearly in a better position to influence government policy than numerous and scattered consumers of their products. Critics of pressure groups also argue that the product of the demands of many different sectional groups in society is not necessarily in the long-term interest of the majority of citizens. Even leaders of strong pressure groups sometimes doubt whether the influence of groups is always in the national interest. When serving as President of the United Graziers' Association of Queensland, the late Sir Richard Boyer (later Chairman of the ABC from 1945 to 1961) described pressure groups as acting 'with less sense of moral and communal responsibility than would their component members as individual citizens'.¹ Other critics of pressure groups see the danger of misrepresentation of interests through the manipulation of power inside groups. Since most pressure groups are voluntary associations, their internal affairs are largely outside government control and supervision.

1

Sydney Morning Herald, 24 October 1941 (quoted by L.F. Crisp, Australian National Government, Croydon (Victoria), 1965, p.134).

Some of the most vocal criticism of pressure groups comes from economists who object to the close relations between the leading business and farm organisations, and government departments. This, they claim, results in undue secrecy in decision-making and a lack of serious discussion on economic planning. According to Maxwell Newton,

a sort of subterranean political system has developed where industry pressure groups maintain steady liaison with Commonwealth officials and ministers in furthering their own interests. The result is that great decisions are being taken, affecting the direction of the whole economy and the profitability of individual companies, spasmodically and to a large extent beyond the knowledge of the mass of the people¹ and beyond the reach of public criticism.

Other economists complain that what little economic planning there is in Australia is often frustrated by the influence of powerful pressure groups. McFarlane considers that there are 'obvious dangers in planners and policy-makers producing economically calculated proposals which are then modified out of recognition or deflected by group pressures'.² Another economist has warned that

1

Maxwell Newton, 'The Economy', in A.F. Davies and S. Encel (ed.), Australian Society: A Sociological Introduction, Melbourne, 1965, pp.240-1.

2

Bruce McFarlane, 'Interest Groups and Economic Policy', Dissent, Winter 1967, No.20, p.12. See also McFarlane's Economic Policy in Australia: the case for reform, Melbourne, 1968.

the concentration of power in Australia in the hands of business executives, and bureaucrats of the public service and the major pressure groups is 'the most serious threat to democracy in Australia'.¹

Criticism of the power of pressure groups in the last decade has probably been directed more against farm organisations than groups representing any other major interest. Journalists, labour spokesmen and economists (particularly agricultural economists) assert that farm interests, more than any other section of the community, have succeeded in manipulating political processes for their own advantage. In particular, they complain of the extraordinary influence of farm organisations in securing subsidies and other financial assistance for farmers. According to one journalist, the wheat stabilisation scheme 'has been used to put more and more money into the pockets of growers at the expense of the taxpayers' and 'because of the unceasing activity of the farm pressure groups...the odds have increasingly favored the farmer'.² A prominent trade union leader has referred to primary producers as 'the most pampered section of the Australian community'.³ In 1966 a professor of agricultural economics told a conference of accountants that no industry 'had been more successful

1

H.W. Arndt, 'The Danger of Big Business', The Australian Quarterly, Vol. XXIX, No.4 (December 1957), p.89.

2

The Bulletin, 2 April 1966, p.61.

3

Ibid., 8 May 1965, p.84.

in gouging large income transfers from other sections of the community than dairying'.¹ When another agricultural economist wrote a Current Affairs Bulletin attacking subsidies paid to the dairy industry, he gave it the apt title Milking the Australian Economy.² Agricultural economists in particular object to the way decisions are made on agricultural policy. They complain that farm organisations often have access to confidential reports and information not available to them or to members of the public. In 1966 Professor K.O. Campbell attacked the practice whereby commodity policy proposals are thoroughly discussed with representative farm organisations before they go to Cabinet, and are kept confidential until the policy is crystallised and announced by the Minister for Primary Industry. 'Under this regime', Campbell asserted,

the public is uninformed and ill-prepared to register any protests and there is no opportunity for informed and considered criticism by other affected parties. It is easy to see in these circumstances how the public interest may be sacrificed to the advantage of sectional interests, particularly in the matter of subsidies.... I would not deny the right of, and indeed necessity for the Government to consult with the directly-affected parties when administrative policies touching on their interests are being formulated. But I also feel that the broader public interest should be

1

Report in Sydney Morning Herald, 27 October 1966.

2

Vol. 39, No.13 (22 May 1967).

protected. I would submit that this principle is in jeopardy when secrecy and special privilege...are tolerated and even encouraged.¹

Others have attacked the practice whereby decisions on the marketing of primary products are taken by the producers themselves, either through a vote or by the operation of marketing boards which consist almost entirely of producer representatives.

Leaders of all pressure groups react strongly to criticism that pressure groups are both too powerful and concerned only with the promotion of the selfish interests of their members. They claim a legitimate right to make demands and deny that they are acting selfishly. Leaders of farm organisations add that their organisations are not as politically powerful as the critics say. Other interests command greater influence, they argue, and farmers being at a political disadvantage is additional reason for pressing their needs on governments. In 1966 the President of the National Farmers' Union of Australia (NFU) expressed this viewpoint when he stated:

Some people are inclined to criticize the man on the land for being over-vocal about his difficulties.... By their diffusive distribution across the continent, producers present nothing like the electoral might - in real size or actual appearance - of the vast concentrations of persons in the seaboard cities. The trend of our times is not in favour of country people. As the cities continue to grow - and urbanization is a world-wide phenomenon - rural people

1

Keith O. Campbell, 'Australian Farm Organizations and Agricultural Policy', The Australian Journal of Agricultural Economics, Vol.10, No.2 (December 1966).

throughout Australia will need to look to their weapons and defences if they are to ensure that they are not relegated to the role of an impotent minority.¹

Other interests are just as ready as farmers to justify their pressure group activities as being in the national interest. To use the words of one business spokesman, leaders of economic pressure groups see the 'readiness of groups of responsible people to...speak out' as 'the life blood of a democratic society...the yeast that leavens the dough'.² They deny the charge of selfishness; by promoting their own interests, they argue, they are at the same time promoting the national interest. According to a President of a State Chamber of Manufactures, there is no contradiction in this assertion:

...we have always held, and I hope we will always continue to hold, that the continued economic growth of Australia can only be achieved, and the national interest furthered, against a program of healthy development of manufacturing industry.³

There are other arguments advanced by those who support the freedom of pressure groups to influence public policy. One Australian political scientist argues that if our complex society is to remain democratic we must allow

1

Speech by R.J. McAuley, National Farmers' Union of Australia: Annual Conference Addresses 1966, mimeo, pp.5-6.

2

Article by W.W. Pettingell, President of the Chamber of Manufactures of N.S.W., in Impetus: Australia's Magazine of Manufacturing, September 1966, p.27.

3

Ibid., p.28.

the free organisation of interests to influence government; he sees pressure groups as

our spokesmen on the issues which concern us as Protestants or Catholics or cheese-makers. They fill the gaps in a system which otherwise gives us only a crude choice between two sets of leaders. And to say 'Away with all this pressure group idea!' is to say 'Away with democracy!'¹

Others have argued that strong pressure groups are necessary to counteract the danger of a secretive and unapproachable bureaucracy and to restrain further government encroachment on social and economic life.

This debate on the power and function of pressure groups in the Australian political system raises fundamental questions which citizens have a right to ask. Are pressure groups, or at least some pressure groups, too powerful and do they get their way contrary to public interest? Have farm organisations used their privileged relations with governments to secure unfair financial advantages for their members? Does the machinery of government for resolving the conflicting claims of interests work effectively when big and powerful groups are involved? Do minority groups get an adequate hearing or are they overlooked because they are small, inarticulate or politically insignificant? Are there some matters of fundamental importance which receive no consideration

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P.B. Westerway, 'Pressure Groups', in John Wilkes (ed.), Forces in Australian Politics, Sydney, 1963, p.146.

because there are no pressure groups to state a case? Do we need legislative safeguards against the misrepresentation of interests through the manipulation of power inside groups? Are pressure groups responsible for undue secrecy in decision-making and the frustration of economic planning? Is the apparent increase in the importance of pressure groups undesirable and does it constitute a threat to the stability of the Australian political system?

For the student of politics there are even more fundamental questions that must be asked. What functions do pressure groups perform in the political system? In the terms of political scientists employing functional theories, are the consequences 'dysfunctional' or 'enfunctional' for the larger systems in which they operate? Is the political role of pressure groups in the Australian political system changing? Are pressure groups, in fact, becoming more important and more powerful? What factors determine the power of groups at various stages of the governmental process? What features of the Australian political system tend to maximize the influence of organised groups and what features confine their activities within tolerable limits? What factors determine how a group behaves in politics? R.T. McKenzie has suggested that in Britain pressure groups 'are a far more important channel of communication than parties for the transmission of political ideas

from the mass of the citizenry to their rulers'.¹ Is the same true of Australia? What effects have changes in the structure and functions of pressure groups had on the Australian party system? In what ways do groups representing the major economic interests - business, primary industry and labour - differ from one another? How do Australian pressure groups compare with those in the United States, Britain and other countries?

Most of these questions about the role and function of pressure groups in the Australian political system have not yet been answered, or at least answered adequately. Research into Australian pressure groups so far has been limited. There is still only one published book in the field of contemporary pressure group activity in Australia - a study written by a Canadian.² Apart from this, the published work is restricted almost entirely to two general sketches of

1

R.T. McKenzie, 'Parties, Pressure Groups and the British Political Process', in Richard Rose (ed.), Studies in British Politics, London, 1966, p.259. This is an abridged and amended form of McKenzie's paper which originally appeared in The Political Quarterly, Vol. 29, No.1 (1958).

2

G.L. Kristianson, The Politics of Patriotism: The Pressure Group Activities of the Returned Servicemen's League, Canberra, 1966. T. Truman's Catholic Action and Politics, Melbourne, 1959, has some features of a pressure group study, but is basically a study of the relationship between the Catholic Church and politics, especially Labor politics.

pressure groups in Australia,¹ some brief studies of individual pressure groups² and groups within different economic sectors,³ and a number of historical studies of pressure group activity and influence.⁴ There are

1

Trevor Matthews, 'Pressure Groups in Australia', in Henry Mayer (ed.), Australian Politics: A Reader, Melbourne, 1966; and W.A. Townsley, 'Pressure Groups in Australia', in Henry W. Ehrmann (ed.), Interest Groups on Four Continents, Pittsburgh, 1958.

2

For example, G.E. Caiden, 'The Commonwealth Public Service Associations as a Pressure Group', The Australian Journal of Politics and History, Vol. X, No.4 (December 1964); Trevor Matthews, 'The Political Activities of the Australian Employers' Federation', APSA conference paper, 1964; and Westerway (who discusses groups which support and oppose the White Australia Policy and religious education in schools, and the Returned Services League).

3

The main studies of groups concerned with primary industry are: Campbell, 'Australian Farm Organizations and Agricultural Policy'; G. D'A. Chislett, 'Primary Producer Organizations', in D.B. Williams (ed.), Agriculture in the Australian Economy, Sydney, 1967; and G.S. Harman and R.F.I. Smith, '"To Speak with One Voice": Australian Farm Organizations and the Quest for Unity', The Australian Quarterly, Vol.39, No.4 (December 1967).

4

For example, Ian Campbell, 'Groups, Parties and Federation', in P. Loveday and I. Campbell, Groups in Theory and Practice, Melbourne, 1962; and R.S. Parker, 'Group Interests and the Non-Labor Parties since 1930', ANZAAS paper, 1958 (now published in Colin A. Hughes (ed.), Readings in Australian Government, St. Lucia, 1968). Aaron Wildavsky and Dagmar Carboch cover the role of pressure groups during the 1926 referendum and the 1929 federal election in Studies in Australian Politics, Melbourne, 1958. The role of pressure groups in the 1911, 1913 and 1919 referenda campaigns is discussed in Conrad Joyner, The Commonwealth and Monopolies, Melbourne, 1963. The research of B.D. Graham and Don Aitkin on the Country Party has provided useful information on those farm groups
(continued on p.15).

also some useful histories of trade unions and other organisations¹ which, while in many cases concentrating on internal structure and policies, are of value for the student of Australian pressure groups.

⁴ (continued from p.14)

which supported or were affiliated with the Country Party. Graham's published work includes The Formation of the Australian Country Parties, Canberra, 1966; and 'Graziers in Politics, 1917 to 1929', in Alan Barnard (ed.) The Simple Fleece: Studies in the Australian Wool Industry, Melbourne, 1962. 'Pools and Politics: The Issue of Co-operative Marketing in the Wheat and Wool Industries, 1910-1922', APSA paper, August 1963, by Graham has some material on wheat and wool grower organisations. His Ph.D. thesis, 'The Political Strategies of the Australian Country Parties, From their Origins until 1929', contains details not included in publications. Aitkin's Ph.D. thesis (ANU, 1964), 'The Organisation of the Australian Country Party (N.S.W.), 1946 to 1962' contains material on relations between the GA and the Country Party. The two books by Ulrich Ellis on the Country Party (The Country Party: A Political and Social History of the Party in New South Wales, Melbourne, 1958, and A History of the Australian Country Party, Melbourne, 1963) cover somewhat the same ground as Graham and Aitkin.

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The most useful studies of trade unions are R.A. Gollan, The Coalminers of New South Wales, Melbourne, 1963; J. Hagan, Printers and Politics: A History of the Australian Printing Unions 1850-1950, Canberra, 1966; Gerald E. Caiden, The A.C.P.T.A.: A Study of White Collar Public Service Unionism in the Commonwealth of Australia 1885-1922, Department of Political Science, Research School of Social Sciences, Australian National University, 1966; and R.M. Martin, Whitecollar Unions In Australia, Sydney, n.d. One of the few published histories of business groups is R.W.C. Anderson, A Brief History of the Associated Chamber of Manufactures, Canberra, 1960. There are a number of histories of farm organisations including William A. Bayley, History of the Farmers and Settlers' Association of N.S.W., Sydney 1957; F.R. Mercer, On Farmers' Service: A Short History of Farmers' Organisation in Western Australia,

(continued on p.16)

Focus and Aims of the Study - the GA

This study is strictly limited in its scope and aims. It is concerned with the behaviour of a single pressure group, and it does not pretend to answer or even to discuss adequately most of the questions raised about pressure groups and the Australian political system. The aim of the study is to analyse and explain the pressure group behaviour of the GA, with particular reference to the factors that influence the Association's behaviour, the character of its behaviour, and its effectiveness in politics. But despite the study's limited scope and aims, it is hoped that some light will be thrown on the role and functions of pressure groups, particularly economic pressure groups, in Australia, and also on the little researched field of the politics of Australian agriculture.

The GA is not only one of the oldest and most important farm organisations in Australia, but one of the oldest and most important economic pressure groups. It was formed in 1890, a decade before the formation of the Commonwealth, and immediately before the major industrial disturbances of 1890-1. Faced with the industrial organisation of shearers in the militant Amalgamated

1 (continued from p.15)

Perth, 1955; Janet McRae, The Tasmanian Farmers, Stockowners & Orchardists Association 1908-1958, Hobart, 1961; M.P. Dunlop, Looking Backward - What the P.P.U. has done, Sydney, 1925; and Frederick M. Ranson, History of the United Graziers' Association of Queensland from 1890, Brisbane, n.d. (processed). John Sandford, Walter Harper and the Farmers, Perth, 1955, is not only a biography but a study of a farmers' co-operative movement.

Shearers' Union, pastoralists in N.S.W. in the late 1880s quickly formed regional pastoralists' associations to protect their interests and in July 1890 formed the Pastoralists' Union which was renamed the Graziers' Association in 1916. Almost immediately, the Pastoralists' Union became involved in the major industrial struggle between employers and the trade unions known as the 'great strikes' or the 'great maritime strike'. In the end the employers won, but the victory was neither complete nor permanent, and the conflict had a lasting influence on the participants, and on future events. The defeat of the unions accelerated the Labor movement's entry into politics (in N.S.W. thirty-six Labor members in 1891 were elected to the Legislative Assembly where they held the balance of power) while the conflict increased tension between pastoralists and shearers, and developed within the Association an intense fear of trade unions and of the Labor Party the unions created.

For well over a decade from its formation, the leaders and staff of the Pastoralists' Union considered their organisation to be an industrial rather than a political body. In one sense they were right; the Union was concerned primarily with resisting the claims of unionists and with negotiations over wages and working conditions, rather than with making claims on governments. But through the influence of a variety of factors the Union was drawn increasingly into politics. Today it is primarily a political body, and it seeks to achieve its aim of promoting and protecting the interests of its members both as rural producers and rural dwellers mainly

by political action. Consequently, it seeks to influence the policies and administrative practices of many different Commonwealth and N.S.W. government departments and statutory authorities, as well as numerous local government bodies.

With over 11,000 members, the GA is one of the largest State and regional farm commodity organisations in Australia. Its members are scattered widely throughout country districts of N.S.W., except for the Riverina and the far west where two sister graziers' associations operate within agreed territorial boundaries. The sizes of members' holdings and enterprises vary greatly. Originally the Union consisted almost exclusively of wealthy pastoralists, pastoral companies, wool firms and banks, but later many small landowners were recruited as members. Today smaller landowners comprise a large proportion of the Association's membership (over 40 per cent of members have fewer than 2,000 sheep), yet the Association is still predominantly the voice of large graziers, and represents a very high proportion of owners of larger grazing holdings within the State.

Because it still has as members many wealthy graziers and pastoral companies who are willing to pay large annual contributions, and because it uses a sliding scale for membership contributions based on stock numbers, the GA enjoys an income far greater than any other farm organisation in Australia, and equal to that of many business pressure groups. Its wealth allows it to operate a well-staffed and well-equipped secretariat; in 1967 the GA employed a staff of sixty-one (apart from its cleaning and building maintenance staff), five of whom were university

graduates. The Association also owns an eight storey office building in the centre of the down-town business area of Sydney, just two blocks away from Circular Quay and in close proximity to government offices.

Members can participate in the affairs of the Association through any of its 130 odd branches. Branches deal directly with local matters and submit resolutions to the Association's central institutions. Branches also appoint delegates to district councils and to the Annual Conference, the Association's main policy-making body. The administration of the affairs of the Association and policy-making between Annual Conferences are in the hands of a General Council (mainly elected directly by members), an Executive Committee (elected by the Council), and a number of standing and specialist committees. The President of the Association is elected annually by the General Council, and cannot hold office for more than three consecutive terms.

As a pressure group, the GA is experienced and confident, and generally acts in a responsible manner. It prides itself on its serious and rational approach to policy-making, and on the quality of the submissions it makes to governments. The GA uses a wide range of channels and tactics to communicate its demands to decision-makers. Most of its important demands to the Commonwealth Government are communicated through the national federation of graziers' associations, the Australian Woolgrowers and Graziers' Council (AWGC). The AWGC is the only farm commodity federation to have its own secretariat. In 1967 it had a staff of eight, four of whom were university graduates. Its offices are located in Sydney within the GA's office building.

While it was founded as a graziers' association, the GA now claims to speak on behalf of wool, meat and wheat producers in N.S.W. But it is not the sole voice of these industries, and it does not enjoy exclusive clientele relationships with the government departments with which it transacts business. Apart from the two graziers' associations already mentioned, two other organisations - the United Farmers and Woolgrowers' Association (UFWA) and the N.S.W. division of the Australian Primary Producers' Union (APPU) - also claim to speak on behalf of the wool, meat and wheat industries, and the GA and these two organisations (but especially the UFWA) compete not only for political influence but also for members.

Of the three rural industries with which the GA is concerned, the wool industry has had the most turbulent political history, and for over fifty years the GA has been in the forefront of a series of disputes. One of the most intriguing questions about the politics of rural industries in Australia is why the wool industry has been plagued for so long by controversy and political conflict. In every major rural industry there have often been serious differences of opinion. But in the wool industry, Australia's major rural industry which contributes almost 30 per cent of the country's total export earnings, differences over a wide range of policies have been more pronounced and conflict more prolonged than in any other. Moreover, in the wool industry opinion on most policy matters has been divided on the same lines with the larger graziers on one side, and the mixed wheat-sheep farmers on the other. Both groups have their separate organisations in each State and at the national level.

This alone makes the wool industry unique;¹ in each of the other major rural industries there is one organisation in each State and at the national level representing the interests of producers.² The most serious differences between graziers and wheat-sheep farmers have been over wool marketing and wool promotion. For almost fifty years wheat-sheep farmers and other small woolgrowers have made repeated efforts to secure some form of stabilised marketing in place of the free auction system. But their efforts have been frustrated by the graziers and other interests including wool brokers and buyers. Of the graziers' associations the GA has been the most consistent and vocal opponent of stabilised marketing, and one of the keenest advocates of wool promotion and research. One of the tasks of this study will be to explain the Association's behaviour, as well as that of its opponents and allies, with respect to the disputes on wool marketing and promotion.

In a number of respects the GA is a deviant case among Australian farm organisations. It still pursues a free enterprise, anti-government intervention philosophy (though at the same time it demands increased public expenditure on many schemes to assist primary producers) while most farm organisations now acknowledge that state

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These organisations, of course, represent the same producers on matters relating to the meat industry, but they owe their formation to differences on wool policy. The GA, as we have noted, now also claims to speak for wheat producers in N.S.W.

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That is, apart from the APPU which claims to represent the interests of producers of all farm commodities.

intervention is not only inevitable, but desirable as a means of achieving economic security. Moreover, the GA makes no claim to be non-partisan in politics. It openly campaigns against the Labor Party, and gives extensive financial support to the Country Party, and more limited support to the Liberal Party. The GA is one of the few farm organisations (and the last) to have had formal links with the Country Party. With the Farmers and Settlers' Association of New South Wales (FSA), the Association helped found the State branch of the Country Party in 1919, and from then until 1945 was formally affiliated with the Party. Because of its anti-Labor orientation and close links with non-Labor parties, the GA finds it difficult to approach and establish close relations with Labor governments. Thus, the Association provides an interesting case-study of a partisan political pressure group, and of the problems of partisanship.

The main focus of the study is the contemporary scene. But while much of the material relates to the period from late 1965 to early 1968 (when the data was collected) extensive use has been made of material relating to the Association's activities in earlier years, particularly the decade and a half before 1965, to illustrate how the Association behaves in its contemporary setting. This approach can be justified on the grounds that it adds depth to the analysis. Moreover, for many years the Association has faced the same fundamental problems, and its behaviour has followed a consistent pattern. And while the study makes no pretence to provide a history of the Association or of its pressure group activities, an effort has been made to give the study

some historical perspective, and to sketch briefly how the Association came to be formed and how it was drawn into different fields of political activity.

Pressure Groups in the Literature of Political Science

The study of pressure groups constitutes one of the major fields in the literature of political science. While the range of empirical studies of pressure groups in this country is limited, many studies of pressure groups in the United States, Britain and Europe, and a large body of theoretical literature are available to the student of Australian pressure groups.

The study of pressure groups is by no means a new phenomenon. Long before this century, many students of politics noted the importance of groups in politics and thought about politics in terms of group interaction. But in this century the study of the role of groups in politics was given its first major emphasis in Bentley's book, The Process of Government, published in 1908.¹ Bentley's work was a reaction to the traditional approach of American political science which emphasised the study of legally constituted structures and paid little attention to systematic theory. Bentley was far more interested in political actors and processes, and considered that the 'raw materials of government' were the activities and actions of men.² Bentley reduced all politics to

1

Arthur F. Bentley, The Process of Government, Bloomington (Ind.), republished 1949.

2

Ibid., pp.175-99.

group interaction. 'When the groups are stated', he wrote, 'everything is stated. When I say everything I mean everything'.¹ But in Bentley's terms, groups included the executive, the legislature, the judiciary and political parties as well as what we have defined as pressure groups ('semi-political groups' Bentley called them).

Despite its value as a new approach to political science, Bentley's book had little immediate influence. One of his contemporaries dismissed The Process of Government in the following manner:

A hasty reading of some of these chapters fails to impress the reviewer with their value as a contribution to the literature of political science, though the work as a whole will doubtless interest students of social institutions.²

But in the early 1950s, when The Process of Government was resurrected by David Truman and others, it provoked the most prolonged and vigorous debate in the history of political science - the debate on the so-called 'group theory'.

Meanwhile, American political scientists had become interested in the empirical study of pressure groups. This interest was motivated partly by the new political science which sought to widen the field of the discipline to include the study of political actors and

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Ibid., pp.208-9.

2

James W. Garner in The American Political Science Review, Vol.II (May 1908), p.457. (Quoted by Harmon Zeigler, Interest Groups in American Society, Englewood Cliffs (New Jersey), 1964, p.2).

processes as well as institutions, and partly by the waves of scandal associated with privileged evasions and manipulations of the law by business interests. The first scholarly study of a pressure group was Peter Odegard's Pressure Politics,¹ published in 1928. This was a descriptive study of the Anti-Saloon League with little or no emphasis on theoretical problems. Other studies with more emphasis on theorising soon followed, and by the 1940s a wide range of studies of American pressure groups had been published.²

The publication of Truman's The Governmental Process³ in 1951 stimulated further interest among American political scientists in the empirical study of pressure groups; it also provoked the prolonged methodological debate on 'group theory'. Few people quarrelled with the empirical parts of Truman's book; it was the early theoretical section which caused the dispute. Truman saw himself as a disciple of Bentley. 'Bentley's "attempt

1

Peter H. Odegard, Pressure Politics: The Story of the Anti-Saloon League, New York, 1928.

2

The most important of these were: E. Pendleton Herring, Group Representation Before Congress, Baltimore, 1929, and Public Administration and Public Interest, New York, 1936; E.E. Schattschneider, Politics, Pressures and the Tariff, Englewood Cliffs, 1935; Belle Zeller, Pressure Politics in New York, New York, 1937; Dayton D. McKean, Pressures on the Legislature of New Jersey, New York, 1938; Oliver Garceau, The Political Life of the American Medical Association, Cambridge (Mass.), 1941.

3

David B. Truman, The Governmental Process: Political Interests and Public Opinion, New York, 1951.

to fashion a tool"', he wrote, 'has been the principal bench mark for my thinking'.¹ Truman however, departed from Bentley's theory on a number of points. Bentley recognised the individual only through his activity, never as an autonomous unit. Truman repudiated this notion. He also acknowledged the separate role of institutions (such as government departments) in politics and the influence of social factors in policy formation. Truman defined a pressure group ('interest group' is the term he used) as a group

that, on the basis of one or more shared attitudes, makes certain claims upon other groups in the society for the establishment, maintenance, or enhancement of forms of behavior that are implied by the shared attitudes'.²

There was however, some confusion over his concept of a group. More than once he defined a group as a collection of individuals with some characteristics in common and interacting with some frequency, but he also stated that the 'interactions, or relationships...are the group, and it is in this sense that the term will be used'.³ Confusion also arose over Truman's general aim - whether he was attempting to develop a theory of pressure groups or a general theory of political explanation.

1
Ibid., p.ix.

2
Ibid., p.33.

3
Ibid., p.24.

The group theory debate which followed centred around Truman's and Bentley's books. It promoted dozens of journal articles and papers¹ and for a decade remained the major area of controversy within the discipline. Truman's approach appealed particularly to those political scientists who, influenced by behaviourism, sought the development of concepts, methods and general theories by which they hoped to promote a rigorous, systematic science of politics. Group theory emphasised political actors rather than institutions; it promised to provide a general theory of politics; and it had a strong emotional appeal by promising to reveal the underlying factors of politics and the true sources of power, and so to uncover abuses and provide evidence for social criticism. On the other hand, group theory soon found opponents - traditionalists who opposed behaviourism, political theorists who saw inconsistencies in the use of terms such as 'group' and 'interest', and those who doubted the value of any single general theory of politics. The debate on group theory became more than a debate on the analysis of pressure groups and on the extent to which all political events can be explained in terms of the pressures and counter pressures of groups upon one another; it turned into a debate on the value of theories, and on the goals and methods of the discipline,

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See bibliographies in the following for an indication of the main contributions to the debate: Stanley Rothman, 'Systematic Political Theory: Observations on the Group Approach', The American Political Science Review, Vol. LIX, No.1 (March 1960); R.T. Golembiewski, '"The Group Basis of Politics": Notes on Analysis and Development', The American Political Science Review, Vol. LIV, No.4 (December 1960); Peter Loveday, 'Group Theory and Its Critics', in Loveday and Campbell.

and into a confrontation between behaviourists and traditionalists.

As a general theory, group theory has obvious limitations. As expounded by many of its supporters, it ignores the importance of institutions and environmental conditions. Excessively concerned with conflict, it neglects elements of consensus and integration. The notion of public interest is abandoned, individuals are allowed no place in politics, and ideas become merely the rationalisation of group behaviour.

At the same time a modified version of group theory has merits. The group approach is a useful and natural way of talking about politics. As a theory about pressure groups (as distinct from a general theory), it is a useful tool of analysis, particularly for the study of a whole pressure group sub-class within a political system.¹ Moreover, the debate on group theory had many desirable side-effects. It forced political scientists to reconsider the scope, the methods and the goals of their discipline; it exposed problems in the use of such basic terms as 'group', 'interest', 'pressure', and 'public interest'; and it directed more attention to the use of theoretical frameworks in empirical studies. The exposure of the weaknesses of group theory also encouraged a healthy scepticism about the possibility of achieving a single general theory of politics.

1

Zeigler's excellent study, Interest Groups in American Society, illustrates its value as a model for empirical studies.

The group theory debate in North America encouraged the study of pressure groups in Britain, Europe and Australia. Until the 1950s there was little interest in the study of pressure groups outside North America. When The Political Quarterly ran a special issue on pressure groups in 1958 its editor commented:

The place of pressure groups in British public life has been almost entirely ignored except for the few scattered articles which have appeared during the past two or three years.¹

The same year the first two books on British pressure groups appeared.² In Australia, the American debate stimulated interest in theorising about pressure groups³ and some empirical studies. After some initial enthusiasm for group theory most Australian political scientists turned against it, and most of the contributions to the literature by Australians were destructive ones.⁴

1

The Political Quarterly, Vol.29 (1958), p.1.

2

These were S.E. Finer, Anonymous Empire: A Study of the Lobby in Great Britain, London, 1958; and J.D. Stewart, British Pressure Groups: Their Role in Relation to the House of Commons, Oxford, 1958.

3

One of the first Australian political scientists to become interested in group theory was Henry Mayer. In his introduction to Wildavsky and Carboch's Studies in Australian Politics, he referred to 'the group interpretation of politics to which they (and I) subscribe'. (p.xx).

4

The three most important contributions were R.E. Dowling, 'Pressure Group Theory: Its Methodological Range!', The American Political Science Review, Vol. LIX, No.4 (December 1960); R.S. Parker, 'Group Analysis and Scientism in Political Studies', Political Studies,

(continued on p.30)

Empirical Studies

Empirical studies of pressure groups differ greatly in their focus and their use of conceptual frameworks. On the basis of their focus, studies fall into six groups. First, there are the numerous studies of single groups. Odegard's pioneer work, Pressure Politics, falls into this category. In it he traces the origins of the Anti-Saloon League, its transformation from a social movement to a national organisation, the character and role of its leaders, and its complicated tactics. Perhaps the best example of a study of a single group is Eckstein's book on the British Medical Association.¹ Second, there are the studies of pressure group activity relating to a particular policy or to the passage of a particular bill. A good example is Stephen Bailey's Congress Makes a Law²

⁴ (continued from p.29)

Vol. IX, No.1 (February 1961); and Loveday, 'Group Theory and its Critics'. Other contributions included: K.G. Armstrong, 'Political Science and the Pressure Group Theory', A.P.S.A. News, 1959; P.B. Westerway and P. Loveday, 'Comments on Mr. Armstrong on Pressure Groups', Ibid.; R.E. Dowling, T.C. Truman and H. Mayer, 'Three Notes on the Group Approach to Politics', Ibid.; and L.G. Churchward, 'Group Theory - A Critique', Arena, 1963.

1

Harry Eckstein, Pressure Group Politics: The Case of the British Medical Association, London, 1960.

2

Stephen Kemp Bailey, Congress Makes a Law, New York, 1950. Other examples are H.H. Wilson, Pressure Group: The Campaign for Commercial Television in England, New Brunswick, 1961; and Aaron Wildavsky, Dixon - Yates: A Study in Power Politics, New Haven, 1962.

which analyses group activity in the United States in relation to the passage of the Employment Act of 1946. Studies of groups operating in a single arena (e.g. within an industry, or in relation to a single institution of government) constitute the third category. Two examples are Herring's Group Representation Before Congress and Stewart's British Pressure Groups (which analyses pressure group activity in relation to the House of Commons). The fourth type are studies of such facets of pressure group activity as lobbying or public relations. One good example is Milbrath's¹ study of the role of lobbyists in relation to the United States Congress. In Influencing Voters,² Rose includes an analysis of the public relations campaigns of some business interests in the 1964 British general election. Studies of the whole pressure group sub-class within a political system constitute a fifth group. The best examples are Truman's The Governmental Process, Zeigler's Interest Groups in American Society and Samuel H. Beer's British Politics in the Collectivist Age³ (which includes an analysis of parties as well as pressure groups). The sixth category - comparative studies of pressure groups in different political systems - contains few

1

Lester W. Milbrath, The Washington Lobbyists, Chicago, 1963.

2

Richard Rose, Influencing Voters: A Study of Campaign Rationality, London, 1967.

3

Samuel H. Beer, British Politics in the Collectivist Age, New York, 1965. (Also published in England in 1965 under the title Modern British Politics).

studies. The best is probably the brief study by Castles¹ which surveys pressure groups in continental Europe, Scandinavia, the United States, Britain, the totalitarian countries and the emergent nations.

Many studies of pressure group activity have employed no elaborate conceptual framework. A number of students have followed Odegard's pioneer work and used a straight historical method. Others have opted for a problem approach or an analysis in terms of structure or decision-making. In some cases the elimination of a theoretical basis has been deliberate. In their admirable study of the partnership relation between the British Government and the National Farmers' Union, Self and Storing explicitly state:

Throughout this book we have sought to approach agricultural politics as directly, as little burdened by fashionable 'conceptual schemes', as possible. Of course we have employed concepts,² but they are the concepts found in political life.

Models that have been employed in the study of pressure groups fall into four groups. First, there is the group theory approach as employed by Truman and Zeigler,³ which

1

Francis G. Castles, Pressure groups and political culture: A comparative study, London, 1967.

2

Peter Self and Herbert J. Storing, The State and the Farmer, London, 1962, p.212.

3

V.O. Key, Jr, Politics, Parties & Pressure Groups, New York, 1964 (fifth edition) also uses a group theory model for his section on pressure groups. 'At the bottom', he states, 'group interests are the animating forces in the political process', (p.17).

incorporates aspects of both conflict and equilibrium models. Public policy is seen as the product of the competing pressures of groups. Within a society pressure groups usually find some sort of a balance or equilibrium. When the equilibrium is disturbed, intense pressure group activity results. This model is more useful for the study of the pressure group activity within a polity or within an industry, rather than for the study of a single group. Second, some students have used an ideology or a goal model. For instance Crampton¹ analyses the American National Farmers' Union in terms of its ideology and how its ideology affects its members, its structure and its policy. The main difficulty with this approach is its limited scope; often we want to know far more about a group than its goals and ideology. Third, some scholars have applied structural-functional analysis to the study of pressure groups. The structural-functional school of sociology, popularised by the students of Talcott Parsons, places prime emphasis on society and the means by which institutions (the structures) contribute (the functions) to sustaining its operation. In 1960 functionalism was applied by Almond² to the study of

1

John A. Crampton, The National Farmers' Union: Ideology of a Pressure Group, Lincoln (Nebraska), 1965. See also R. Joseph Monsen, Jr. and Mark W. Cannon, The Makers of Public Policy: American Power Groups and their Ideologies, New York, 1965.

2

Gabriel A. Almond, 'A Functional Approach to Comparative Politics' in Gabriel A. Almond and James S. Coleman (ed.), The Politics of Developing Areas, Princeton, 1960.

comparative politics and more recently by Almond and others¹ to the comparative study of pressure groups in different political systems. In an empirical study of comparative pressure groups based on a functionalist model, Castles² formulates a typology of pressure groups based on the functions of 'interest articulation and aggregation'. From his study it is obvious that the functionalist approach has some value for comparative study, particularly when data from non-Western nations are included. Functionalism fits pressure group activity neatly into a schema based on the functions performed by different structures in a political system and emphasises the contribution of pressure groups to the efficient operation of a political system. On the other hand, as one student of functionalism points out, functionalism

does not explain why groups come into existence in certain configurations, it makes little attempt to assess values as purposive drives in group politics..., and it can shed little explanatory light on the internal arrangements of groups.³

1

Gabriel A. Almond, 'Interest Groups and the Political Process' in R. Macridis and B.F. Brown (ed.), Comparative Politics, New York, 1964. As early as 1958 (see Ehrmann, Interest Groups on Four Continents, p.287) Almond suggested use of a functionalist approach to the study of pressure groups.

2

Pressure groups and political culture.

3

Roy E. Jones, The Functional Analysis of Politics: An introductory discussion, London, 1967, p.75.

There are even more fundamental objections which can be raised against structural-functionalism as developed in relation to political analysis by Almond¹ or as a general model for sociological investigation.² Fourth, a more effective and simpler approach for the study of pressure groups is that employed by Samuel H. Beer,³ Harry Eckstein and others.⁴ This approach is based on the assumption, as stated by Beer in 1956, that we cannot understand the behaviour of pressure groups 'unless we also look at the changing context of culture and political structure with which they continually interact'.⁵ Not only do pressure groups influence public policy and the operation of the political system, but the political and

1

e.g., see R.S. Parker, 'Interest Articulation and Political Parties in Papua and New Guinea', Work-in-Progress Seminar paper, Department of Political Science, IAS, Australian National University, 3 May 1967.

2

For a useful summary of these objections see Alex Inkeles, What is Sociology? An Introduction to the Discipline and Profession, Englewood Cliffs (New Jersey) pp.34-7.

3

Beer elaborated his ideas first in a number of significant articles in British and American journals and more recently in his British Politics in the Collectivist Age.

4

e.g., Graham Wootton, The Politics of Influence, Cambridge (Mass.), 1963; James M. Clark, Teachers and Politics in France: A Pressure Group Study of the Fédération de l'Éducation Nationale, Syracuse (New York),

5

Samuel H. Beer, 'Pressure Groups and Parties in Britain', The American Political Science Review, Vol.L, No.1.

(March 1956).

cultural environment has a profound effect on pressure groups, their goals, their tactics and their effectiveness. Beer lays particular stress on political culture (i.e. values, beliefs and emotional symbols) in explaining the political behaviour of groups and their members. His British Politics in the Collectivist Age probably gives too much emphasis to ideology and political culture, but at the same time it is one of the most significant studies of pressure group behaviour. The most elaborate framework based on this environmental approach is that set out by Eckstein in his Pressure Group Politics. Eckstein's model has four variables which determine the political activity of a pressure group. They are the pattern of policy in a society, governmental structure, political culture, and the characteristics of the group. The first of these is a new determinant not included in previous designs. Eckstein explains that policy is usually thought of as the result of interplay between pressure groups but suggests that it should also be thought of as a determinant of activity since a feedback mechanism operates.¹ Eckstein's model also includes four useful categories for analysing pressure group activity: form, scope, intensity and effectiveness. In varying degrees each of the four determinants affects the form, scope, intensity and effectiveness of pressure group activity. This model

¹

Eckstein, p.8.

was used by Eckstein in his study of the British Medical Association, and more recently by Castles,¹ Willey and others.²

Theoretical Framework of this Study

The approach used in this study is based on the assumption that the behaviour of a pressure group is best understood by relating it to the environment with which the group interacts.

The framework is an adaptation of that developed by Eckstein. The accompanying diagram shows its main features. Environmental factors are of paramount importance; they influence group characteristics, how the group behaves, and its political effectiveness. Behaviour is also influenced by group characteristics; in turn group characteristics, the way the group behaves and environmental factors all affect political effectiveness. By means of feedback mechanisms, the environmental variables are affected by the way the group behaves and by its political effectiveness. Group characteristics too, are affected by effectiveness.

Of the three environmental factors, political culture and political setting are drawn from Eckstein's

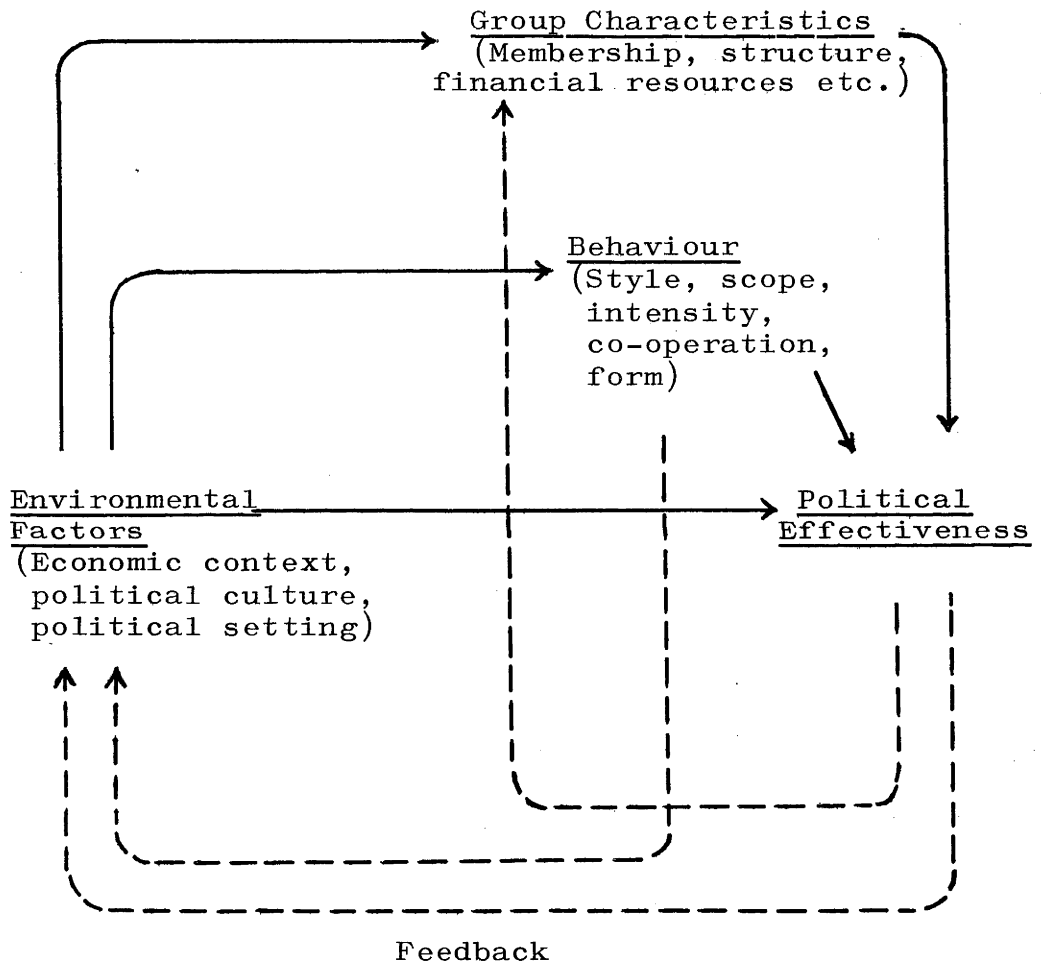
1

Castles uses the model for his analysis of the Anglo-American system of pressure groups.

2

Richard J. Willey, 'Pressure Group Politics: The Case of Sohyo', The Western Political Quarterly, Vol. XVII, No.4 (December 1964). Others who have used the model include Wootton and Clark.

Figure 1. Explanatory Model of Pressure Group
Behaviour



model. Political culture refers to the general pattern of attitudes, values and beliefs held by the whole society, and also to the sub-culture reflected by members of the group. Political setting refers to the whole institutional setting of government and to the operation of government decision-making machinery. Political setting includes two of Eckstein's determinants, the pattern of government policy, and the structure of government, as well as other components. Eckstein did not include economic factors among his determinants. It seems to me that with most economic pressure groups, particularly groups speaking on behalf of business or farm interests, behaviour is closely related to economic factors, especially the relative profitability of the industry or industries represented. The GA invariably reacts quickly to falls in the prices members receive for their produce, and to increases in production costs.

'Group characteristics' is the term Eckstein uses to refer to the internal characteristics of a group; it includes such aspects as membership, structure and financial resources. Environmental factors affect these aspects and others.

How the group behaves can be conveniently analysed under five aspects: political style, scope, intensity, co-operation, and form. Three of these are from Eckstein's model, though in two cases their meanings have been modified; two aspects, political style and co-operation, are new. Political style refers to the distinctive way in which the group performs its political actions. Scope refers to the range of issues in which the group is interested, the volume and kinds of demands it

makes, and the degree to which the group employs political means to achieve its goals. Intensity refers to the fervour and persistence with which the group pursues its political objectives. Co-operation refers to the extent to which a group combines or co-operates with other groups to achieve its objectives. Co-operation is a most important dimension for an economic pressure group which competes against rival groups and is unable to speak for a whole section or to establish exclusive clientele relationships with government departments. It is a particularly important concept in the analysis of a State-based association operating in a federal political system where there is a multiplicity of groups representing the major economic sectors. The concept of form embraces the means employed by a pressure group to communicate its demands to the centres of official decision-making and to exert political influence. There are four components of form: the organs of demand articulation; the political target structure; the channels of communication; and the character of the relations between the group and its individual organs of demand articulation on the one hand, and its political targets on the other.

Behaviour is influenced not only by the internal characteristics of the group or (to use different language) by its political resources, but also by environmental factors. To be effective, a pressure group has to come to terms with the official structure of government and with the processes by which decisions are made. Also environmental factors largely determine to what extent and in what ways a group will mobilise its resources for political purposes.

Political effectiveness refers to the influence that a group has on the content of public policy and how it is administered, and also to its overall impact on the political system and on political actors. The political effectiveness of any group depends not only on its resources, and the extent to which it chooses to mobilise them and its skill in doing this, but also on environmental factors. Political factors are of crucial importance. For example, the GA's effectiveness on any particular demand depends on whether a Labor or non-Labor government is in power, on whether the government and the departments concerned generally approve of the request sought, and on the amount of support and opposition forthcoming from other pressure groups.

The study generally follows the outline of this explanatory model. It also includes three case-studies which aim to illustrate how the GA behaves in certain situations and in relation to certain objectives, and how environmental factors actually operate to influence behaviour. The case-studies aim to complement the other sections of the study. They have been chosen to cover examples of successes and failures, crises and every-day hum-drum relations with government departments, representation at both the Federal and State levels, and partisan as well as non-partisan politics. Two cases relate to the use of veto power and the third to the GA's influence in initiating a new form of government activity. Together these case-studies cover activity in four major issue-areas of concern to the GA: economic policy, taxation, wool marketing and livestock.

II. ENVIRONMENT

CHAPTER 2

Economic Context

As with other economic pressure groups, the way that the GA behaves and its effectiveness in politics are influenced by the kind of economic situation in which it operates, and by factors relating to the particular industries that it claims to represent. Consequently, the GA's pressure group behaviour cannot be properly understood or explained without reference to economic factors. In particular, the GA's role in wool industry conflicts cannot be understood without reference to the economics of the wool industry.

Economic Situation

Since the GA was formed, the economic situation in which it operates has undergone fundamental changes. These changes have affected it directly, and also indirectly through their influence on social and political factors.

In 1890 the economy of each Australian colony was based primarily on the pastoral and agricultural industries. Rural production accounted for almost 60 per cent of the total value of production of the six colonies together.¹ Well over 25 per cent of the work-

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A.G.L. Shaw, 'History and Development of Australian Agriculture', in Williams, Agriculture in the Australian Economy, p.23. Shaw's figure actually refers to 1892.

force were still directly employed in rural industries, and among rural industries the pastoral industry was of far greater importance than any other. The total population of the six colonies was only slightly over three million, and one in every two Australians still lived in rural areas.¹

In contrast, today Australia is a highly-developed, complex, industrialised, urban society. Manufacturing employs 30 per cent of the work force, or more than twice as many workers as the agricultural, pastoral and mining industries together. Rural industries, and in particular the pastoral industry, have lost their pre-eminent position. Rural production has fallen to 30 per cent of the total value of production and contributes little more than half the value of factory production. Rural industries now employ only 10 per cent of the work force, or one third of the number employed in manufacturing. Within the rural sector, many new industries have developed, and consequently the pastoral industry no longer occupies such an important position. The population is now about twelve million. More than four out of five Australians live in urban areas, and over half the population in the large metropolitan areas. In N.S.W. almost 60 per cent live in Sydney. Of the six States, N.S.W. has the smallest proportion of rural dwellers (13.43 per cent in 1966) and its rural population is actually declining.²

1

These figures are from various editions of Year Book Australia.

2

Ibid.

In addition, the Australian economy today is controlled and regulated to a much greater degree by governments.¹

These changes have had many important effects on the GA. The decline in the proportion of the national income and the proportion of employment provided by rural industries has tended to reduce the political power of primary producers, while the drift of population to the cities, with the consequent reduction in the proportion of urban electorates, has eroded their voting power.² As a result of industrialisation, all primary producers today face fierce competition in politics from business interests and from trade unions representing urban employees. Graziers also face political competition

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Three useful indicators of the extent of government control of an economy are government expenditure as a proportion of GNP, government revenue as a proportion of GNP, and the proportion of the work-force in government employment. According to Russett's figures (Bruce M. Russett et al., World Handbook of Political and Social Indicators, New Haven, 1964, pp.63-64), on the first two Australia does not rank as high as many other advanced countries, but on the third it ranks extremely high. In 1965/6, government expenditure was 32.1 per cent of GNP, while revenue was 30.2 per cent. The same year 27 per cent of the work-force was in government employment. Government regulation of the Australia economy takes many forms including control over: the inflow and outflow of capital, migrants and imports; currency, credit and banking; the marketing of many primary products; wage regulation; transport; and trade negotiations with other countries. Moreover by grants, subsidies, bounties and the taxation and tariff systems the Commonwealth Government exercises indirect control over many industries.

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This trend however, has been somewhat offset by rural dwellers securing greater representation per capita of population in legislatures.

from farmers engaged in numerous newer rural industries, many of whom have different economic interests from those of graziers.

Industrial development and population growth have also stimulated the formation of economic pressure groups, and have encouraged groups increasingly to use political means to achieve their goals. The formation of pressure groups has been encouraged by the marked increase in the degree of specialisation and differentiation of economic function, which has divided the population into a host of different segments, each with its own specific economic interests and a sense of separateness from other interests. These changes, together with improved communications, increased government control, and increased opportunity for groups to work through politics, have encouraged each economic segment to form its own association or organisation to protect its interests and to make demands of governments. Moreover, as a result of industrialisation and economic development, the various segments of the Australian population have become increasingly less independent, and less able to overcome problems that confront them through their own resources. Consequently, they have turned increasingly to governments for assistance.¹ Perhaps even more than others, primary producers have become highly dependent on governments. A notable phenomenon in all industrialised societies is that downswings in the

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Truman (The Governmental Process, p.104), calls this the 'inevitable gravitation toward government'.

business cycle strike primary producers more severely than manufacturers since they have less ability to regulate volume and type of production. In addition, in Australia many primary producers' costs are charges levied by governments or statutory authorities, or over which public authorities have direct control. Thus, as a result, all primary producers (including graziers, who still take pride in their own economic independence and oppose the principle of government intervention) have been forced to turn increasingly to governments for alleviation of their problems.

But while the relative importance of rural industries has declined, rural production is still important in the Australian economy as a source of food and raw materials for home consumption and a major source of export earnings. Farm products still account for 70 to 80 per cent of merchandise exports; wool alone in 1967 contributed over \$800 m. or 27 per cent of these export earnings.¹ Moreover, although the relative importance of rural industries has declined, the volume of rural production has increased greatly - and is still increasing. Between 1890 and 1967 the

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Year Book Australia, 1967, p.1288. The actual export earnings of the major rural industries in 1967 were:

Wool	\$809 m.
Wheat and Flour	\$385 m.
Meats	\$279 m.
Hides and skins	\$ 89 m.
Sugar	\$ 99 m.
Fruit	\$ 94 m.
Butter	\$ 65 m.

number of sheep in Australia increased from 97.8 m. to 164 m., cattle from 10.3 m. to 18.3 m. and wheat acreage from 3.2 m. acres to 20.3 m.¹ Between 1902 and 1967 wheat production increased from 27 m. bushels to 462 m. bushels and wool production from 539 m. lbs. to 1,759 m. lbs.² Since rural industry is still so important in the economy, and since it offers reasonable prospects for expanded production, no Australian government can completely disregard the interests of farmers and graziers. Neither can it afford to take action which would jeopardise the future prosperity of any of the major rural industries, particularly the pastoral industry.

The Industries Represented

When the GA was formed most graziers in N.S.W. ran only sheep and cattle, and were seldom interested in agriculture. Similarly, few wheatfarmers at that time had any significant interests in grazing. But by the 1920s, to achieve greater economic security, many wheatgrowers had moved into mixed farming, and consequently wheatgrowers' organisations began to involve themselves in wool and meat policy. More recently many graziers on the western slopes of N.S.W. have turned to wheat production, especially in times of low wool prices. As a result the GA has been forced to take an

1

Year Book Australia, 1917, pp.313, 317, 341; and 1967, p.1287.

2

Year Book Australia, 1967, p.1287.

active interest in wheat matters. Today in N.S.W. mixed farming is more common than ever. Over half the properties which carry sheep also carry cattle, and almost half of them grow wheat. At the same time almost all holdings which produce wheat also carry sheep, and often some cattle.¹ Consequently, today both the GA and the wheat-sheep farmers' organisation in N.S.W., the UFWA (as well as the N.S.W. division of the APPU)² both take an active interest in wool, meat and wheat policy. And because GA and UFWA members hold different views on many matters, these two major organisations have become strong rivals in each of their three main fields of interest.

The wool, wheat and meat industries have many features in common which differentiate them from other rural industries. They are Australia's three main rural industries, not only in terms of the value of total production and export earnings, but also on the basis of the proportion of arable land and rural holdings devoted to them. They are based on the extensive use of land. Holdings are large, and often miles from the nearest town and hundreds of miles from the city. Transport costs of machinery and supplies from the city and of production from the farm to

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This is based on figures from the Supplement to the Statistical Handbook of the Sheep and Wool Industry June 1964, Bureau of Agricultural Economics, Canberra; and from Year Book Australia, 1967, and Year Book N.S.W., 1966.

2

The APPU however, is not regarded as an important organisation on wool, meat and wheat matters.

selling or shipping point constitute an important item in total production costs. Farms are highly capitalised (in 1963/4 the average value of sheep properties with stock and plant in the pastoral zone of N.S.W. was \$179,000),¹ complex business enterprises requiring skilled management and extensive credit for development. Costs often absorb almost half of gross income. Many costs are fixed costs (they occur irrespective of seasonal conditions, prices or returns) and a large proportion of total costs are charges levied by public authorities (land tax, shire rates, probate duty, rail freights) or result from government policy (such as tariffs on imported machinery, vehicles and chemicals). Production is greatly affected by varying seasonal conditions (particularly droughts) and attacks by pests. All three are major export industries and are thus dependent on world markets and prices, and affected by changes in shipping costs.

There are however, some important differences. Over 95 per cent of wool production and 80 per cent of wheat production are sold overseas, whereas less than 50 per cent of meat production depends on overseas sales.² Wheat and meat are food products for which demand is expanding, whereas wool is an industrial raw material in competition against synthetic fibres. Wheat

1

The Australian Sheep Industry Survey 1963-64, Bureau of Agricultural Economics, 1967, p.62.

2

D.H. McKay, 'Agriculture in the Economy', in Williams, Agriculture in the Australian Economy, p.136.

and meat are subject to various international trade agreements, whereas wool is basically a freely-traded commodity. In Australia there is a compulsory stabilised marketing and government price-support scheme for wheat, while wool and meat are sold by auction and depend on the interaction of supply and demand.¹ In fact, the wool and meat industries are the only major rural export industries which are not assisted by means of marketing and price-support schemes or by a direct subsidy. But they share the same advantages as other rural industries with regard to taxation concessions, financial assistance in droughts and after floods, and subsidies on the purchase of fertilizer. In addition, the Commonwealth Government finances the control of the tick pest and now contributes up to \$14m. p.a. for wool promotion and research. The N.S.W. Government also assists all rural industries by means of reductions in rail freights for farm commodities, agricultural research and extension services, and the provision of transport facilities and irrigation schemes.

There are also important social differences associated with the three commodities. Because of the wealth of graziers and the historic role of the pastoral industry in Australia's development, woolgrowing (and to a lesser extent cattle grazing) carries far

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About 95 per cent of the total wool clip is sold through the auction system in Australia and only a small quantity is sold privately to dealers and direct to Australian manufacturers, or exported for sale overseas. Sydney is the largest primary wool market in the world.

higher social status than wheatgrowing. As a result, graziers who go into wheat production are sometimes uneasy about a possible loss of status. In 1966 when many graziers went into wheat production for the first time stories (probably apocryphal) went around many wheat towns about graziers who had wheat combines delivered to their properties at night, and others who explained to their neighbours that they were cultivating wheat solely for the purpose of pasture improvement!

The Wool Industry

Australia is by far the largest producer of wool in the world, and accounts for about 30 per cent of total production.¹

Holdings producing wool vary greatly in size, in the quality of wool produced and in the importance of returns from wool in relation to other products. These disparities lie at the bottom of the often angry and long-lived disputes within the industry itself, disputes which have had no recent parallel in other rural industries. Woolgrowers have quarrelled especially about the promotion and marketing of their product, and their attitudes on these matters tend to reflect their own economic position in the industry.

The differences in size between wool producing holdings are considerable. In N.S.W. alone holdings

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F.H. Gruen et al., Long Term Projections of Agricultural Supply and Demand Australia 1965 to 1980, Clayton (Victoria), 1967, p.9-1 .

carrying sheep vary from under 100 acres to over 50,000 acres - and in 1960 there were still 592 holdings with over 50,000 acres.¹ The big production units owned by wealthy pastoral families, pastoral companies, wool firms and banks have much greater financial resources at their disposal. They are less seriously affected by short-term fluctuations in wool prices, and their owners can afford investment in better breeds of sheep which yield wool of higher value, and also in various improvements to increase productivity. The larger holdings however, are more dependent on hired labour, and labour costs constitute a bigger proportion of total costs. Consequently, owners of large production units have greater interest in wage regulation and are more concerned about trade union activity. On the other hand, smaller woolgrowers with limited resources are seriously affected by the considerable fluctuations in their incomes, and want security and stability above all else.² Like other rural industries, the wool industry has a 'tail' of units with low earning potential. Apart from causing differences of economic interests, the differences in size of production units are the source of other political problems in the wool industry. Owners of the

1

Supplement to the Statistical Handbook of the Sheep and Wool Industry June 1964, p.31.

2

According to McKay (pp.139-141), farm incomes in Australia fluctuate from year to year much more than non-farm incomes, and more than farm incomes in other major agricultural countries. Year to year fluctuations of plus or minus 40 per cent are common. Fluctuations in incomes from wool have been greater than fluctuations in incomes from most other commodities.

large holdings which produce most of Australia's wool clip - Table 1 shows that holdings producing fifty bales and over account for only 22.5 per cent of the total number of holdings yet produce two-thirds of the wool clip - consider that their views should determine policy for the industry but in industry politics heads usually

Table 1.

Australian Woolgrowing Holdings Classified according to Size of Wool clip¹

Clip Size (bales)	No. of holdings	Production (bales)
Under 10	33,724 (28.4%)	170,000 (3.3%)
10 - 29	37,936 (32.0%)	760,000 (14.6%)
30 - 49	20,248 (17.1%)	810,000 (15.6%)
50 - 99	16,327 (13.8%)	1,220,000 (23.5%)
100-199	6,508 (5.5%)	980,000 (18.8%)
200 and over	3,844 (3.2%)	1,260,000 (24.2%)
Totals	118,587 (100.0%)	5,200,000 (100.0%)

count for more than volume of production. In the 1965 wool referendum all woolgrowers had equal voting rights, and on the Australian Wool Industry Conference (AWIC) the AWGC has equal representation with the federal body of wheat-sheep farmers, the Australian Wool and Meat Producers' Federation (AWMPF), which represents more

¹

Wool and Politics, Current Affairs Bulletin, Vol. 36, No.12 (25 October 1965, p.181.

woolgrowers but a much smaller volume of production. Many large graziers consider that equal voting rights for all woolgrowers is unjust. In late 1966 Mr G.G. Ashton, Treasurer of the GA and Vice-Chairman of the Committee for the Retention and Improvement of the Free Wool Market, told a meeting of woolgrowers at Scone:

What I believe is the over-riding consideration at the present time is that what I call bona-fide wool-growers should have the greatest say in matters affecting the wool industry. The situation is that less than 50% of flock owners run over 80% of the sheep. We have a body the Australian Wool Industry Conference recognised by legislation which purports to represent the wool growing industry. Surely a body which represents itself as representing an industry should pay regard to volume of production or volume of investment in that industry as well as to numbers of growers engaged in it. This principle is recognised in the United Kingdom and other democracies.¹

The economic interests of woolgrowers also vary according to the type of wool produced, and whether wool production is the main enterprise. Fine merino wool used for wearing apparel and furnishing fabrics yields much higher returns than coarser wool (56's and less), and in the last decade has been less affected by the general decline in wool prices. Consequently, producers of fine merino wool - who are mainly owners of larger holdings - are less inclined to seek radical solutions to the problems of the industry, and strongly oppose the idea of pooling where their wool might lose its

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Address to Scone branch of the GA, 19 December 1966.

separate identity. On more than half the holdings carrying sheep, wool production is not the main activity.¹ Woolgrowers who depend for their income entirely or mainly on wool tend to differ in their interests from those whose income comes mainly from wheat or meat; the former are generally more concerned about the long-term future of the industry and consequently are more enthusiastic about wool promotion and research, while the latter are concerned about their immediate returns from wool and are prepared to secure price stability by marketing schemes even if wool's long-term future might be endangered. Owners of stud flocks of sheep (in 1964/5 there were over 2,000 sheep studs in N.S.W. alone)² also have somewhat different interests from other woolgrowers. Stud merino breeders resent the ban on the export of stud merino sheep which deprives them of potentially attractive markets. This ban, introduced by the Scullin Government in 1929, has been retained partly by pressure of smaller non-stud owners who fear that the export of stud merinos might increase the price of flock rams in Australia, or at least lead to a shortage.³

Differences in size of holdings, in the importance of wool as a source of total income and in wool types are closely related to regional differences between wool

1

Supplement to Statistical Handbook of the Sheep and Wool Industry June 1964, p.34.

2

Year Book N.S.W., 1966, p.954.

3

On this, see Ronald Anderson, On the Sheep's Back, Melbourne, 1966, pp.61-2.

producing areas resulting from widely different climatic environments. Woolgrowing areas in Australia are usually classified into three zones - pastoral, wheat-sheep, and high rainfall - according to a scheme developed by the Bureau of Agricultural Economics.¹ The distribution of sheep in each of these three zones throughout Australia is shown in Table 2 and the geographic boundaries of the zones in N.S.W. are shown

Table 2.
Distribution of Sheep in 1964²

	(millions)			
	Pastoral zone	Wheat- sheep zone	High Rain- fall zone	Total
New South Wales	19.8	36.8	15.2	71.8
Victoria	-	10.3	18.2	28.5
Queensland	23.7	0.6	-	24.3
South Australia	2.5	7.8	6.1	16.4
Western Australia	4.3	8.0	7.9	20.2
Tasmania	-	-	3.6	3.6
Total	50.3	63.5	51.0	164.8

1

This scheme was developed in connection with the Bureau's series of surveys of the sheep industry commenced in 1954.

2

Compiled from data in The Australian Sheep Industry Survey 1963-64. It does not include the small numbers of sheep in the Northern Territory and the A.C.T.

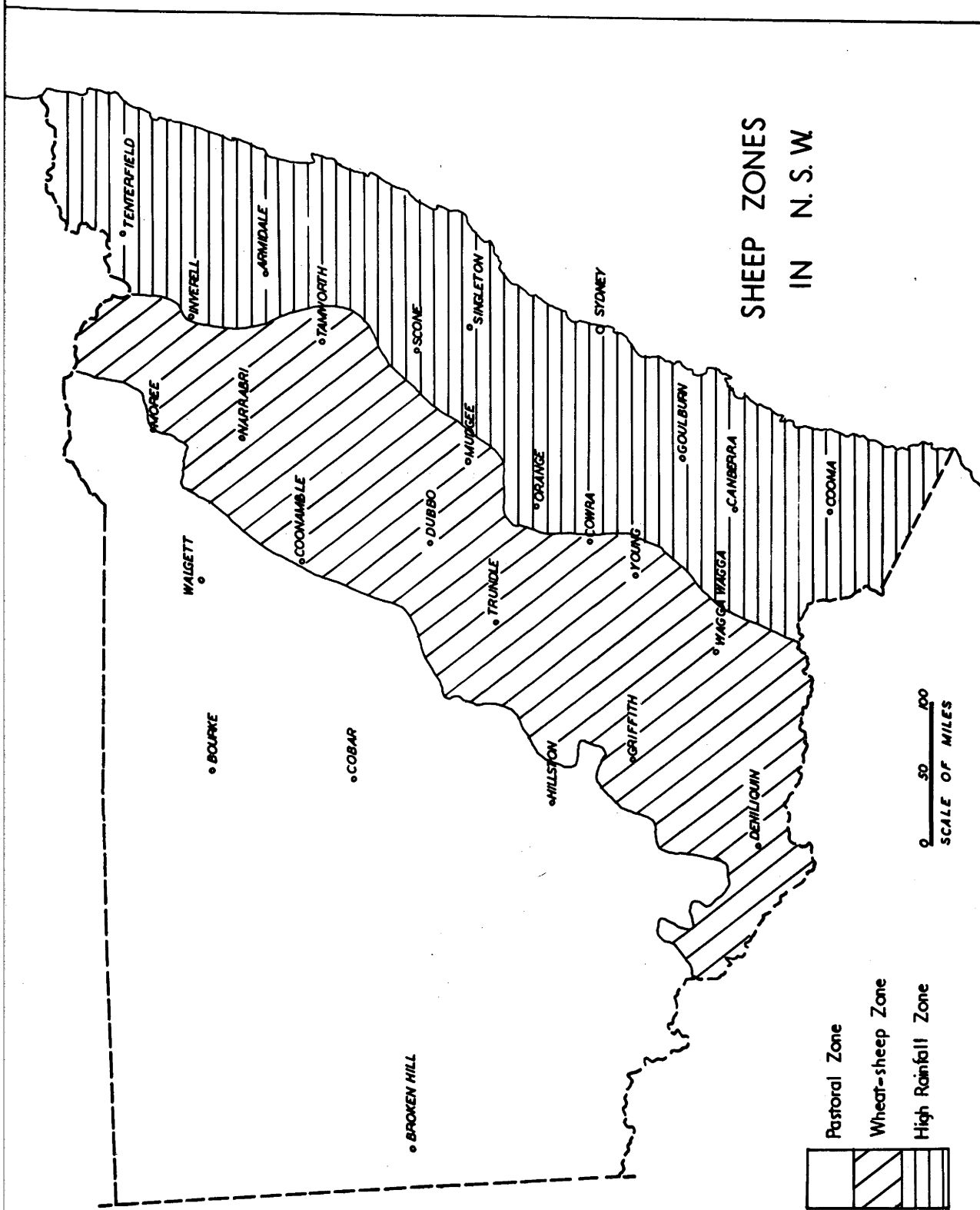
in the accompanying map. The different characteristics of each of the three zones are clearly reflected in different attitudes and in the different policies of the graziers' associations as against those of the wheat-sheep farmers' organisations.

In N.S.W. the membership of the UFWA is drawn mainly from the wheat-sheep zone where half the sheep and two-thirds of the holdings which carry sheep are located. In this zone holdings are comparatively small; the average is just over 2,000 acres. Over half have flocks of less than 1,000 sheep and on most wheat production is now more important, in terms of income, than wool growing. There is however, a minority of larger properties usually devoted mainly to wool and meat production. On most holdings in the wheat-sheep zone, sheep are grazed for both wool and meat. Consequently, wool quality has been sacrificed for carcass quality. Coarser wools from this zone yield lower prices and are subject to greater price fluctuations. Because most flocks are small, wool is often marketed in one, two and three bale lots which bring lower average returns than a similar type of wool classed and sold in larger lots.¹ It is not surprising then that wheat-sheep farmers generally favour alteration of the auction system to give greater price stability.

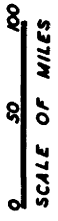
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J.P. Ffourlinnie and R.B. Whan, 'The Influence of the Size of Sale Lots of Wool on Wool-Buyers' Costs, Quarterly Review of Agricultural Economics, Vol. XX, No.3 (July 1967).

SHEEP ZONES IN N. S. W.



Pastoral Zone
 Wheat-sheep Zone
 High Rainfall Zone



Being well satisfied with the wheat stabilisation scheme which gives them a guaranteed 'cost of production'¹ price for most of their crop, they want a similar scheme for wool. Since there is no necessity for wheat promotion they are inclined to doubt the value of wool promotion and have adopted the catch-cry of 'marketing first'.

In contrast, the GA is much stronger in the pastoral and high rainfall zones where the main income of producers comes from wool (66 per cent in the pastoral zone and 74 per cent in the high rainfall zone).² In the pastoral zone holdings are large (the average is 31,000 acres and the average flock is 5,800 sheep) and owners need extensive financial resources since there is a greater risk of loss through bad seasons. Because holdings are large and isolated, a permanent labour force is essential. In the high rainfall zone properties are smaller, but carrying capacity is greater because of better rainfall and pasture improvement. Fine merino wool from this zone has been less affected by the general decline in wool prices, and woolgrowers, like those in the pastoral zone, have never experienced the operation and security of a stabilised marketing system for any commodity.

1

This includes an owner/operator allowance and liberal depreciation and interest allowances in addition to actual production costs.

2

This and other figures in this section come from The Australian Sheep Industry Survey 1963-64, p.62.

Problems and Conflicts in the Wool Industry

The Australian wool industry today faces two major related problems: a 'cost price squeeze', and intense competition from synthetic fibres.

Since the second world war production costs have risen steadily. In the late 1940s and early 1950s these rises were offset by record wool prices, but since the mid-1950s prices have fallen significantly. As Table 3 indicates, the returns from woolgrowing have declined appreciably in the last decade, while the profitability of wheatgrowing has remained fairly constant and the relative profitability of meat production has increased. Moreover, the actual decline in wool prices has had a marked psychological effect on woolgrowers and has made them seek remedies with a sense of urgency.

The decline in wool prices has been closely related to the increased use of synthetic fibres in textile manufacturing. Because wool is simply an industrial raw material it must compete against alternative fibres. In recent years textile manufacturers have turned increasingly to synthetic fibres produced by the big international chemical corporations which have the financial resources to undertake costly research and sales promotion campaigns. Strong competition between the leading chemical firms, together with large economies of scale, have brought significant price reductions in synthetic fibres,¹ and this has tended to

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For a comparison of wool and synthetic price trends since 1954, see table in Gruen, Long Term Projections, p.9-28.

Table 3.

Indexes of Prices Received and Paid by Australian Farmers¹

(Base: Average of 5 years ended June 1950=100)

	<u>Prices Received</u>			<u>Prices Paid</u> (all products)	<u>Ratio of Prices Paid to Prices Received</u>		
	<u>Wool</u>	<u>Wheat</u>	<u>Meat</u>		<u>Wool</u>	<u>Wheat</u>	<u>Meat</u>
1949-50	167	119	131	117	143	102	112
1950-51	377	128	176	139	271	92	127
1951-52	192	135	198	175	110	77	113
1952-53	216	147	191	188	115	78	102
1953-54	212	136	208	191	111	71	109
1954-55	186	122	208	192	97	64	108
1955-56	166	122	212	199	83	61	107
1956-57	210	125	207	209	100	60	99
1957-58	164	129	211	215	76	60	98
1958-59	127	132	225	215	59	61	105
1959-60	151	134	255	219	69	61	116
1960-61	136	135	265	227	60	59	117
1961-62	142	138	210	230	62	60	91
1962-63	154	139	231	231	67	60	100
1963-64	180	132	248	232	78	57	107
1964-65	151	130	268	241	63	54	112
1965-66	157	134	308	252	62	53	122
1966-67	150	139	314	258	58	54	122

¹ Australian Rural Production, Exports, Farm Income and Indexes of Prices Received and Paid by Farmers 1949-50 to 1964-65, Bureau of Agricultural Economics, Canberra, 1967. Officers of the Bureau kindly supplied the more recent figures.

depress wool prices further. The threat to wool is now serious. Synthetic fibres can achieve many of the qualities once claimed exclusively for wool, and many textile manufacturers prefer to use synthetic fibres because their prices fluctuate less than wool prices. By 1965 more than three times as much synthetic fibre as wool was used in textile production.¹

Australian woolgrowers recognise that the wool industry faces serious problems. But they have reacted differently to the fall in wool prices, and they have different ideas on what policies should be followed and on the help that governments should give.

Wheat-sheep farmers, who have been more seriously affected and who have a historic dislike for wool brokers and buyers, blame the marketing system for the present problems of the industry and want marketing reform. In doing this they are following a well-recognised trend over the world for farmers to become critical of marketing organisation and marketing costs in times of economic adversity. The wheat-sheep farmers' desire for marketing reform is not new; neither is the opposition of graziers to the schemes they advocate. In every period of low or falling wool prices since the early 1920s, wheat-sheep farmers have pressed for a reserve price auction system or for something similar, while graziers have strenuously opposed any change to free auction selling. But the failure of wheat-sheep farmers to secure

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G.S. Le Couteur, Wool! Modern Myths: New Horizons, Melbourne, 1967, p.134.

their goal cannot be attributed solely to the opposition of graziers. For one thing, the wool industry offers less scope for organised marketing or stabilisation schemes than other rural industries. A price support scheme based on a high home consumption price is out of the question since over 95 per cent of the clip is sold overseas and is dependent on world prices. A stabilisation scheme like that for wheat would be almost unworkable since there are hundreds of different grades and types of wool. Moreover, wheat-sheep farmers have been unable to convince their opponents that a reserve price scheme would succeed in stabilising wool prices, let alone produce better overall returns. In addition, apart from graziers, many other interests involved in the industry have opposed changes in the wool marketing system. Such interests still oppose changes. For example, in the four months following the release of another marketing plan by the Australian Wool Board on 31 October 1967, textile manufacturers in Japan and in the Common Market countries, wool buyers and the Australian Bankers' Association as well as leading newspapers all publicly expressed their opposition.¹ Wheat-sheep farmers resent this outside influence. 'Brokers and buyers are appendages to the industry', a Vice-President of the UFWA stated in February 1968:

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Sydney Morning Herald, 12 and 16 February 1968, and The Land, 15 February 1968.

The wool manufacturers are the only partners with the grower....We don't try to run manufacturers' businesses for them, so why should they try to run our business?¹

Larger graziers, on the other hand, think the best way to overcome the problems of the wool industry is by investment to increase productivity (i.e. to run more sheep per acre, and to produce more wool per sheep), market promotion to increase demand for wool, research to increase productivity and make wool more attractive as a fibre to textile manufacturers, and government assistance to help growers reduce costs.

As a result of graziers' efforts, an attempt is being made through the Australian Wool Board and the International Wool Secretariat to resist the encroachment of synthetics in two directions. First, by means of increased research it is hoped to make wool a more versatile fibre. However, the discovery of new processes to improve wool's qualities tends to increase the cost of manufacturing woollen yarn and cloth, and therefore results in increases in the prices of finished products. Gruen and his associates believe that in the next ten to fifteen years textile research will probably give synthetics increased advantages over wool.² Second, by promotion it is hoped to increase the demand for and the use of wool. The International Wool Secretariat, financed by the Australian, New Zealand and South African

1

Sydney Morning Herald, 8 March 1968.

2

Gruen, Long Term Projections, pp.9-35 to 9-39.

wool boards, has undertaken an ambitious programme aimed at building a 'quality image' for wool.¹ This programme involves co-operative advertising with manufacturers and certification of fabrics with the 'woolmark' symbol. How effective the programme is or can hope to be is a controversial question.

Estimates of the long-term future of the Australian wool industry vary greatly. Leaders within the industry tend to be optimistic. Le Couteur argues that the demand for wool, particularly apparel wool, is sound and that wool production in Australia could be greatly increased if governments helped the industry with the problem of costs. 'Despite the prognostications of the harbingers of doom', he states, 'the facts, the statistics, and the opinions of knowledgeable people in the industry, lead to the conclusion that through proper collaboration with Government, and through the initiative of woolgrowers, the wool industry will continue in a dominant role as a source of economic capacity for the Australian community'.² Academic economists, on the other hand, tend to be somewhat pessimistic. Gruen and his associates in 1967 suggested that declining prices for synthetics will probably result in downward pressure on wool prices to 1975 and to a decline in wool consumption, although they did concede that: 'We cannot be very dogmatic about such

1

See annual reports of the Australian Wool Board.

2

Le Couteur, p.150.

downward pressure on prices'.¹ But whatever the case, the GA's future is linked to that of the wool industry, and the problems of the industry are its principal concern.

The Wheat Industry

Wheat is by far the most important crop grown in Australia both in terms of the cultivated area devoted to it and in terms of value of production. In N.S.W. over 60 per cent of the total area under crop is devoted to wheat, and in 1964/5 the State's wheat crop was worth \$172 m.²

The wheat belt coincides with the wheat-sheep zone for the sheep industry. Relatively few farms are devoted exclusively to wheat, and generally farmers vary their emphasis on wool and wheat according to the relative profitability of each enterprise. High wool prices in the early 1950s resulted in a marked trend to wool production and the area under wheat in Australia fell from 11.7 m. acres in 1950/1 to 7.9 m. acres in 1956/7.³ But since the mid-1950s, with falling wool prices (see Table 3) this trend has been reversed, and by 1966/7 the area under wheat exceeded 20 m. acres. In N.S.W. the increase in wheat acreage has been spectacular,

1

Gruen, Long Term Projections, p.9-61. See also more recent statements by Gruen quoted in The Bulletin, 24 February 1968, p.57.

2

Year Book N.S.W., 1966, pp.905, 923.

3

The Wheat Situation, No.29 (June 1968), Bureau of Agricultural Economics, Canberra.

particularly since 1963/4. This increase is illustrated in Figure 2 which also shows the correlation between the increase in wheat acreage and the corresponding decline in profitability of wool compared with wheat. Because of increased yields resulting from improved varieties, better management, greater use of fertilizer and clover rotation, and increased mechanisation, the increase in production has been far greater than the increase in the area under cultivation. Between 1957/8 and 1966/7 the area under wheat cultivation increased from 8.8 m. acres to over 20 m., while production increased from 81 m. bushels to 462 m.

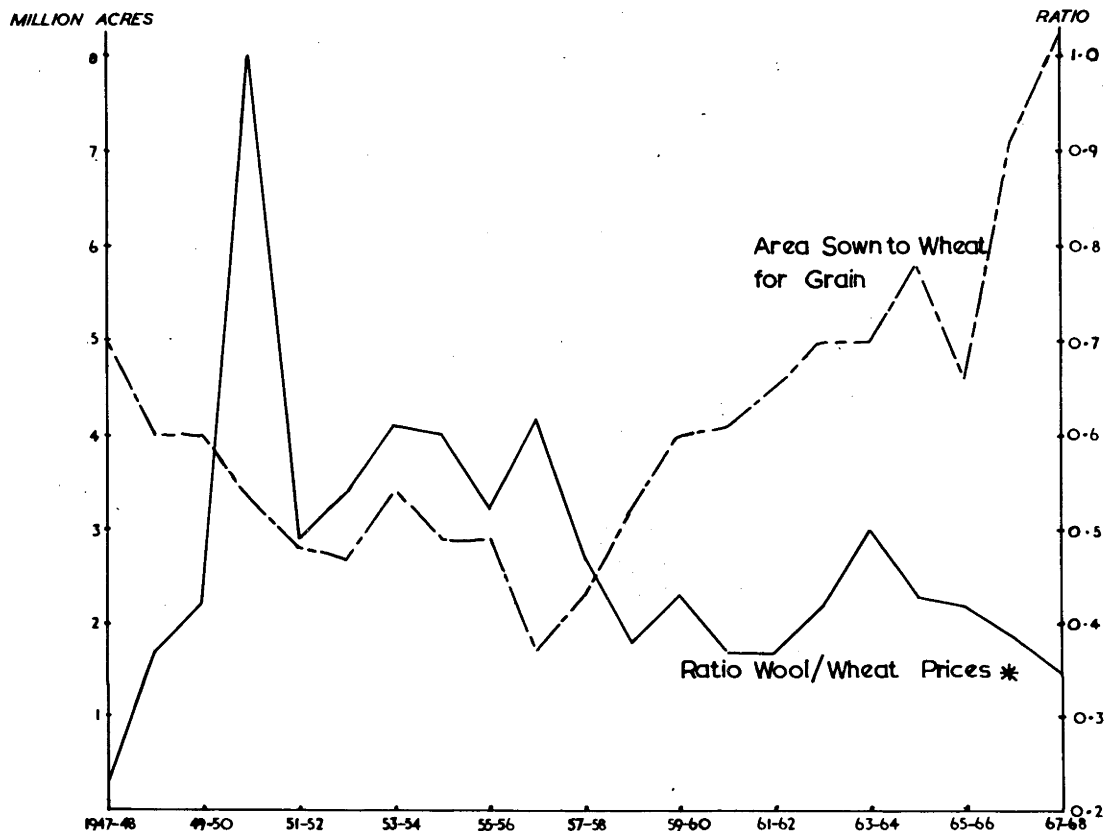
The rapid expansion in wheat production has necessitated crash programmes to increase the capacity of storage facilities at railheads and ports, and has created some doubts about whether the Australian Wheat Board will continue to find profitable overseas markets for the greatly increased wheat crop.

Between the 1955/6 season and the 1964/5 season the Grain Elevators Board of N.S.W., which provides the bulk handling system for wheat in the State, increased its storage capacity from 68 m. to 96 m. bushels,¹ but in the 1964/5 season N.S.W. growers produced 151 m. bushels. This meant that temporary storage facilities had to be provided by the Board, and some growers had to store wheat for short periods on their farms. In the record

1

Parliament of New South Wales: Report of the Grain Elevators Board for the Year ended 31 October 1966,
Government Printer, 1967, p.14.

FIGURE 2. N.S.W. — RELATIVE WOOL/WHEAT PRICES AND RESPONSES IN WHEAT ACREAGES



SOURCE: QUARTERLY REVIEW OF AGRICULTURAL ECONOMICS, JANUARY 1967; AND B.A.E.

* AVERAGE PRICE FOR WOOL SOLD AT AUCTION IN N.S.W. PER GREASY LB. + AVERAGE NET RETURN TO GROWERS (F.O.R. COUNTRY RAIL SIDING) PER BUSHEL.

harvest of 1966/7 the storage problem was more acute than in 1964/5. Particularly in northern N.S.W., where the biggest expansion has taken place, traditional wheatgrowers are inclined to blame those larger graziers who have recently begun wheat cultivation on a large scale for the storage problems and bottlenecks at silos. This has accentuated the cleavage between graziers and wheat-sheep farmers on wool marketing. Nevertheless, large graziers and wheat-sheep farmers are both opposed to the principle of storing wheat on farms and demand that State and federal governments provide more finance for storage facilities.

Had not Mainland China entered the market as a major buyer for Australian wheat at a time when production was rapidly expanding, Australia might have had difficulty in disposing of such large crops commercially.¹ In the five years from 1961/2 to 1965/6 China was Australia's leading customer for wheat, taking between 35 and 60 per cent of each crop.² So far this market has remained firm, but there are obvious dangers for any industry to be dependent on the Chinese market in view of the political relations between the two countries. Except for seeking other markets for wheat, the Australian Government has taken no action other than to become a signatory to the new International Grains Arrangement in the expectation that this will lead to firmer wheat prices. Some pundits

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The purchases by Mainland China have, of course, helped bring about the big expansion of production in Australia.

2

Year Book Australia, 1967, p.911.

have suggested that in future production should be limited by acreage controls or by a reduction in the guaranteed price for wheat. Traditional wheat-farmers strongly oppose any suggestion of a drop in the guaranteed price, or any modification of the stabilisation scheme, but if necessary might agree to acreage controls. On the other hand, large graziers whose production costs are lower would probably favour a reduction in the guaranteed price rather than acreage controls. Thus, should the export market for wheat contract sharply,¹ the Australian wheat industry might experience sharp disagreements similar to those which have split the wool industry.

Despite some animosity between traditional wheat farmers and graziers who now grow wheat, there has been little real conflict in the wheat industry in recent years. All growers have been generally well satisfied with the successive wheat stabilisation schemes which have operated since 1948.² Under these schemes Australian consumers have been charged a fixed home consumption price for wheat while the Government has guaranteed producers a minimum price based on 'cost of production' for a large proportion of the export crop (150 m. bushels in 1963-8). The remainder of each crop is sold by the Wheat Board at ruling world export prices. The stabilisation schemes

1

In early 1966, Canada signed three year contracts to supply large quantities of wheat to China and Russia. Gruen (Long Term Projections, p.8-44) in 1967 suggested this could lead to Australia's displacement as the principal exporter to China.

2

For details of the stabilisation scheme see year books, or annual reports of the Australian Wheat Board.

have required growers to contribute payments to a stabilisation fund when export prices have risen above the guaranteed export price. In the early years of the stabilisation system, growers contributed to the fund but with declining world wheat prices and increases in the assessed 'cost of production' contributions from the fund were paid out to growers until the fund was exhausted in 1959/60. Since then the Commonwealth has paid wheatgrowers \$112 m. out of consolidated revenue.¹ In view of the generally low level of world wheat prices,² and increases in costs of production, it seems unlikely that the Commonwealth will be willing to continue to subsidise wheatgrowers indefinitely. But should attempts be made to modify the stabilisation system to reduce the amount of the export crop subject to the guaranteed price, or to modify the 'cost of production' formula, it is certain that wheatgrowers, traditionally the most politically conscious primary producers, will employ all their political resources and skill in defence of what to them is a sacred interest. The thinking of the older wheatfarmers is still largely coloured by their experiences of the bitter depression years and the long fight for stabilised marketing.

1

The Wheat Situation, No.29 (June 1968).

2

Gruen's (Long Term Projections, p.10-14) projection for the world wheat trade suggests a downward trend in world wheat prices, though if necessary the major exporters may restrict the growth of output to minimise the decline in prices.

The Meat Industry

Members of the GA produce beef, veal, mutton and lamb. Mutton and lamb production is carried on in conjunction with wool production on many holdings in the high rainfall and wheat-sheep zones. Beef cattle are also produced on many woolgrowing holdings. On the upper reaches of the coastal valleys most grazing holdings are devoted solely to beef and veal production. Two thirds of the beef cattle in N.S.W. are in the high rainfall sheep zone.¹

Since the second world war meat prices have generally increased (see Table 3) and production has greatly expanded. Between 1948/9 and 1964/5 Australian production of beef and veal rose from 542 m. tons to 1,010 m., mutton from 177 m. tons to 361 m., and lamb from 130 m. tons to 224 m.² After steady expansion, meat exports fell sharply in 1959/60 and 1960/1, mainly because of contraction of the United Kingdom market. But since then, with the development of a market for boneless beef in the United States and increased demand in the United Kingdom, beef exports have shown marked expansion. The United Kingdom is still the principal buyer of Australian lamb, but Japan is now a major customer for mutton. Of all the three commodities produced by members of the Association, the meat industry offers the best prospects for continued expansion and price stability.³ Population increases and

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See figures in Year Book N.S.W., 1966, p.947.

2

Year Book Australia, 1967, pp.970, 973.

3

Gruen, Long Term Projections, pp.10-4 and 10-5.

higher incomes are expected to raise world demand substantially, particularly in the developing and centrally planned economies. Should wool prices continue to fall, graziers and wheat-sheep farmers are likely to turn increasingly to meat production.

Like the wool and wheat industries the meat industry looks to governments for assistance in research,¹ control of pests and diseases, and overseas market development. While the export trade in meat has some protection from price fluctuations through inter-government trade agreements, its future depends primarily on its ability to compete with producers in other countries. Thus, as with the wool industry, every effort must be made to contain production costs and to increase productivity.

As in the wool industry also, there is a great diversity in the size and type of meat producing holdings, and consequently the economic interests of producers vary greatly. But compared with the wool industry, diversity produces few serious conflicts. On specific policies relating to meat matters (that is, apart from matters like probate, taxation and land policy) both large and small producers, and both graziers and wheat-sheep farmers share a large area of common interest. Thus, meat matters tend to bring the GA and rival organisations together rather

1

Research is financed by a levy on all cattle, sheep and lambs slaughtered in Australia for human consumption and by a matching contribution on a \$1 for \$1 basis by the Commonwealth Government. Expenditure is controlled by the Australian Meat Research Committee which is composed of growers' representatives, and representatives of the universities, the Agricultural Council, the CSIRO and the Department of Primary Industry.

than to widen the rift resulting from differences on wool and wheat policies.

To sum up, the GA operates in a modern, industrialised and regulated economy in which rural industries and the rural population are of decreasing importance, and in which all economic sections are becoming increasingly dependent on governments. Yet rural industries are still important as a source of food and raw materials, and as a vital source of export earnings. The GA now claims to speak on behalf of the wool, wheat and meat industries. Of these three, the meat industry faces the best prospects for the future, and has experienced the least dispute over policy. The divergence of economic interest between producers is a basic cause of the conflict within the wool industry, and the differences between producers have been accentuated by the declining profitability of woolgrowing in the last decade.

CHAPTER 3

Political Culture

Political culture is commonly taken to refer to some of the values, beliefs and emotions held in common by a nation's citizens, or by distinctive sections of the community. The term relates primarily to beliefs and attitudes towards basic features of the political system - 'the community to be included within its boundaries, the nature of the régime, the definition of what government is expected to do and refrain from doing, and the role of individuals as participants and passive subjects of government'.¹ But it also can be used to refer to any attitudes or beliefs that affect political behaviour.

In this chapter we will consider those aspects of the Australian political culture that affect pressure group behaviour in general, and that of the GA in particular. We will also consider the distinctive sub-culture of graziers, and how the values and attitudes of graziers differ from those of other primary producers, especially wheat-sheep farmers. The differences in political culture between graziers and wheat-sheep farmers are partly responsible for differences in behaviour between graziers' associations and wheat-sheep farmers' organisations, and for the conflict in the wool industry over marketing and promotion.

¹Rose, Studies in British Politics, p.1.

Australian Political Culture and Pressure Group Behaviour

Political culture has an important influence on the role that pressure groups occupy in any political system, and on the way they operate.

In Australia, community attitudes and values have provided no barrier to the development of strong and active economic pressure groups. There is no real prejudice against the organisation of occupational and economic interests, nor against pressure group activity. Instead, it is recognised that workers, primary producers and business interests have a legitimate right to organise to further their interests. Pressure groups are viewed as legitimate elements in the formation and expression of public opinion, and as necessary and useful structures for conveying demands to governments. These attitudes and beliefs make possible the free and open organisation of pressure groups, and the establishment of intimate relations between public officials and lobbyists. Moreover, in Australia there is a strong belief that groups have the right to be consulted by governments whenever action is being considered which would affect the interests of their members. These ideas of group representation have been largely inherited from Britain.¹ They are a modern manifestation of what Beer calls the 'Old Whig' theory of

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Alan D. Robinson, 'Class Voting in New Zealand: A Comment on Alford's Comparison of Class Voting in the Anglo-American Political Systems', in Seymour M. Lipset and Stein Rokkan, Party Systems and Voter Alignments, New York, 1967, p.106, sees similar features in New Zealand political culture.

representation, according to which members of parliament represented interests or classes rather than individuals,¹ and a traditional belief that all with a material stake in society have a right to share in government.

Australian attitudes and beliefs however, place certain restraints on pressure groups and on the methods they may legitimately use. Groups are expected to be democratically organised, with written constitutions, the periodic elections of key officials, and opportunity for members to participate in policy-making. Without these elements an association cannot hope to gain respectability and legitimacy. Groups are also expected not to pursue goals that conflict with national interests, and not to use unfair or improper methods. For instance, it is thought improper for business interests to use open threats. Whenever a group violates the Australian concept of 'fair play', it exposes itself to attack from other groups and from the press. Such action can endanger a group's own cohesion, since individual members are often more committed to the idea of 'fair play' than are group leaders.

An incident in 1953, when a business pressure group threatened to work to secure the defeat of the Government if its demands were not met, illustrates how these restraints sometimes operate. According to press reports, in September a deputation of the Australian Industries Development Association met the Acting Minister for Trade and Customs, Senator G. McLeay, to seek increased tariff

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Beer, British Politics in the Collectivist Age, pp.15-20.

protection for secondary industries. The deputation included representatives of such important companies as Colonial Sugar, Felt and Textiles, REPCO, ICIANZ, Australian Glass, the Masonite Corporation, Olympic Tyres and Cables, and Australian Paper Manufacturers. The leader of the Association, Mr G.G. Foletta, told Senator McLeay that unless the Government increased certain tariffs many industrialists would do 'all in their power' to see that a Government was elected which would do so.¹ Immediately this was reported in the press, other leading pressure groups condemned the action. The N.S.W. and Victorian Chambers of Manufactures, which favoured the demands made, stated that they were not connected with the group, and pointed out that they were strictly 'non-political' bodies. 'We recognise our duty', stated the Secretary of the Victorian Chamber, 'to co-operate fully with whatever Government is in office to achieve the greatest good for the country'.² The Secretary of the Joint Committee for Tariff Revision called the Industries Development Association a 'menacing political pressure group', while the President of the GA said it was deplorable that any organised group in the community should openly threaten an elected government with reprisals if it refused to grant its demands.³ Most of these criticisms were to be expected. What was unexpected however, was the reaction within the Industries

1 Sydney Morning Herald, 4 September 1953, p.2.

2 Ibid., 5 September 1953, p.2.

3 Ibid., 4 September 1953, p.2.

Development Association. Colonial Sugar disassociated itself from the threat explaining that although the Sales Manager of its building materials division was present at the meeting in Melbourne by invitation, it considered that the case for increased protection should have been put forward in the normal manner.¹ Under pressure from members, the President of the Industries Development Association then denied that he had tried to blackmail the Government. 'There has been no attempt at blackmail or anything like it',² he told the press. 'The association is non-party political and the deputation merely put the views of industry before the Minister'. Nothing further was heard of the threat. Experienced pressure groups are well aware of these cultural restraints. They consistently try to show that their demands are in harmony with the national interests and confine their tactics to those which are recognised as being legitimate.

Because the name 'pressure group' carries the connotation of the selfish pursuit of interests and the use of unfair tactics, most organisations avoid the term. A former Secretary of a State Chamber of Commerce reacted strongly when the press referred to the Chambers of Commerce as pressure groups. How could they be labelled as pressure groups, a term with 'a nasty flavor', he wrote, when all their 'representations to authorities

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Ibid., 5 September 1953, p.2.

2

Ibid., 6 September 1953, p.3.

are based on the conception of national interest'?¹
 Some people imagine that because the term 'pressure group' carries this undesirable connotation, Australians object to pressure group activity. This is not the case. The Australian attitude to pressure groups is well illustrated in two separate speeches delivered in November 1962 by R.G. (later Sir Robert) Menzies when Prime Minister of Australia. At a Liberal Party meeting he warned against pressure groups (meaning groups promoting their selfish interests by unfair methods) emphatically declaring, 'Therefore I say: Away with all this pressure group idea'.² A fortnight later he again expressed another popular Australian view - this time about the legitimate representation of interests - when addressing a conference of the NFU. He told delegates never to let the Government forget about the needs of farm interests, and advised:

the right way for you not to let us forget...
 is for you increasingly to concert among
 yourselves and with other organizations,
 united policies, because after all, though
 you will in a sense be pursuing your
 selfish interests, you will in a much
 truer sense be pursuing the best interests
 of the Australian nation...never be afraid
 to maintain pressure on the political mind.
 It's an age of pressure and I don't mind.
 I am an expert at receiving it (laughter).³

¹ Matthews, 'Pressure Groups in Australia', p.181.

² Daily Telegraph (Sydney), 3 November 1962. (Quoted by Westerway, p.120).

³ National Farmers' Union of Australia: Selected 1962 & 1963 Addresses, pp.4-5.

Although Australian political culture legitimatises group representation by all sections of the community, it gives to some sections special advantages. Australian egalitarianism favours the under-dog and the battler.¹ Consequently, farmers, trade-unionists and returned servicemen generally can count on much greater public sympathy than business interests.² Governments too, recognise this and often justify their policies by trying to show that they are in the interests of the under-dog. Many graziers believe that N.S.W. Labor Governments have often used the needs of returned soldiers as an excuse to confiscate large grazing properties for closer settlement. Farm organisations generally have been able to capitalise on the importance of agriculture in the minds of Australians. Most Australians still believe that Australia 'rides on the sheep's back' and, although the population is predominantly urban, Australians like to think of their country as a rural nation. The national mystique is essentially a product of the rural scene, in particular of the pastoral industry.³ For this reason, graziers find it easy to argue and convince members of the public that the interests of the pastoral industry are in fact identical to national interests. But large

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Donald Horne, The Lucky Country: Australia in the sixties, Ringwood (Victoria), 1966 edition, pp.33-4, writes: 'Australians love a "battler", an under-dog who is fighting the top dog, although their veneration for him is likely to pass if he comes out from under'.

2

See a comment by the late Professor Leicester Webb in Ehrmann (pp.274-5) on this point.

3

For example, see Russel Ward, The Australian Legend, London, 1958.

graziers are often at a disadvantage because of their wealth and high social status. A journalist aptly summed up the popular conception of graziers when he wrote:

The city man never really believes that life can be hard for the woolgrower. His idea of a woolgrower is invariably a fellow with a big hat, a Harris tweed jacket, and a Mercedes that he ought not be permitted to own because he thrashes it so unmercifully.¹

Because of this historic prejudice against wealthy graziers, the GA has encouraged small woolgrowers to join the Association, and in its publicity it emphasises the needs of smaller woolgrowers who now constitute the bulk of its membership.

The Australian attitude to the state has also had a marked influence on pressure group activity. The state is seen as 'a vast public utility, whose duty it is to provide the greatest happiness for the greatest number'² and as 'a machine...available for manipulation by sufficiently powerful interested groups...to execute the expressed demands of the community as formulated in practice by organized bodies claiming to interpret the general interest correctly'.³ As Donald Horne puts it, the 'general Australian belief is that it is the government's job to see that everyone gets a fair go - from old age pensioners to manufacturers'.⁴ Even large

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The Bulletin, 16 May 1964, p.76.

2

Hancock, p.55.

3

S. Encel, 'The Concept of the State in Australian Politics', The Australian Journal of Politics and History, Vol. VI, No.1 (May 1960).

4

Horne, p.32.

graziers who complain about government interference, look naturally to governments to provide assistance on a bewildering variety of matters. And when the GA or any other group demands government assistance of some kind, they are acting in harmony with a basic Australian belief about the role of government.

But while Australians have a natural tendency to look to the state for assistance, they are by no means agreed that they want greater state controls, or the elimination of private enterprise. In successive referenda electors have shown a marked reluctance to yield greater powers to the Commonwealth. In certain situations, it is still easy to get the public to react to charges that governments or parties favour socialism or nationalisation. In two successive referenda over wool marketing, the GA has successfully played on the natural fear of socialism among Australian primary producers.

The low regard for politicians and bureaucracies in Australia is somewhat surprising for a nation that depends so much on political solutions to economic and social problems. The low regard for politicians¹ discourages recruitment of able political leaders and tends to encourage some potential politicians to aspire to leadership in the major pressure groups instead. In the case of farm organisations, the ultimate goal of many elected leaders is now a seat on a marketing board

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See Henry Mayer, Peter Loveday and Peter Westerway, 'Images of Politics', in Mayer, Australian Politics.

rather than a parliamentary career. Despite what Davies calls a 'characteristic talent for bureaucracy'¹, Australians show a marked dislike of bureaucracies and a distrust of officialdom. When a group of 350 first-year students in Government at the University of Sydney in 1964 were asked to write the first thing they thought of when they heard the terms 'the public service' and 'bureaucracy', only 1.4 per cent gave favourable responses while 73 per cent indicated an unfavourable image.² This unfavourable image of the bureaucracy influences pressure group politics in many ways. According to one student of the Commonwealth bureaucracy,

The vested interests which oppose government intervention play on the popular dislike of authority and abuse of power and find ready support among political parties and pressure groups which blame the anonymous public bureaucracy for their own failings....In self-defence, the Commonwealth bureaucracy tends to be aloof, secretive and distant from its clientele.³

Australians also are said to have a strong dislike for long-term economic planning, an unwillingness to face chronic problems, and a distinct preference for ad hoc solutions. Many agricultural economists consider that nowhere have these attitudes been more marked than in agricultural policy.

1

A.F. Davies, Australian Democracy: An Introduction to the Political System, Melbourne, second edition, 1964, p.4.

2

R.N. Spann, 'The Commonwealth Bureaucracy', in Mayer, Australian Politics, p.436.

3

Gerald E. Caiden, The Commonwealth Bureaucracy, Melbourne, 1967, p.15.

The racial, cultural and relative economic homogeneity of the Australian population is reflected in the acceptance by the great majority of the fundamental aims of Australian politics and of the peaceful reconciliation of differences through democratic processes. Australians are agreed that governments should promote economic stability, development, and the peopling of Australia, as well as provide adequate protection for Australian industry from outside competition. It is folly for any group to make demands in opposition to these established goals. Because of the broad consensus of policy in many issue-areas, political conflicts have tended to move from the public arena and parliament to the administrative departments and institutions such as the Tariff Board and arbitration courts, specially created to resolve conflict between competing interests. The broad consensus about goals and the political process gives political stability, which in turn enables pressure groups to establish with comparative ease permanent and direct channels of communication to decision-makers.

But despite the overall homogeneity of the Australian population and a belief that Australian society is egalitarian, differences in status and class do exist.¹ The old grazing families, the leading commercial families, and members of the higher professions comprise the main economic and social elites. These elites are small and

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For a criticism of the view that class stratification is unimportant in Australia, see Jean I. Martin, 'Marriage, the Family and Class' in A.P. Elkin (ed.), Marriage and the Family in Australia, Sydney, 1957, pp.24-53.

fragmented, and in no sense constitute Wright Mills's¹ idea of a power elite. In many respects, they are socially isolated from the rest of the community and so are often somewhat out of touch with popular sentiments. In some cases this isolation of leaders has placed the GA at a definite political disadvantage.

Attitudes and Values of Primary Producers

Before we turn to the distinctive grazier sub-culture and to note how it differs from the wheat-sheep farmer sub-culture, we will consider some of the main attitudes and values that graziers have in common with other primary producers.

To all Australian farmers and graziers the term 'primary producer' has special significance.² It is thought of not merely as a name by which to differentiate those engaged in rural industry from those in manufacturing and tertiary industry, but as a form of recognition of the prime economic importance of rural production. Even though the importance of agriculture in the economy has declined, many farmers still believe that agriculture supports all other industries. While on a field trip, the writer was told by one woolgrower: '80 per cent of Australia's income still comes from the land; without us the cities would collapse'. Since they see agriculture as the 'backbone' of the economy, primary producers consider that the rest of the community has an

1

C. Wright Mills, The Power Elite, New York, 1956.

2

Apart from the secondary sources indicated, the rest of this chapter is based on the writer's observations and on discussions with individual graziers and farmers.

obligation to assist them and so feel justified in asking governments for assistance.

Many primary producers see farming and grazing not just as ways of making money, but as a way of life. Consequently, they see any threat to their economic security as also a threat to their way of life - a way of life which they consider to be far superior to urban life and employment in secondary or tertiary industry.¹ In addition, many farmers, particularly larger graziers, have a strong and almost mystic attachment to their land. This makes them react intensely to any threat of confiscation of land for closer settlement, or to suggestions of nationalisation of land.

One of the most important differences between urban and rural modes of living is the isolation of the farm resident.² Isolation reduces opportunities for a broader range of experience and for social intercourse, and promotes self-reliance and individualism. This individualism and the fact that they are employers and self-employed, according to farm organisation leaders, makes farmers difficult to organise and often leads to dissension in organisations. But while individualism is

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F.H. Gruen, 'Rural Australia', in Davies and Encel, Australian Society, pp.260-1, states that there is some limited evidence of a significantly higher degree of job satisfaction among farmers and farm labourers than among persons in urban occupations.

2

J.H. Kolb and Edmund de S. Brunner, A Study of Rural Society: Its Organization and Changes, Boston, 1940, pp.270-77, noted similar features in the United States.

strong, so is co-operation. Farmers are used to helping one another with major tasks and have a natural propensity to form organisations. From observation it appears to me that farmers on the whole participate more readily and more actively in organisations than most urban dwellers. This facilitates the work of farm organisations.

Although rural attitudes to education and the universities are changing, many farmers still regard 'experience' more highly than 'learning'.¹ They are suspicious of academic experts, particularly economists, and consider that a man without practical experience in farming is in no position to give sound advice to farmers. They resent what they consider as unfair and uninformed attacks by 'theorists' in universities on the way farmers manage their properties, and on the various schemes of government assistance to rural industries. In 1967, when a professor of farm management accused woolgrowers of being 'managerially illiterate', farm organisation leaders quickly reacted. C.D. Renshaw, General President of the UFWA, told a farm convention that he found 'this sort of thing a bit hard to take'. 'Many landholders', he asserted,

ran properties of a face value of many thousands of dollars...with a minimum work force...that in secondary industry would require half a dozen executives (with secretaries, typewriters and telephones) to administer....Of course, not all primary producers are efficient and no doubt some of them fail. But is the rate of failure any higher than in

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Gruen, 'Rural Australia', p.263.

secondary industry, or on the same scale? I can't recall a primary industry failure similar, say, to that of Reid Murray or Latec. The professor is reported to have called on graziers to make more use of farm consultants and modern accounting methods, even computers. This is bunkum.¹

In recruiting staff for their secretariats, most farm organisations still place more emphasis on experience in farming than on formal academic qualifications. Except for the larger graziers' associations, economists are still rare. As a result, the staffs of many farm organisations are at a disadvantage in dealing with highly qualified bureaucrats in the State and Commonwealth public service. They are also somewhat at a disadvantage in competing with the leading business groups who not only employ well-qualified university graduates, but have successfully recruited senior members of the Commonwealth departments with which they deal.² Because of their dislike of bureaucrats, farm organisations have recruited few public servants. Nevertheless, while the graziers' associations share the suspicion of other farm organisations for bureaucrats and to some extent for economists, they have always recognised the need to employ specialists, and their secretariats have always been staffed by people with sound practical and formal qualifications.

1

The Land, 5 October 1967.

2

In the twelve months to May 1968 business groups recruited from the Department of Trade and Industry two Deputy-Secretaries and the head of the Office of Secondary Industry. (See report, The Australian Financial Review, 15 May 1968).

For years Australian farmers have felt a sense of being disadvantaged and of social and political isolation. But in recent years, with the increasing rate of industrialisation and urbanisation, this sense of disadvantage and isolation has become much more acute. Critics of farm policy often assert that farmers constitute one of the best organised and most powerful lobbies in the country. Farmers however, rarely see themselves in this way. Instead, they consider that business interests, the trade unions and urban dwellers exert much more political influence than they do. In 1961 one farm leader told delegates at a conference:

This is the age of combination - Trade Unions, Chambers of Manufactures, Chambers of Commerce, many professional associations and similar organisations are evidence of organised groups gaining in power and influence. They exercise an increasing amount of political and economic pressure.... These groups wage a sort of economic civil war among themselves and usually against primary producers. The situation now...is that primary producers are not holding their own in the dogfight. As they become more efficient, their numbers dwindle: Consequently they exert less electoral influence than formerly. The size of the producers' dog is less. The remedy is to put more fight into the dog....¹

The belief that they are politically disadvantaged acts as a strong stimulus to political action by farmers. It has also stimulated interest in the amalgamation of farm organisations.

1

National Farmers' Union of Australia: 1961 Annual Conference Collected Addresses, p.21.

As a section, graziers are conservative and strongly anti-Labor, while the political attitudes of other Australian primary producers vary from radicalism through to extreme conservatism. However, among primary producers in recent years there has been a marked and increasing prevalence of political conservatism. While support for the Labor Party is strong in some areas, most Australian farmers now vote consistently for non-Labor parties. Public opinion surveys suggest that 70 to 80 per cent of Australian farmers vote for the Liberal Party or the Country Party. In a survey conducted immediately before the 1966 federal elections, 74.3 per cent of farm-owners as opposed to 49.2 per cent in the whole sample indicated that they intended to vote for the Liberal Party or Country Party.¹ In the same poll only 40.2 per cent of skilled workers, 34.6 per cent of semi-skilled, and 21.6 per cent of unskilled indicated that they intended to vote that way. The conservatism of Australian farmers springs from a number of factors.² In recent years farmers have often been dissatisfied with their incomes, but not so dissatisfied as to demand radical solutions or to change their basic political attitudes. Radicalism is usually an expression of intense dissatisfaction, an indication that the need for economic security and social status is not being met. Conditions in the new wheat lands on the fringes of the main wheat belt in the 1920s

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'Gallup Poll 187 Conducted November 1966 by The Roy Morgan Research Centre Pty. Ltd.', Mimeo.

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On this see Gruen, 'Rural Australia', p.260.

and 1930s produced agrarian radicalism amongst Australian wheat farmers¹ similar to that observed by Lipset in Saskatchewan.² Sharply fluctuating incomes based on a single commercial crop, and the newness of the area developed in these farmers attitudes characteristic of an outcast group, and made them more receptive to radical remedies than mixed farmers in settled areas. But conditions in the wheat areas are now different. The conservatism of farmers today also springs from the fact that most farmers are employers or self-employed, owning their own land, and have grown up in farming³ and so have been socialised into conservative ways of thinking. Conservatism is also related to the character of the political parties. Many farmers are opposed to the Labor Party because of its association with trade unionism and its image as the party of wage-earners. Shearers, farm workers and even city wage-earners who become farmers under soldier-settler or closer settlement schemes, often

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R.F.I. Smith, 'Organise or be Damned: The Development of the Australian Wheatgrowers' Associations, 1927-48', work-in-progress seminar paper, Department of Political Science, IAS, Australian National University, 5 December 1967.

2

See S.M. Lipset, Agrarian Socialism: The Cooperative Commonwealth Federation in Saskatchewan, Berkeley, 1950, p.29.

3

J.S. Western, in a paper read to a conference in 1967 ('The Yass Valley Survey', SAANZ conference paper January 1967), reported that in answer to a question 'How did you come to get into farming?', 76 per cent of the sample of farmers interviewed in the Yass district said that their fathers or other relatives before them had been farmers and 'this seemed the natural thing to do'. Only 25 per cent had actually decided to go farming because of interest, and had purchased land and commenced farming.

quickly cease to be consistent Labor voters. In addition, being a socialist party, Labor has often been portrayed by its opponents as standing for the confiscation of freehold land, increased government control of primary industry, and even dictatorship and international communism. The Country Party, on the other hand, has capitalised on farmers' anti-urban sentiment, and on their sense of numerical weakness and social and political isolation.

Grazier and Wheat-Sheep Farmer Sub-Cultures

Apart from differences in economic interests, producers of wool, meat and wheat are divided by social and cultural differences, and these differences are far greater than those that divide producers of any other farm commodity or related group of farm commodities.

At the top of the social scale are the old pastoral families descended directly from the squatters who originally occupied the pastoral land of eastern Australia and founded the wool industry. They constitute a small, exclusive, social elite with its own distinctive values and way of life. Despite the operation of the free selection acts of last century and the more recent closer settlement schemes, many of the old grazing families still own extremely large holdings. They generally live in spacious and imposing homesteads, usually surrounded by lawns and gardens and beyond that by outbuildings and houses for their employees. Members of the grazing elite often play a leading role in community affairs; sometimes

they run for office in local government, or for election to State and Commonwealth parliaments.¹ Socially they mix little with other landowners or with townspeople, but instead choose to mix with one another in their homes, at tennis parties, at picnic races and polo meetings, at city weddings, and at matrons and spinsters' balls. Their children are sent away to the best private schools where they mix with the children of the business elite and where the social values taught in the home are reinforced. Intermarriage between leading grazing families is common and, for economic as well as social reasons, is encouraged. The mode of life of the old grazing families resembles that of the landed classes of Britain. Great emphasis is placed on conformity to the rules of politeness and social etiquette; the accepted way of doing things is considered an indispensable mark of good breeding. The grazing elite provides a social link between the pastoral industry and the metropolitan business community. Many of its members maintain homes in the upper-middle class suburbs of Sydney as well as on their properties, and frequent the same clubs as the business elite. Many have interests in business, particularly wool firms and banks, and some occupy seats on boards of directors of leading companies. The old grazing families, according to Martin,

...have a strong sense of solidarity, sustained partly through the intensity of their social contacts with one another and partly through the kinship ties by which many of them are linked together

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On this point, see Gruen, 'Rural Australia', p.267.

as a result of their tendency to marry within their own group. Traditions of high-born ancestry are preserved and sometimes fabricated. They are warmly interested in the history of their families....Unlike most Australians they are extremely conscious of belonging to a kinship group which extends back into the past for at least several generations and forward into the future.¹

Relations with their employees are generally friendly and paternalistic - except, of course, for the itinerant shearers.

At the other end of the social scale are the very small woolgrowers, the share-farmers, and the shearers or farm labourers who run a couple of hundred sheep. Their style of life is little different from that of unskilled workers in the poorest urban areas in Sydney or Newcastle, and in some cases their actual living conditions are inferior. Their homes are often old, dilapidated, poorly-furnished and lacking in essential amenities. Persons at the bottom of this social scale generally have had a minimum of education. They seldom travel far from home and rarely participate in community affairs. Observers have noted that the extent of the differences between these people and the old grazing families covers all aspects of social life - even the way they take their meals. According to one study made in the 1940s, small farmers invariably eat in the kitchen whereas graziers have separate dining rooms and their meals are usually

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Martin, p.37.

served by a maid, on a well-appointed table which may be set with the family silver and glass; they are attended by a ritual in which the correct precedence of serving and attention to the needs of others are carefully observed. People of this class bath and change before the evening meal; they do not sit down to the table in their working-clothes as members of the other classes usually do. Meals are eaten slowly, and are a more potent means of continually re-expressing family unity than with other sections of the community.¹

Between the two extremes lie the majority of woolgrowers who are neither members of the old grazing families or struggling 'cocky' farmers. However, most woolgrowers, beef cattle producers and wheatgrowers tend to identify themselves with one or other of the two extremes on the social scale. They think of themselves either as graziers or farmers. While those who own larger holdings generally think of themselves as graziers, wealth is not the main or sole determinant of social status or perceived status. What is often more important is family background, education, attitudes, manners and way of life. There are many wealthy woolgrowers with large holdings who still identify themselves with the struggling 'cocky'. On the other hand, there are GPS-educated¹ descendants of old pastoral families or even sons of professional men battling to make ends meet on

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Jean I. Craig, 'Some Aspects of Life in Selected Areas of Rural New South Wales', M.A. thesis, University of Sydney, 1944, p.73.

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i.e. 'Great Public Schools', a term used widely to refer to the leading and most expensive private and church schools in N.S.W.

undersized farms who identify themselves with the grazing elite. It is a woolgrower's conception of his own social status that primarily determines whether he identifies himself with (but not necessarily joins) a graziers' association or a wheat-sheep farmers' association.

This social polarisation means that among wool, meat and wheat producers in N.S.W. there are two distinct social groups with very different sets of attitudes, one reflected in the graziers' associations and the other in the wheat-sheep farmers organisation.¹ Moreover, these cultural differences accentuate and complement the economic differences between graziers and wheat-sheep farmers.

The graziers' sub-culture is essentially one of conservatism. Graziers seek to maintain the existing social and economic order that accords them their privileged position. They see this privileged position being eroded by government action of various kinds - resumption of holdings for closer settlement, high income, taxation, land tax, and probate duty which makes the inheritance of property extremely difficult. Consequently they believe strongly in free enterprise and a minimum of government intervention, and (for good reasons) have an intense fear of trade unions, the Labor

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These two sub-cultures correspond, to some extent, to the ranch and to the family smallholding types of agricultural enterprises in a typology developed by Stinchcombe. See, Arthur M. Stinchcombe, 'Agricultural Enterprise and Rural Class Relations', in Reinhard Bendix and Seymour Martin Lipset, Class, Status, and Power, second edition, New York, 1966.

Party and socialism. With their city contacts and business interests, they are much less strongly anti-city in sentiment than most rural dwellers and share little of the small farmers' fear of exploitation by merchants and brokers. Many of them feel more at home in the Liberal Party than the Country Party. With this outlook it is not surprising that most graziers have always opposed stabilised marketing schemes for the wool industry on the grounds that it will involve increased government intervention, as well as on purely economic grounds. In the 1950-1 debate on wool marketing one leading grazier warned in the press that, if a planned reserve price scheme was implemented, it would be only 'a short time before any grazier who wishes to purchase a few sheep will first have to obtain a permit to do so'.¹ Another declared that once 'the socialistic octopus effectively encircles the wool trade with its tentacles, the industry will be doomed to speedy strangulation'.² Graziers look on the wool industry in a special way. They see it as being different from other rural industries, as part of the Australian national heritage. They cling to the myth that the wool industry is free from government intervention and is economically independent. Many of them hold the same sentiments expressed by one leading grazier and former GA President nearly forty years ago:

¹ Sydney Morning Herald, 13 July 1951, p.2.

² Ibid., 9 August 1950, p.2.

We as woolgrowers believe in working out our own salvation. We have always practised self-help. We refuse to lean on Governments, although some Governments have leaned heavily on us. What we ask of Governments is that they should constantly recognise the supreme economic importance of our industry, and that they refrain from placing obstacles in its way. Governments can best help by leaving us free to help ourselves.¹

But since these words were uttered the situation in the wool industry has changed. Like all other primary producers, graziers are now heavily dependent on the assistance of governments. While the wool industry is still free in the sense that the traditional auction system has survived, graziers depend on assistance in the way of fertilizer subsidies, freight concessions and taxation concessions, and the Commonwealth government subsidises both wool promotion and wool research programmes. Graziers constantly press for more government assistance, yet they cling to their myth about the freedom of the wool industry. The free auction system of wool marketing has a symbolic importance for them; they see it as a symbol of their economic and political independence. It is for this reason that many graziers resist so strongly attempts to change the marketing system.

The wheat-sheep sub-culture is different. Like the wheat farmers of Canada observed by Lipset, Australian wheat-sheep farmers have always had a marked dislike of

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Ibid., 23 June 1931, p.7. (From a speech by Sir Graham Waddell to the Empire Wool Conference in Melbourne).

merchants and brokers - middlemen who grow fat on the profits of farmers' toil. Their enthusiasm for co-operatives and orderly marketing schemes has often sprung from their desire to deal a blow at middlemen as well as to achieve economic security. Like graziers, they fear government intervention and socialism, but their fear is less intense and is offset by a realisation of the economic advantages of government assistance. Consequently, they prefer to run the risk of increased government control of the wool industry in order to secure stable and worthwhile prices. While most of them prefer non-Labor governments, a proportion votes consistently for Labor candidates and in times of crises wheat-sheep farmers have been known to give strong electoral support to the Labor Party.

Wool, meat and wheat producers themselves think in terms of this dichotomy between graziers and wheat-sheep farmers, and identify the two main groups of organisations in the wool industry, the graziers' associations and the wheat-sheep farmers' organisations, with these two different sub-cultures. In N.S.W. wheat-sheep farmers often use the one term, 'the graziers', to refer both to graziers as a social group and to the GA.

Moreover, the political rivalry between graziers' associations and wheat-sheep farmers organisations is based on social and class differences as well as on other factors, and the repeated failure of wheat-sheep farmers to secure marketing reform has increased their sense of class animosity towards graziers as a social group. In a spirited account of the history of

attempts by wheat-sheep farmers' to secure marketing reform, Hitchins gives an insight into the way he and other wheat-sheep farmers' leaders viewed the leaders of the graziers' associations who repeatedly frustrated their efforts:

Always they looked backward, seeking to recapture the past that had vanished with the passing of McArthur [sic]. They saw themselves as a race apart from other men. They designed a kingdom of their own that must forever remain splendidly isolated and always supremely self-sufficient. Although a minority group, within a community largely antagonistic to their aims, their attitude towards responsible government was always that it must remain aloof from their affairs, except when called upon to yield to their bidding.¹

And from the beginning of the 1930s, wheat-sheep farmers' animosity towards graziers increased even more because of the belief that the graziers' associations were working hand-in-glove with the hated wool brokers to deprive struggling farmers of a fair price for their wool.

Australian political culture places no barrier to the organisation of pressure groups or to pressure group activity, although it places restrictions on the methods that groups may legitimately employ. As primary producers, graziers are accorded special advantages, though these are somewhat offset by prejudice against them because of their wealth and high social status. Graziers share many of the same attitudes and values as other primary

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F. Eric Hitchins, Tangled Skeins: A Historic Survey of Australian Wool Marketing, Melbourne, [1956], p.39.

producers including belief in the importance of rural industries, and farming and grazing as a way of life; suspicion of experts (especially economists); a dislike for bureaucrats; and a sense of being socially and politically disadvantaged. But they differ in some important respects. Moreover, the differences between the grazier and wheat-sheep farmer sub-cultures have accentuated the economic differences between producers in the wool, wheat and meat industries, and have contributed to the political rivalry between graziers' associations and wheat-sheep farmers' organisations and to the conflict in the wool industry.

CHAPTER 4

Political Setting

The GA interacts with its political environment. It seeks to achieve political change, but to do this it must come to terms with and operate within the bounds provided by its political environment. Consequently, its internal characteristics, its behaviour and its effectiveness are influenced by political factors.

In this chapter we will consider some of the important political factors that influence the GA under five headings: government structure, policy-making and administration, official actors and their policies, rival economic interests, and political rivalry in the farm sector.

Government Structure

If a pressure group is to influence official decision-making, it must adjust its activities to the structure of government, to the processes by which decisions are made and to the points of access provided.

When the GA was formed there was only one level of government in N.S.W. But since the federation of the Australian colonies in 1901 and the establishment of a system of local government throughout country areas of N.S.W. in 1906,¹ official decisions affecting primary

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Local Government Act, 1906.

producers have been made at three separate levels of government - local, State and Commonwealth. The importance of decision-making at each level however, both overall and in relation to primary industry in particular, is not equal.

Local government enjoys much inferior status and the activities of local councils are, in fact, under the overall supervision of the State Government.¹ Nevertheless, decisions made by local government bodies are important to primary producers. Municipal councils and shires (which cover all rural areas except the sparsely populated Western Division) are responsible for the construction and maintenance of roads (apart from main roads) and stock sale-yards, the supervision of building construction and public health and, through county councils (formed by groups of municipalities and shires for specific purposes), the provision of electricity services and abattoirs.² Shire rates constitute a major cost for rural producers.³ Where country towns are included within shires, a major grievance of primary producers is that rates from rural

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This section is based on Year Book N.S.W., 1966, pp.559-603; and Frederick A. Larcombe, The Development of Local Government in New South Wales, Melbourne, 1961.

2

At the end of 1963 electricity services in N.S.W. were provided by four municipalities, two shires and thirty-five county councils. Nine municipalities and six county councils conducted abattoirs.

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Rates on property constitute the main source of finance for local government bodies, but the State Government makes capital grants for developmental projects.

land are used to provide services (such as swimming pools and parks) which are of greater benefit to the urban population than the rural population, rather than on road maintenance. At branch level all State farm organisations in N.S.W. take a keen interest in decision-making by shires, municipalities and county councils. But overall the effort expended at the local government level is only of minor importance in the total activity of any organisation.

The main decisions which affect primary producers today are made by the State and Commonwealth Governments. For many years the N.S.W. Government, which has control over agriculture, lands, water conservation and irrigation, railways, road transport, and education, was of far greater importance than the Commonwealth Government in the eyes of primary producers. But in recent years this has changed, and now the Commonwealth has a direct and growing influence on many aspects of life related to primary production. Of particular importance is the Commonwealth's control over the inflow of capital; banking and credit; wage regulation; trade with other countries; research; tariffs; bounties and subsidies; and the marketing of primary products. The notable feature of the Australian federal system in recent years has been the increasing dominance of the Commonwealth over the States, achieved largely by the Commonwealth's financial superiority.¹

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Caiden, The Commonwealth Bureaucracy, pp.29-43; and James A. Maxwell, Commonwealth-State Financial Relations in Australia, Melbourne, 1967.

Having abandoned their independence in borrowing and also the fields of personal and company taxation, the States depend on Commonwealth grants for a large part of their income. Through its financial control the Commonwealth is able to influence the policies of State Governments; its financial superiority has also enabled the Commonwealth to enter fields already occupied by State Governments (such as drought relief, agricultural extension, education and transport) and also to develop new fields of governmental responsibility. The limitation of its powers to develop marketing schemes for farm products (as interpreted in the James case of 1936)¹ has been largely overcome by persuading State Governments to pass complementary legislation. Because of the need for co-ordination between State Agriculture departments, the Commonwealth established the Australian Agricultural Council which now consists of Commonwealth Ministers for Primary Industry and External Territories and State Ministers for Agriculture. Through its financial superiority the Commonwealth successfully dominates the Council.²

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In James v. Commonwealth, James (a dried fruit grower and packer) sought to evade the requirement imposed by regulations that fruit could not be sold inter-state until prescribed export quotas had been filled. The Privy Council declared the Commonwealth Dried Fruits Act to be invalid because it restricted the volume of inter-state trade (sec. 92).

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See Caiden, The Commonwealth Bureaucracy, p. 31; and F.O. Grogan, 'The Australian Agricultural Council: A Successful Experiment in Commonwealth-State Relations', Public Administration (Sydney), Vol. XVII (1958).

Since decisions affecting primary producers are taken at these three levels of government, the GA finds it necessary to operate at each level. To do this it has had to develop suitable structures and machinery. Eckstein notes that pressure groups often resemble the organisations they seek to influence.¹ In Britain, with a highly centralised form of government, pressure groups tend to be monolithic with unitary structures. In Australia however, State-based groups have formed federations and confederations to channel their demands to the Commonwealth Government, but have retained their existing organisations to communicate demands to State governments and, in the case of farm organisations, to local government authorities. The pressure group federations and confederations generally lack adequate powers and finance.² The farm federations and confederations are probably weaker than others, and the shift of power to the Commonwealth has only accentuated their weaknesses.

Pressure groups tend to adjust the form of their activities not only to the basic structure of government but also to the location of effective power within official institutions. Thus, as Eckstein suggests, the activities of pressure groups are reliable guides to the loci of

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Eckstein, p.21.

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See Truman, The Governmental Process, pp.115-9, and Abraham Holtzman, Interest Groups and Lobbying, New York, 1966, pp.27-9, for a discussion of the general problems with federations and confederations.

effective power in any political system.¹ At both State and Commonwealth levels, mainly as a result of the increased scope and complexity of government activity, the development of large professional bureaucracies, the operation of strict party discipline, and the failure of parliaments to evolve measures to ensure greater executive accountability, power has moved from parliament to the Cabinet and public service.² Thus pressure groups today channel their communications mainly to Cabinet Ministers and public servants, rather than to members of parliament; most groups now appeal to members of parliament only when their efforts to influence the executive or bureaucracy have failed, or to ask that a matter be brought to the notice of a Minister, either privately or at a party meeting. Public servants make many of the decisions that affect economic pressure groups. The increased volume of delegated legislation³ has placed considerable policy-making power, not just administrative discretion, in their hands. They also have considerable say in drafting and

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Eckstein, p.16.

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See G.S. Reid, 'Australia's Commonwealth Parliament and the "Westminster Model"', Journal of Commonwealth Political Studies, Vol. II, No.2 (May 1964); Matthews, 'Pressure Groups in Australia'; and Caiden, The Commonwealth Bureaucracy, p.23.

3

Davies, Australian Democracy, p.30.

framing legislation¹ and, because of the dependence of Ministers on their advice, they can have a marked influence on major policy decisions made by Ministers and Cabinet. Above all else, public servants are concerned with efficiency and with minimising public dispute; consequently, they show readiness to consult directly with interested groups and to make modifications which can be shown will probably reduce dispute, promote administrative efficiency, and not necessitate major changes in policy or increased expenditure. In addition, the privacy with which public servants work facilitates consultation and negotiation between public servants and pressure group leaders and staff.

The increased power of the executive and bureaucracy has also necessitated the development of bureaucratic structures by groups seeking to have an effective influence on decision-making. Pressure groups need secretariats, staffed by experts with the same ability and training as senior officers in government departments, and located in close proximity to the government departments whose decisions they wish to influence. Pressure group bureaucrats must know their way around government departments; they must be aware of the centres of power within departments; they must be able to prepare submissions similar in style to those prepared by

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Ibid., p.27. Of the 80 bills passed in 1950 by the Commonwealth parliament, Davies classifies 24 as coming from Commonwealth departments and a further 16 from departments as a result of pressure group activity. In 1960 of the 110 bills passed, 42 came directly from departments and an additional 40 came as a result of pressure group activity.

departmental officers, and to negotiate and bargain over policy. Farm organisations, as we have already noted, have been slow to develop adequate secretariats, and even to use the experts they have effectively. The lack of adequate secretariats is particularly noticeable at the national level; in 1967 of the main commodity federations only the AWGC had its own secretariat, and none had an office in Canberra.¹

The need for farm commodity federations today to have their own expert bureaucracies is even greater because of the dominance of the Department of the Treasury and the Department of Trade and Industry over other Commonwealth departments. Staffed by an able administrative elite, the Treasury exercises effective control not only over the whole economy but over expenditure by other Commonwealth departments as well as State governments.² Although some of its functions go back to 1901, the Department of Trade and Industry is a relatively new department dating from 1956.³ Its main concerns are trade policy, tariffs and industrial development. Under the dynamic leadership of John McEwen, the Department of Trade and Industry has become a major force and a rival to Treasury in

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This statement is based on information supplied by farm organisations. For a list of the location of the offices of each commodity federation, see Australian Primary Industry Organisations, Department of Primary Industry, Canberra, 1967.

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Caiden, The Commonwealth Bureaucracy, pp.74-5.

3

See R.P. Deane, The Establishment of the Department of Trade: A case-study in Administrative re-organisation, Canberra, 1963.

determining economic policy and goals.¹ Trade is essentially positive, protectionist and willing to subsidise industries to achieve export goals. Treasury is more negative, and primarily concerned with efficiency and with controlling the extent of subsidies paid by the Government. Both departments are obvious targets for pressure groups that wish to have an influence on economic policy, though groups find that, depending on their outlook, one department is usually more sympathetic than the other. And to communicate demands effectively pressure groups need staff able to match those in these two top departments.

Farm organisations also need experts to present evidence to arbitration tribunals and the Tariff Board. The operation of economic pressure groups has been affected by what Parker has described as the

...long-established habit, carried further, perhaps, than in any other advanced society, of institutionalizing the resolution of conflicts over the allocation of values.... Its central feature is the attempt to remove important allocative decisions from a process of ad hoc bargaining or trials of strength, based on the relative power of the competing interest groups, to a system of adjudication by committees, boards, tribunals, departmental agencies, autonomous corporations and similar institutional devices.²

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See articles in Sydney Morning Herald, 5 and 6 January 1968, and in The Australian, 10 January 1968; and Horne, p.190.

2

R.S. Parker, 'Power in Australia', The Australian and New Zealand Journal of Sociology, Vol. I, No.2 (October 1965), pp.88-9.

The development of institutions such as arbitration tribunals and the Tariff Board, described by Miller as 'organs of syndical satisfaction',¹ has also affected pressure group activity by removing important fields of public policy from the direct control of parliaments, Cabinets and bureaucracies, and beyond the reach of political parties. In the areas of policy controlled by these institutions, pressure groups rely on direct communication.

Although the structure of government encourages groups to communicate directly with the main decision-makers - Cabinets, bureaucrats and institutions like the Tariff Board - it is still possible for groups to use alternative channels of communication such as political parties, individual members of parliament and the general public. Moreover, on a limited range of decisions, power rests with the general public.

Policy-making and Administration

In Australia there is considerable opportunity for groups to influence government policy-making and administration. One reason for this is that governments recognise their need of the advice, consent and co-operation of economic pressure groups to manage the economy. 'It was primarily because government attempted to control or manage the economy', Samuel Beer believes, 'that producer groups [in England] acquired power to

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J.D.B. Miller, Australian Government and Politics: An Introductory Survey, London, 1964 edition, p.132.

influence policy'.¹ The same is true in Australia. Not only are groups like the GA dependent on governments, but governments are dependent on groups; thus the relationship between them is one of interdependence.

Farm organisations such as the GA are in the position to supply governments with useful information: facts and statistics which government departments lack; information on what is happening and likely to happen within an industry; and information on how proposed policies are likely to be regarded. Such information is important to both Ministers and public servants as it enables them to avoid unnecessary trouble and political fireworks. Farm organisation leaders and senior staff members can give expert advice to complement that available in government departments. Associations such as the GA which have well-staffed secretariats are able to provide administrative assistance to departments. Members of the GA often take their complaints first to the GA. The GA examines complaints, rejects those which are unsubstantiated by evidence, classifies the remainder, and sends to departments reports based on information received and analysed. This saves departments time and effort, and being inundated with numerous individual complaints. Moreover, all the major farm organisations have the ability to make things difficult by organising public campaigns, or merely by becoming less co-operative. The approval of a policy by a major commodity association produces confidence in the policy among producers, whereas

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Beer, British Politics in the Collectivist Age, p.319.

disapproval can easily cause public uneasiness. In addition, public servants and Ministers sometimes seek the help of groups to achieve policies which other public servants or Ministers, or other governments oppose.¹

Particularly at the federal level, Ministers and departmental heads have encouraged farm groups to establish close relations with departments and to communicate their demands directly instead of campaigning in public. The leading exponent of the need for the closest relations between government and industry groups has been John McEwen, leader of the Country Party. 'I have established a philosophy', he said to a graziers' association conference in 1965, 'that as a man in Government I want to work with the manufacturers or the wheat growers or the graziers. I want to work in a partnership relationship, not with each shouting at the other'.² Again and again McEwen has publicly told primary producers that the Commonwealth Government needs their advice, criticism and partnership.

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Sometimes farm organisations can exert some influence over government departments, the CSIRO and universities through their members on boards and research committees which distribute levies raised from primary producers for research. Amounts are allocated for specific projects to State departments of Agriculture, the Bureau of Agricultural Economics, the CSIRO and universities. One farm organisation leader told the writer of a case where a committee reduced the allocation to a State department of Agriculture in retaliation for a specific departmental policy.

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Address to the annual conference of the Graziers' Association of Central and Northern Queensland, 12 April 1965.

Because of their need of government assistance, and because of the encouragement of Ministers and public servants, farm groups in Australia have been particularly successful in establishing close and direct contact with decision-makers. There is an immense amount of day-to-day contact between staff members of the leading farm organisations and their opposite numbers in government departments. Ministers and farm leaders are also in regular contact. Generally farm groups are consulted before major changes are made. In the federal sphere, commodity policy proposals are thoroughly discussed with representative commodity associations before they go to Cabinet,¹ and in these discussions the farm groups are able to ensure that the Government is fully aware of the problems and attitudes of the industry. Farm groups are also well represented on a wide range of advisory committees. Their leaders sometimes accompany official delegations to international trade negotiations. In 1964 McEwen told a farm organisation conference:

What I did as Minister in charge of the negotiations was...to take to Brussels and to London with me representatives of the organized growers or producers. If they couldn't sit at the table they were in the room outside where I or my officials could nick out and have a word with them.²

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Campbell, 'Australian Farm Organizations and Agricultural Policy'.

2

Ibid.

Farm organisations have also been drawn more and more into the administrative process. The compulsory marketing schemes for primary products are controlled by marketing boards on which in most cases farmers have majority representation.¹ Commodity organisations are represented on the various committees responsible for the distribution of research levies and the Secretary of the Australian Wheatgrowers' Federation sits on the Wheat Index Committee that reviews the guaranteed price of wheat before it is announced each year.²

Increased participation in policy-making and administration has provided a strong stimulus to the integration and amalgamation of farm organisations. Governments prefer to deal with large representative pressure groups which can 'speak with one voice' for all members of an economic section or industry rather than with numerous, small, rival bodies offering conflicting advice. Commonwealth Ministers have repeatedly urged farm organisations, as well as business groups³ and trade unions, to achieve a greater degree of organisational unity and amalgamation. At the least, the Commonwealth desires one spokesman organisation for each rural industry, but it would probably prefer to deal with one representative body able to speak for all primary producers. The most serious

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On this point, see Marketing of Australian Primary Products, Department of Primary Industry, 1965, pp.20-3.

2

Campbell, 'Australian Farm Organizations and Agricultural Policy'.

3

Matthews, 'Pressure Groups in Australia', p.197.

lack of unity is in the wool industry where two major commodity federations (the AWGC and the AWMPF) as well as the APPU claim to speak for the industry at the national level. To achieve a greater measure of unity in the wool industry, the Menzies Government encouraged the AWGC and the AWMPF to follow the suggestion of the Philp Committee and establish the AWIC as the 'parliament of woolgrowers'. Once established the Government gave this voluntary body statutory recognition and powers.¹ As originally formed the AWIC consisted of fifty members, twenty-five appointed by both the AWGC and the AWMPF. In 1965 under Government persuasion the AWIC agreed to increase its size by five seats and to allocate these to the APPU.

Official Actors and their Policies

Critics of pressure groups sometimes assume that government policy is simply the product of pressure group interaction, and that the strongest groups and those able to exert the most 'pressure' in fact decide what policies should be followed. This view is misleading in a number of respects, but especially because it fails to take into account the role of official actors in the political process.

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Statutory recognition and functions were conferred by the Wool Industry Act of 1962 and the Wool Tax Acts of 1964 which gave the AWIC the right to nominate the wool industry representatives on the Australian Wool Board and to prepare panels of names from which the three Board members with special qualifications are selected, and the power to recommend to the Government what rates of levy should be paid by woolgrowers to finance the activities of the Wool Board.

Ministers and senior public servants, no less than governments and departments, are not just adjudicators between competing pressure groups. Instead, they are forces of initiative; they have their own ideas and views about policy which they want to implement. As a result, the amount of success that any pressure group can achieve in politics depends on the official actors and their policies, as well as the group's resources and how it mobilises them, and on the pressure exerted by other groups.

From the GA's viewpoint, there is a marked difference between Labor and non-Labor administrations. The GA shares the same general outlook as the non-Labor parties. Moreover, it helped create the Country Party and it contributes financial support to both the Country Party and the Liberal Party. Consequently, it finds it comparatively easy to establish close relations with non-Labor governments. Non-Labor governments too, are more inclined to treat the Association's requests sympathetically, and when possible to show preference to graziers. On the other hand, because of its antipathy towards and fear of trade unions and the Labor Party, the GA finds it difficult to establish close relations with Labor governments. Where possible Labor governments show preference to trade unions from which they still derive much of their support.¹ Moreover, in the past

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R.M. Martin, 'Trade Unions and Labour Governments in Australia: A Study of the Relation between supporting Interests and Party Policy', Journal of Commonwealth Political Studies, Vol. II, No.1 (November 1963),
(continued on p.119)

Labor administrations¹ have often refused requests from the GA, and have frequently adopted measures such as land taxation and the confiscation of large estates for closer settlement which have brought forth immediate and hostile reaction from the Association.

However, the amount of preference that any government can show to its supporting interests is limited. To successfully manage the economy each party when in government needs to win the co-operation of each of the major economic sections. Thus, non-Labor governments cannot afford to alienate and antagonise the trade unions, while Labor governments need the co-operation of business and farm groups. As a result, the GA is able to win some concessions from Labor governments, while non-Labor governments are unable and unwilling to agree to all its requests, and sometimes legislate along lines which it opposes.

In addition, an individual pressure group has little hope of persuading any government to abandon what can be described as 'settled' policies. While the GA considers that the policy of extensive tariff protection for secondary industry increases graziers' costs of production

¹ (continued from p.118)

demonstrates that on policies which promise direct industrial benefits to all unionists there is a definite preferential relationship between Labor governments and trade unions.

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Labor administrations were in power in the Commonwealth 1910-13, 1914-17, 1929-32, and 1941-9; and in N.S.W. 1910-16, 1920-2, 1925-7, 1930-2, and 1941-65.

appreciably, there is little it can do as protection is one of the major 'settled' policies in Australia today.¹

Rival Economic Interests

While official actors and their policies are of crucial importance, the GA's behaviour and political effectiveness are also influenced by the amount of opposition and support received from other pressure groups. Unlike professional associations such as the N.S.W. Teachers' Federation which face little serious competition from other groups and which are able to establish almost exclusive clientele relationships with the departments with which they deal, the GA faces competition from business groups, trade unions and other farm organisations on all the major policy-areas in which it is interested, and it does not enjoy exclusive clientele relations with any department.

Its main competition from business groups and trade unions is on general economic policy, taxation, tariffs, wage regulation, working conditions and social service benefits. On some matters such as tariffs the GA and

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There is no doubt that tariff protection for Australian secondary industry increases graziers' costs. Today a large proportion of secondary industry is protected by tariffs. In 1963 Corden (W.M. Corden, 'The Tariff', in Alex Hunter (ed.), The Economics of Australian Industry, Melbourne, 1963, pp.174, 193) estimated that 60 per cent of employees in secondary industry work in industries whose viability depends on tariffs, and that in 1959-60 the average tariff in protected industries was 30 per cent. Tariff protection increases production costs in all rural industries but hits hardest the wool and meat industries which sell their products on the open world market.

other farm bodies are aligned against trade unions and powerful business groups such as the Associated Chambers of Manufactures. On others, such as the national wage case, taxation, and government controls, the GA is usually aligned with business interests against the trade unions. And because of the Association's political views, it invariably finds its allies among business groups rather than the trade unions.

As we have already seen, Australian primary producers generally consider that trade unions and business interests command greater political influence. They attribute this political superiority not only to superior political resources but to better organisation. The President of the GA told a branch meeting in 1966:

I'm sure we don't get a hearing at Canberra anything like the manufacturing industries do, because we are not organised as they are. If we are to keep costs down to a reasonable level we have got to make an impact.¹

Do trade unions and business interests have much superior political resources, do they mobilise these resources more effectively for political purposes, and do they command appreciably greater political influence?

While business interests and trade unions may have superior political resources, there is no evidence to show that primary producers are seriously disadvantaged. Primary producers admittedly have some disabilities. Compared with trade unionists they are numerically weak;

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Muster, 1 June 1966.

they are also divided by their economic interests, geographically isolated from one another and, except for producers of perishable commodities, not in a strong position to use strikes as a weapon. On the other hand, primary producers have some valuable political resources: economic power as producers of food and major exporters, electoral systems weighted in their favour, and a political culture which places a high value on farming and rural production. In addition, there is the strong belief held by politicians and parties that the farm vote can topple governments, and that wheat-seats are swinging seats. Business interests and trade unions likewise have their political disabilities as well as resources. The business sector has the disabilities of little direct electoral power and an unfavourable public image, but the political resources of financial strength, economic expertise, and power to influence the economy and employment. Large manufacturers can often force governments to ease restrictions on public consumption by cutting their production more than is necessary and so creating unemployment. Like other sectors, the business community is divided on many policies but when the security and interests of business interests generally are threatened it can readily form a unified bloc. The political influence of trade unions is often limited by their lack of unity, their ability to antagonise other sections of the community by direct action, and their dependence on the capacity of the economy to afford higher wages and better conditions. Their three main political resources are electoral strength, ability to disrupt production and public services through strike action, and public sympathy for the worker.

The political mobilisation of each section can be compared under three aspects: density of representation, degree of amalgamation,¹ and organisational resources. Density of representation refers to the proportion of eligible members enrolled in organisations. Difficulty in securing data on the membership of individual farm organisations and on the degree of cross membership between organisations makes it almost impossible to know exactly what proportion of Australia's 280,000 farmers are organised. A useful estimate however, can be made by comparing available membership figures for commodity organisations with published figures of the number of producers for each commodity. Such calculations suggest that at least 50 per cent of farmers are organised and in the major rural industries (particularly wool, meat and wheat) the figure is much higher.² The proportion of farmers organised compares favourably with the 54 per cent³ of wage and salary earners belonging to trade unions and, as far as can be estimated from the limited data available, with the proportion of business firms belonging to trade associations.

The second aspect of mobilisation, degree of amalgamation, refers to the extent to which organisations

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These two terms come from Samuel Beer (see British Politics in the Collectivist Age, p.332).

2

Harman and Smith, p.67.

3

Year Book Australia, 1967, p.366. This figure is for 1966.

within a major section are integrated. Despite a high degree of density, the political mobilisation of a section may be ineffective if members are organised in numerous separate bodies incapable of unified decision-making or action. In each of the three major economic sections there is a multiplicity of organisations. If State branches of trade unions and labour councils are counted as separate bodies, 1,257 existed in 1966.¹ The business sector is just as fragmented; in 1965 there were an estimated 1,250 trade associations, of which approximately 300 were local chambers of commerce.² No one knows exactly how many farm organisations there are but the number clearly exceeds 500 and may well be over 1,000.³ In each sector efforts have been made to integrate organisations by means of mergers, by the formation of federations and confederations, and sometimes merely by loose alliances. Integration has been achieved at two different levels: between closely similar organisations at State and national levels, and between a wide range of organisations within the sector at State and national levels. While accurate comparisons of the degree of integration achieved by each major sector are extremely difficult, it is obvious that in each sector there is a striking lack of amalgamation. This situation contrasts sharply with the highly unified character of British trade

1

Ibid., p.367.

2

R.D. Freeman, 'Trade Associations in the Australian Economy', Public Administration (Sydney), Vol. 24, No.4 (December 1965).

3

See Harman and Smith, p.68.

associations, farm organisations and trade unions.¹ The degree of integration of farm organisations appears to be comparable to that of trade unions and business groups. For example, the proportion of farmers represented by the NFU and the APPU, the two rival organisations which claim to speak for all Australian farmers, is comparable with the figure of less than 40 per cent of workers represented by the peak organisation of trade unions, the Australian Council of Trade Unions.² Most farmers are not aware that trade union and business leaders feel the same need for unity to enable them 'to speak with one voice'. Except for its references to manufacturing and employers, the following statement reads like the utterance of a farm organisation leader. It is however, from the annual report of the President of a State Chamber of Manufactures.

Today it seems to me that there is a clear need for the unity of effort which has been achieved within the Chamber to be expanded to a wider field. Our first goal should be the attainment of a much wider unity between all organisations of manufacturer-employers, so that industry would speak with one voice on the big national issues....³

Nevertheless, within each section some groups are well organised and integrated. Among workers, pastoral

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For example, in Britain the Trade Union Congress represents 85 per cent of unionists and the National Farmers' Union 80 to 90 per cent of farmers.

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See Harman and Smith, p.68.

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Article by W.W. Pettingell, President of the Chamber of Manufactures of N.S.W., Impetus, September 1966.

employees constitute such a group, with most of them belonging to the powerful Australian Workers' Union (AWU) which has well over 150,000 members.

Although the three major economic sections of the community are comparable with regard to density of representation and degree of amalgamation, the business section has a distinct advantage with regard to organisational resources. Because their leaders have considerable managerial and professional skills and are used to corporate decision-making, business organisations tend to function more efficiently and their members delegate authority more readily to their leaders. With superior financial resources and an appreciation of the value of experts, business organisations have been able to develop strong secretariats staffed by university graduates (particularly economists) and public relations experts. The superiority of their organisational resources is particularly evident at the national level. The main national business organisations are older¹ and better developed than those of farmers and trade unionists. They all have their own well-staffed secretariats in Canberra and in the State capitals, and are in the position to maintain close daily contact with government departments.

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Three of the leading national business organisations (the Associated Chambers of Manufactures, the Associated Chambers of Commerce, and the Australian Council of Employers' Federations) were all formed in the first decade of the Commonwealth, whereas the Australian Council of Trade Unions was not established until 1927. Most of the leading farm commodity federations, as well as the NFU and the APPU, date from the 1930s and 1940s.

Probably the strongest and most active at the national level is the Associated Chambers of Manufactures which has had its own secretariat in Canberra since the 1930s.¹ Today the Chambers of Manufactures and its rival, the Associated Chambers of Commerce, have their own imposing office buildings in Barton in Canberra, close to the Departments of Trade and Industry, and Customs and Excise, to the Tariff Board, and to Parliament House. And both of them are so well accepted as legitimate bodies in government that government departments rent their surplus office space! In some respects trade unions have organisational resources which are superior to those of most farm organisations. With the exception of the graziers' associations, farm organisations charge lower membership contribution rates than most trade unions, and consequently work on smaller budgets. Many trade unions have secretariats which are larger and superior to those of most farm organisations.

Although primary producers often complain that other interests command far more political influence, it is doubtful whether their political influence is appreciably less than that of business interests or employees. If it were so, they would probably be much more alienated and much less willing to work through normal pressure group channels. Their willingness to participate in the political process at all suggests they have expectations of success.

1

'The Lobbying Bureaucracy', Nation, 12 January 1963.

Political Rivalry in the Farm Sector

In many respects the competition from other farm organisations has a greater impact on the GA's pressure group behaviour than the competition from business groups and trade unions. To appreciate the significance of this competition, it is necessary to understand something of the extremely complicated pattern of farm organisations in Australia.

Australia's numerous farm organisations can be divided into five categories: (1) State and regional commodity associations; (2) commodity federations; (3) State peak organisations; (4) a national peak organisation; and (5) one unitary organisation which claims to represent the producers of all farm commodities.¹ Figure 3 attempts to show these categories and some of the relationships between organisations in different categories.

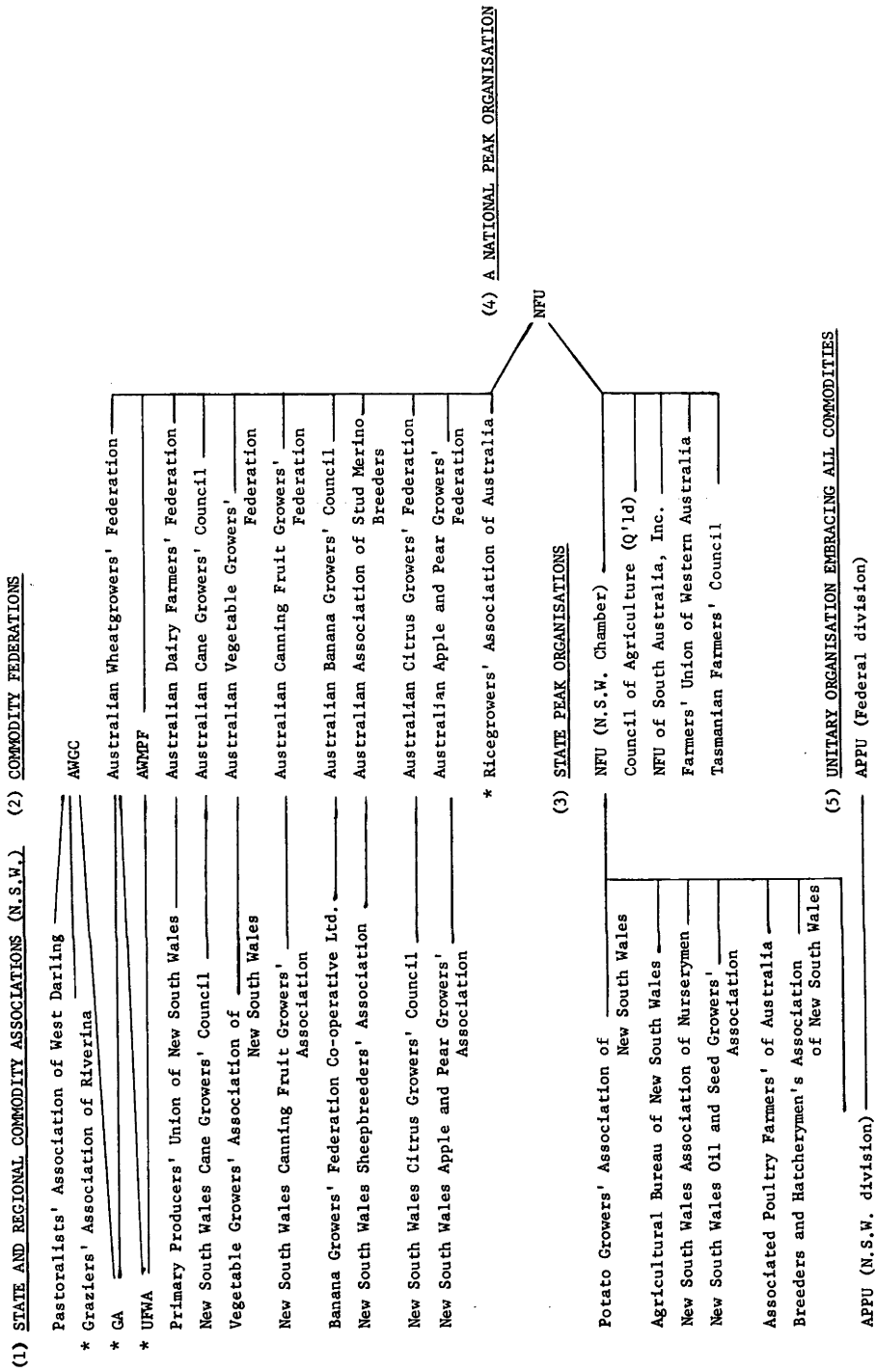
The State and regional commodity associations are the oldest and the most important. From them grew the commodity federations and the peak organisations and, except for the APPU, they constitute the basic units in all other farm organisations. They enrol individual farmers and collect their membership contributions, and provide the only means by which individual farmers can participate in national organisations. Graziers were

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For further details on the character and types of farm organisations in Australia, see Harman and Smith; Campbell, 'Australian Farm Organizations and Agricultural Policy'; and Chislett.

FIGURE 3

THE PATTERN OF AUSTRALIAN FARM ORGANISATIONS IN 1967



Notes: 1. Because of lack of space State and regional commodity associations for N.S.W. only are shown.
 2. * Also affiliated with the NFU (N.S.W. Chamber).
 3. The Ricegrowers' Association of Australia is really a State-based unitary organisation and not a federation, but for purposes of representation on the NFU has the status of a commodity federation.

the first to form permanent organisations. In N.S.W. they were followed by wheatfarmers, dairyfarmers and later by producers of many other commodities including sugar cane, bananas, apples and pears, canning fruit, citrus fruit, vegetables, potatoes, and poultry. Figure 3 shows the main organisations in N.S.W. in 1967. Generally State and regional commodity associations represent the interests of producers of a single commodity and have the status of spokesmen for an industry. However, in the wool, wheat and meat industries the organisations are interested in more than one commodity, and both graziers' associations and wheat-sheep farmers' organisations, as well as the APPU, claim to speak for producers. In addition, the position in N.S.W. is further complicated by the fact that as well as the GA there are two other smaller graziers' associations, each with its own territorial base.

The commodity federations established by State commodity organisations are the main channels of communication for producers of each farm commodity to convey their demands to the Commonwealth Government. Despite their important role, their development has been limited by the unwillingness of their member organisations to give them adequate powers and finance. The first commodity federation, the Pastoralists' Federal Council, pre-dated federation and was formed as an industrial body to resist the demands of shearers. In 1919 graziers and other woolgrowers formed another federation, the Australian Woolgrowers' Council (AWC),¹ to negotiate with the newly

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N.S.W. Graziers' Annual 1920, p.45.

formed National Council of Wool Selling Brokers and with the Government. Until 1931, when the new wheatgrowers' associations formed the Australian Wheatgrowers' Federation, the AWC and the Graziers' Federal Council (GFC), as the Pastoralists' Federal Council was called from 1919,¹ were the only two commodity federations. But after 1931 the situation soon changed. In 1939 small woolgrowers in the older wheatgrowers' associations, dissatisfied with the failure of the AWC (to which some of their organisations were affiliated) to support a wool stabilisation plan, formed their own federal organisation, the Australian Wool Producers' Federation which later became the AWMPF. Later dairyfarmers, canegrowers, citrus fruitgrowers and other producers formed their own federations in order to convey demands to the Commonwealth Government. Today, largely as a result of the increased impact of the Commonwealth on primary industries, producers of all important commodities have their own commodity federations. In 1960 the GFC and the AWC amalgamated to form the AWGC.

The powers and financial resources of the State and national peak organisations are even more limited. The State peak organisations aim to promote the general interests of farmers at State level but, because of the differing interests of farmers, consensus on many issues is difficult to achieve. In N.S.W. since 1918 there has been a succession of different peak organisations. The present body, formed in 1948 as the Primary Producers' Council, had fourteen member organisations including the GA in 1967.

1.

Ibid., p.38.

The NFU, the national peak organisation, was formed in 1943 as the Primary Producers Council of Australia. It is a confederation of commodity federations and State peak organisations. As Campbell has observed, it suffers from all the political disadvantages of federations in double measure.¹ Although its leaders tried to model the NFU on the National Farmers' Union of England and Wales, the commodity federations and their State affiliates have ensured that it has remained a loose federation with limited powers and a small budget. From the outset its constitution allowed any member organisation to veto discussion of any subject considered to be a matter of domestic concern. Its small budget limits the size of its secretariat. Until 1959 it did not have a full-time Secretary and in 1967 its staff consisted of only three full-time members.² The limited size of its secretariat, its difficulty in reaching consensus on policy, and the practice of its member organisations to take independent action have all greatly limited its political effectiveness. The GFC was one of the three commodity federations that founded the NFU and for many years supported the concept of a national peak organisation. But in July 1965³ the AWGC withdrew from the NFU and by

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Campbell, 'Australian Farm Organizations and Agricultural Policy'.

2

Information supplied by the Secretary of the NFU.

3

The Land, 1 July 1965.

doing so created a serious budgetary problem in the NFU since it had supplied 20 per cent of that body's finance.

The one unitary organisation which claims to represent the producers of all commodities is the APPU. From a small regional body established at Warrnambool (Victoria) in 1943, the APPU expanded by aggressive organising and by amalgamation with smaller organisations. By the early 1950s it claimed to have a membership of 70,000. Since then its membership has declined and now is in the vicinity of 40,000. The APPU's expansion in the 1940s was seen as a threat to their existence by the established State commodity organisations which preferred to seek unity through confederations rather than through a unitary organisation. They resented the proselytising of their members by large teams of APPU organisers and considered that the political efforts of APPU leaders often hindered rather than advanced the true interests of farmers. Because of the opposition of other organisations, the APPU has found it extremely difficult to secure representation on marketing boards and advisory committees. Only in late 1965 did it eventually secure representation (five seats out of fifty-five) on the AWIC. While the APPU is often quite effective in communicating demands to State and Commonwealth governments on fruit and poultry matters, it carries little weight on wool, meat and wheat policy. On wool matters it generally functions as an appendage of wheat-sheep farmers' organisations.

This pattern is not static but in a process of change. Many organisations have been exploring the possibility of amalgamation with others. The main interest however, has been focused on three related sets of

negotiations. These are the proposals to unite the NFU and the APPU in a new peak organisation to be called the Australian Farmers' Federation, to unite the Australian Wheatgrowers' Federation and the AWMPF with the wool, meat and wheat federal commodity sections of the APPU, and to unite the APPU State divisions with State commodity associations.¹ But despite protracted negotiations, the achievements up to mid-1968 had been slight.²

At both State and Commonwealth levels of government the GA and other graziers' associations face some competition from organisations representing the producers of other commodities. For instance, in N.S.W. the GA's views on general matters such as probate duty, income taxation, and closer settlement are sometimes opposed by associations representing dairyfarmers, fruitgrowers or market gardeners. Moreover, the Association's policies with regard to the beef cattle industry have on occasions been opposed by dairyfarmers' associations, while the GA has strenuously opposed the efforts of commercial rabbit breeders to gain greater freedom for their industry to expand.

But the most serious and sustained competition that the GA and other graziers' associations face is from rivals who claim to speak for the same industries. Figure 4 shows

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For details, see Harman and Smith, pp.78-80.

2

The only positive achievement was the amalgamation in September 1966 of the South Australian wheat-sheep farmers' organisation, the Wheat and Woolgrowers' Association, with the State division of the APPU. However, it appears likely that mergers in N.S.W. and Victoria may soon take place.

the graziers' associations and their rivals at State and Commonwealth levels with regard to wool policy; it also shows the composition of the AWIC. Figure 5 shows the three graziers' associations in N.S.W. and their rivals on wool, meat and wheat policy, and the main affiliations of each organisation.¹

Numerically the graziers' associations are not as strong as their rivals. At the national level, the AWGC claims to have 27,000 members while the AWMPF and the wool section of the APPU claim 45,000 and 22,000 respectively. In N.S.W. the GA is similarly outnumbered; even the three graziers' associations together have fewer members than the UFWA. Moreover, should the projected amalgamation of the UFWA with the APPU take place, the three graziers' associations will be in an even weaker position; likewise amalgamation of the AWMPF, the Australian Wheatgrowers' Federation and the APPU would weaken the AWGC's position.

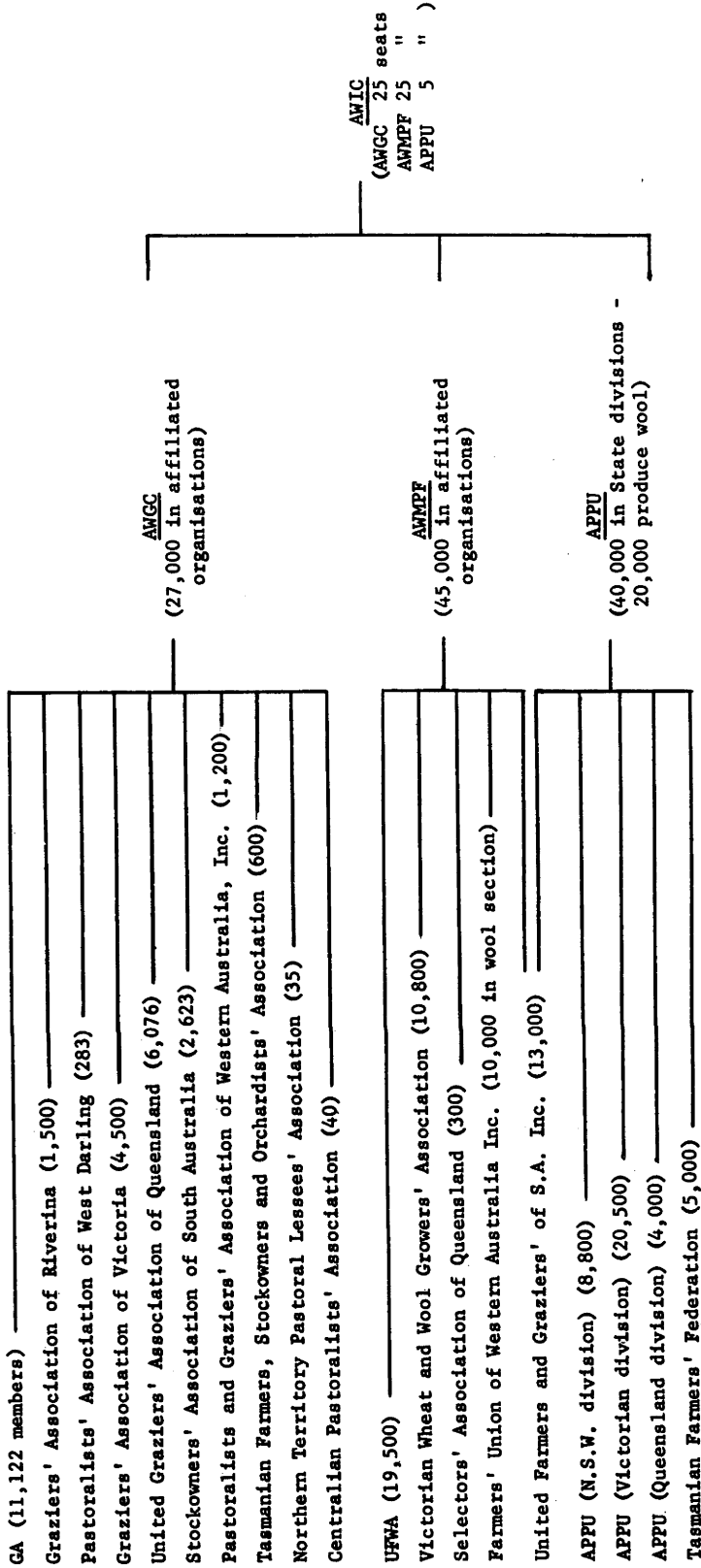
The most pronounced political rivalry is between the graziers' associations and the wheat-sheep farmers' organisations. The two groups of organisations, as we have seen, reflect the values and beliefs of two different sub-cultures. They also hold different economic viewpoints, especially on wool policy. Their conflicting view on wool marketing and promotion were clearly set out in policy statements presented by the two rival federal woolgrowers'

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With regard to Figure 5, it should be noted that the Pastoralists' Association of West Darling takes no interest in wheat policy.

FIGURE 4

AUSTRALIAN WOOLGROWER ORGANISATIONS 1967



Notes: 1. Membership figures in most cases relate to late 1967.

2. The United Farmers and Graziers' of S.A. was formed in 1966 by amalgamation of the South Australian Wheat and Woolgrowers' Association (6,500 members) and the South Australian division of the APPU (7,600 members). In 1967 it functioned as the APPU's State division and was also affiliated with the AMWPF (and the Australian Wheatgrowers' Federation).

associations to the Philp Committee in 1961. The AWMPF stated it held

as a matter of firm policy that little if any material benefit in the way of better or more stable prices can be expected as a result of greatly increased wool promotion until such time as the auction system is improved....¹

It argued for a reserve price scheme within the auction system whereby a wool marketing authority to be created would buy in wool which failed to reach a minimum reserve price. Later this wool would be again offered for sale by auction. The AWGC submission put its opposing view:

The policy of the A.W.G.C. is that intensified promotion and research, in conjunction with increasingly efficient production, are to be preferred as more positive ways of assisting the woolgrower than the restrictive policy implicit in proposals for the institution of a floor price for wool.²

The long-standing political rivalry between the graziers' associations and the wheat-sheep farmers' organisations is just as much a cause of the disputes over wool policy as the economic and cultural differences. Historically this rivalry goes back to the squatter-selector battles of last century. But until wheatfarmers diversified into wool production there was no rivalry over wool policy, and the graziers' associations remained the unchallenged voice of the wool industry. When the

¹ Quoted in Wool and Politics, p.183.

² Ibid., p.182.

wheat-sheep farmers in 1939 formed their own federal wool body the graziers' associations strongly resisted this attack on their previously unchallenged position, and it was not until 1942 that the AWMPF gained representation on the Central Wool Committee and until 1945 that it secured representation on the Wool Board.¹ Since 1945 the graziers' associations have become reconciled to the fact that the AWMPF is recognised by the Government as a legitimate voice of woolgrower opinion. Consequently, in 1962 when the AWIC was formed the AWGC agreed without question to both organisations having equal representation. But at the same time, it is resolved not to allow wheat-sheep farmers to determine policy for the wool industry.

From the GA's viewpoint the organisational rivalry between graziers and wheat-sheep farmers in many respects is more intense and serious at State level where the Association and the UFWA compete not only for political influence but for members. While the UFWA is still recognised as the authoritative voice of wheatgrowers, the GA in recent years has made a deliberate effort to develop machinery to represent the interests of those graziers who have turned to wheat production to offset reduced incomes from wool. This intrusion has been resented by UFWA leaders who have opposed the attempts of the GA to gain representation on various boards and committees connected with the wheat industry and also on the Wheatgrowers' Federation. In the 1967 Grain Elevators

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Hitchins, pp.74-7.

Board elections UFWA leaders tried to discredit the GA and its candidates. The UFWA Secretary told a public meeting in Lake Cargelligo that the GA 'had traditionally opposed orderly marketing in any form but was now trying to "hitch its waggon" to the achievements of others'.¹ In wool matters the situation is reversed, but somewhat different. While the GA resented the intrusion of UFWA's predecessors (the FSA and the Wheat and Woolgrowers' Association) into wool affairs, the UFWA is now well established as a legitimate voice of woolgrower opinion. The GA and the UFWA hold different policies not only on wool, wheat and meat matters, but on a whole range of policy areas including closer settlement, land taxation and probate duty, and these differences tend to be exaggerated because of the competition for members. Both organisations employ organisers to recruit new members, and these organisers tend to give prospective members a highly exaggerated view of the rival body. Leaders of both organisations are extremely conscious of the political rivalry, and the competition for members and political influence. One of the over-riding considerations in any major policy decision by either body is how the other organisation will respond, and what effect the decision might have on the competition for members and power. Like competing retail firms, both organisations try to match or surpass the services and benefits offered by the other. Both also try to match one another in making claims on governments, and seek to take full credit for any concessions won.

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Lake Cargelligo News, 8 September 1967.

In many respects this rivalry between the GA and the UFWA is not in the best interests of producers. It exaggerates differences over policy and leads to unnecessary dispute. On the other hand, rivalry prevents organisational inertia, and at times political pressure from two independent organisations is more effective than pressure from a single body. Because of the significant differences between the two organisations not only on policy but in political style and beliefs about the role of government, it is extremely difficult to see how these differences could ever have been effectively contained within one organisation.

In summary, the GA operates in a political context where decisions which affect its members are taken at three levels of government. At Commonwealth and State levels effective power now lies mainly in the hands of the Cabinets and bureaucracies, and with statutory boards and arbitration tribunals. Considerable opportunity exists for responsible and representative groups to influence policy-making and administration. The way the GA behaves and its effectiveness in politics are influenced also by the policies and actions of official actors, and by the amount of opposition and support the Association receives from other pressure groups. The GA faces competition from business groups and trade unions, and also from other farm organisations. The strongest and most sustained competition from other farm organisations at both Commonwealth and State levels comes from the wheat-sheep farmers' organisations, and the traditional political rivalry between these organisations and the graziers' associations has been a contributing cause of the conflict in the wool industry.

III. GROUP CHARACTERISTICS

CHAPTER 5

Foundation and Involvement in Politics

Pressure groups are products of their environments. Environmental factors - economic, social and political - are largely responsible for bringing groups into existence and into politics; they provide the motivation that sustains political activity; they also play an important part in shaping the internal characteristics of individual groups.

In this chapter we will consider how environmental factors operated to bring the GA into being and then into politics, and some of the ways in which environmental influences have affected the Association's internal characteristics.

Foundation

Pressure groups come into existence in different ways. Many are formed by people when their interests are affected by government action or the threat of it, or when they feel the need of government assistance to overcome some disability. Most of the State commodity farm organisations came into being in one of these ways. For instance, the FSA, the older of the UFWA's two predecessors,¹ was established in 1893 mainly to secure changes in land legislation and

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The UFWA was formed in 1962 by an amalgamation of the FSA and the Wheat and Woolgrowers' Association.

administration.¹ Small farmers and selectors felt that government assistance was necessary to overcome a disability they suffered. The Wheat and Woolgrowers' Association, the UFWA's other predecessor, was formed by struggling wheatfarmers on marginal wheatlands in south-western N.S.W. in 1930.² Their aim was to secure extensive government assistance for their industry. Or again, the APPU emerged when farmers in one region of Victoria during the second world war decided to form a new organisation to press for specific economic and social changes to benefit farmers and rural dwellers, and to work to unite all farmers in a single organisation.³ In contrast, the GA was formed not to press for government assistance, or to veto government action or proposed action, but in reaction to the industrial organisation of pastoral employees.

One of the most significant developments in Australia in the late nineteenth century was the formation of trade unions which sought to embrace all workers, including semi-skilled men and even unskilled labourers.⁴ By then Australia had developed

1

Graham, Formation of the Australian Country Parties, p.85; and Bayley.

2

Smith, 'Organise or be Damned', pp.10-11.

3

Harman and Smith, p.74-5.

4

For a good short account, see Russel Ward, Australia, Sydney, 1965, pp.84-8.

economically to the stage where there were many specialised groups of industrial employees. However, the main impetus for the new unionism came from a few capable organisers, and from European and American radical ideas.¹ One of the first groups to be organised was pastoral employees - shearers, station hands and carriers. Rural labourers are generally conservative and slow to join trade unions, but in Australia most of them worked on large pastoral holdings where the impersonal relationship between employer and employee was more like that in factories than on small farms. Shearers in particular constituted an ideal group for the formation of strong and militant trade unions. Unlike other pastoral employees, relatively large numbers of shearers lived and worked together, often in unpleasant climatic and living conditions. Being itinerant workers they did not share even the same relations that other pastoral employees had with their employers. Moreover, being mainly Irish, Roman Catholic, and working-class, shearers saw themselves as constituting a class entirely different from the pastoralists who were predominantly English and Protestant, and who constituted a social and economic elite. The Amalgamated Shearers' Union, founded in 1886, quickly organised bushworkers in New South Wales, Victoria, and South Australia, while in

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The two tracts most influential at the period were both American works - Henry George's Progress and Poverty, and Edward Bellamy's Looking Backward.

Queensland a separate Shearers' Union worked in close co-operation. By 1890 most shearers in N.S.W. were members of the Amalgamated Shearers' Union.¹

Pastoralists in each colony reacted quickly to the spread of unionism among their employees and formed their own organisations and later the Pastoralists' Federal Council. In N.S.W. pastoralists began forming regional associations soon after the Amalgamated Shearers' Union was formed, and on 9 July 1890 the Pastoralists' Union of N.S.W. (as the GA was first called) was established. The circular letter which called the public meeting at which the Union was formed stated that because of the formation of unions among shearers, carriers and station hands, it was desirable for employers to unite 'so that there may be a recognised authoritative body to meet the Representatives of the Labour Unions, and with them to discuss and settle disputes and differences which may arise'.² At the meeting it was agreed that the objects of the Union would be 'to secure to its members all the advantages of unanimity of actions enjoyed by various Unions now in existence'.³

1

R. Gollan, 'Industrial Relations in the Pastoral Industry' in Barnard, The Simple Fleece, p.603.

2

Minutes of the General Meeting of Pastoralists held at Tattersalls' Hall, Hunter Street Sydney on 9 July 1890 (Council minute book).

3

Ibid.

The various regional associations and the Pastoralists' Union were formed with comparative ease. Pastoralists too, saw themselves as constituting a separate class. They were bound closely together by shared attitudes, common purposes and family connections. Moreover, as a result of attacks on their land rights and their position in the three previous decades, they had been forced to act together, and were experienced in operating voluntary organisations.¹

Although they formed their organisations in reaction to the organisation of shearers and other pastoral workers, pastoralists in N.S.W. at first tended to adopt a conciliatory attitude towards the Shearers' Union.² But by the second half of July 1890 the situation had changed, with the shearers' demand that pastoralists negotiate an agreement incorporating the principle of employment of union labour only, and the threat of a general industrial disturbance. In May 1890 waterside workers in Queensland came out in support of striking shearers and successfully

1

For many years before the late 1880s pastoralists in N.S.W. had operated local and regional associations as well as more widely-based organisations such as the Wool and Pastoral Association of the 1870s, and the Commercial, Pastoral and Agricultural Association of the 1880s.

2

Stuart Piggin, 'An Inquiry into the Reasons for the Formation of the Pastoralists' Union of New South Wales and its Policies and Actions in its First Year', B.A. honours thesis, University of Sydney, 1965, pp.31-2 and 73.

blocked the shipment of wool shorn by non-unionists.¹ The temporary victory for shearers in Queensland caused the Amalgamated Shearers' Union to threaten to prevent the shipment of non-union wool from N.S.W., Victoria and South Australia.² Alarmed, pastoralists in each of these colonies took action. Within a week of its formation, the Pastoralists' Union of N.S.W. replied to a manifesto published by the Shearers' Union, informing shearers that pastoralists refused their demand to use only union labour.³ A trial of strength began in the following month not only between the pastoralists and the shearers, but between combined employers and combined trade unions. The result was defeat for the unions. With its superior financial resources and effective organisation, the Pastoralists' Union recruited non-union labour and shearing proceeded. In August 1891 the Shearers' Union was forced to capitulate in N.S.W. and to agree to the principle of 'freedom of contract'.⁴

The stimulus that brought the Pastoralists' Union into existence and the events of the early months of its career were of great importance in shaping the

1

Official Statement of the Facts and History of the Shearing Difficulty in Australia, 1890-91, compiled by the Pastoralists' Federal Council for presentation to the British Royal Commission on Labour, September 1891, p.4.

2

Ibid., pp.4-5.

3

Minutes of Council, 14 July 1890, and Official Statements of Facts, p.5.

4

Official Statement of Facts, p.10, and Gollan, p.605.

Association's character and goals. For over a decade the Pastoralists' Union saw itself as an industrial rather than a political organisation. It considered that its aim was to resist the threat of organised shearers rather than to make demands on government. Indeed, in 1902 the Union refused to affiliate with the Taxpayers' Union on the grounds that its interests were restricted entirely to labour matters,¹ and in 1904 it refused to support political action by the Employers' Federation of N.S.W., explaining that it 'avoids taking part in political matters'.² And as a result of the conflict, the Pastoralists' Union developed an antipathy towards unionists and union organisers, an attitude reinforced by later clashes with trade unions and Labor governments.

After the Strikes

Once the shearers had been soundly defeated and comparative peace returned to the pastoral industry, the momentum of activity of the Pastoralists' Union quickly declined. Council meetings became less frequent, the employment of paid district secretaries was discontinued, many local committees ceased to operate, and membership fell from almost 1,000 in the early 1890s to 275 in 1900. But at no time was the Union's continued existence ever in real jeopardy.

1

Minutes of Council, 20 February 1902.

2

Ibid., 30 November 1904.

Key has argued that most 'pressure groups... originate in an effort to cope with some immediate problem and then persist as an organization to deal with new matters of concern to the membership'.¹ Even before the Pastoralists' Union achieved its primary goal of resisting the threat of organised shearers, it developed functions which continued once the Shearers' Union was defeated. One example was a labour recruitment service for its members. Moreover, even though the Shearers' Union was defeated, pastoralists recognised the need of a continuing body to safeguard their interests against any future demands and action by shearers, and to fix shearing rates for each season in each district. And despite the belief of leaders that the Union was an industrial and not a political body, occasional demands in fact were made on the N.S.W. Government. The earliest recorded formal deputation was taken to the Government in November 1890.² Most of the Union's early demands on the Government were veto demands, opposing legislation or proposed legislation, but during the strikes it made positive demands for government action to maintain law and order.³ In addition, apart from these new functions and the continuing need for vigilance, the Union had considerable

1

V.O. Key Jr., Politics, Parties and Pressure Groups, New York, 1958, p.49.

2

Minutes of Council, 18 November 1890. The purpose of this deputation was to support 'Resolutions passed at meetings held at Hillston and Cobar re Rabbit Bill'.

3

Ibid., 21 July 1891.

financial reserves, a continuing income, and its own bureaucracy, and these assets made almost inevitable continued existence, at least for a generation or more. And once the Union became permanently and seriously involved in politics, its future was in no doubt whatsoever. But this did not happen until the first two decades or so of this century.

Involvement in Politics

The GA was drawn into politics relatively quickly by a number of environmental factors. By the 1920s it was seriously and permanently involved in politics, and political activities were absorbing most of its energies and resources. Since then the process of politicisation has continued without interruption.

For the remainder of the chapter we will be concerned with the main environmental factors that drew the Association into politics and that have sustained its political activity up to the present.

Trade Unions

Trade unionism brought the Pastoralists' Union first into existence, and then helped bring it into politics.

For almost a decade after the struggle of 1890-1 pastoralists showed little real concern about the activities of the trade unions. But after the turn of the century the AWU, which had been formed in 1893 by a merger of the Amalgamated Shearers' Union with the General Labourers' Union, began to prosper through

effective organisation and the absorption of smaller competitors.¹ By 1911 it had 48,000 members and was seen by pastoralists as a powerful and direct enemy. Since the AWU had been linked to the Labor Party almost from its birth,² pastoralists regarded the majority Labor governments, which came to power in N.S.W. and the Commonwealth in 1910, almost as creatures of the Union and expected them to pass discriminatory legislation. The AWU's links with the Labor Party gave GA members the idea of working to secure more direct and effective representation in parliament. When the FSA in 1919 invited the Association to participate in founding a new political party, many members immediately called to mind the fact of the AWU's links with the Labor Party, and reasoned that a similar relationship with a new producers' party could only be to the GA's advantage. Inspired by the AWU's amalgamation with smaller unions, and later by the 'One Big Union' movement, the GA during the first world war and immediately after also experimented with various schemes to unite primary producers for political purposes in a single organisation. The GA is a good illustration of the way that pressure groups often model themselves on their rivals and on institutions which they see as providing a threat to their security.

1

Gollan, p.609.

2

Ibid., p.610.

But even before majority Labor governments came to power, the trade unions drew the Pastoralists' Union further into politics and also into the field of industrial arbitration. Demands of trade unions on governments caused the Union to make counter-demands. In particular it resisted trade union demands for arbitration machinery, and then in 1903-4 opposed the passage of an arbitration bill before the Commonwealth parliament.¹ Once this bill was passed and the Commonwealth Arbitration Court was established, the AWU appealed to the Court to settle a dispute over shearing rates and conditions. This necessitated the Union defending the interests of its members before the Court.² In 1907 the Court handed down the first Federal Pastoral Industry Award which granted shearers and other employees increased rates, but refused the AWU's demand for compulsory preference for unionists.³ Since 1907 repeated appeals by trade unions to arbitration tribunals have necessitated the GA being constantly involved in the field of industrial arbitration.

Government Action

Government action in the early years of this century provided the second major stimulus for the entry

1

Minutes of Council, 29 July 1903 and 27 January 1904.

2

Minutes of Council, 17 October 1906, 30 January 1907, and 27 February 1907.

3

Gollan, pp.605-6.

of the Association into politics. Within a short space of time N.S.W. and Commonwealth governments introduced and passed a great volume of legislation which directly affected the interests of graziers.¹ Industrial arbitration machinery was set up, fixed minimum requirements were set for accommodation provided by pastoralists for shearers, provision was made for the resumption of large estates for closer settlement, and land taxation was levied on owners of larger holdings. New forms of taxation were introduced and tariffs were applied to a wide range of imported goods including farm machinery and pastoral supplies. Then at the end of the first world war graziers reacted strongly to the meat-price fixing regulations of 1918, and later to the Massy Greene tariff of 1920-1,² to higher taxation, and to the actions of Labor governments in N.S.W., especially the Lang Government's Workers' Compensation Act, Rural Workers' Accommodation Act, amended land legislation and arbitration machinery, increased rail charges, higher taxation, and the threat to abolish Pastures Protection Boards.³ In March 1927 the GA President told delegates at the Annual Conference:

1

Graham, 'Graziers in Politics', p.592-4, and Formation of the Australian Country Parties, pp.118-120.

2

N.S.W. Graziers' Annual 1923, p.22, and N.S.W. Graziers' Annual 1924, p.16.

3

N.S.W. Graziers' Annual 1927, pp.21-3, 26, 34, 38.

It used to be said that if the season was right the Government did not matter. The present Government has proved to us, however, that politics are almost as important as the weather. We can no longer ignore politics - politics will not return the compliment! At every hand's turn now we are handicapped by burdens politically imposed, and I think you will all agree with me when I say that the Lang Government has been the biggest political affliction that our industry has ever been called upon to bear.¹

In reaction to unfavourable government policies, the Association took action to veto specific policies and to secure more favourable treatment for graziers. It appealed to governments, members of parliament and the public. In 1919, as we have noted, it combined with the FSA to form a new political party. Its aim in doing so was to keep the Labor Party out of office and to secure the return of more sympathetic governments. And even before this move, involvement in politics necessitated changes in the organisation's structure and machinery. The local branch structure, which disappeared after the defeat of the Shearers' Union, was revived and a system of district committees was established.² The Council and Executive Committee were expanded in size, and in 1917 provision was made for Annual Conferences to which local branches could send

1

Ibid., pp.20-1.

2

This is based on documentary material - minutes of Council, and Annual Reports - and on interviews with J.W. Allen (Secretary 1912-46) on 30 August and 1 September 1966.

delegates.¹ Efforts were also made to increase the membership size, and to recruit smaller woolgrowers so as to soften the organisation's image as an elite group of wealthy pastoralists. From 1914 paid organisers were appointed to canvass country districts. To make the Association more attractive to smaller woolgrowers, and to improve its image with Governments, its name was changed in 1916 from the Pastoralists' Union to the Graziers' Association.²

Graham has argued that most of these changes were the result of the influence of newly recruited smaller woolgrowers within the Association. 'During World War I', he states, the Association 'was joined by many small graziers and mixed (wheat and sheep) farmers from the New South Wales tablelands and slopes and, in response to their attitudes, changed its procedures in certain important respects'.³ While it is true that efforts were made to make the organisation more attractive to smaller growers, the initiative for the changes came from larger graziers such as Colin Sinclair and James Walker whose main aim was to make the Association a more effective political organisation.

1

N.S.W. Graziers' Annual 1918, p.14.

2

Annual Report, 1916, p.27; Annual Report, 1917, p.9; and minutes of Council, 30 August 1916. The decision to change the name was made after a ballot of all members.

3

Graham, Formation of the Australian Country Parties, p.120. See also 'Graziers in Politics', p.596.

Moreover, there is little evidence to show that the newly recruited smaller woolgrowers played any significant role in decision-making at this time.

Since the 1920s, government policies, especially those of Labor governments, have helped sustain and increase the political activity of the Association. And as the scope of government activities has expanded, so the actions of governments have touched the lives of graziers in an increasing number of ways. Consequently, the scope of the GA's pressure group activities has steadily expanded.

Other Factors

Many other factors also helped draw the GA into politics, and then helped sustain its political activities. One important factor was the political activity of other groups apart from trade unions, especially manufacturing interests demanding tariff protection and wheat-sheep farmers seeking stabilised marketing for the wool industry. Then too, increased government control over the economy made graziers, as well as other producers, more dependent on governments and less able to overcome disabilities by independent action. Thus the GA was forced to turn to governments for such assistance as concession freight rates for farm produce, taxation concessions, assistance to deal with rabbits and other pests, and later subsidies for research and promotion campaigns. Another factor which drew the GA further into politics was the increased opportunity for groups to participate in decision-making and administration. This factor also

encouraged the GA to expand its membership. At the 1919 Annual Conference the GA President, John Mackay, explained to delegates that it was essential to recruit as many graziers as possible since there was a

growing tendency on the part of Governments everywhere to consult representative bodies of people with regard to matters that affect their interests, and if all graziers are members of the Association they would have a stronger voice in preferring their just claims.¹

This account then indicates briefly how environmental factors operated to bring the Association into existence and then into politics, how they have provided the motivation for sustained political activity, and how they incidentally influenced the Association's internal characteristics. Today a wide variety of environmental factors continue to supply the stimuli for political action, and in response to the influence of its environment the Association's internal characteristics are being continually modified. For instance, the rising tendency of graziers in the wheat-sheep belt to grow wheat has necessitated the Association taking a greater interest in wheat matters and developing new machinery to do this. The Association's Agricultural Committee has increased greatly in importance. Today it is perhaps the most important standing committee, and it is certainly the most active one.

¹

Annual Conference records, 1919 (verbatim report).

CHAPTER 6

Political Resources, Goals and Beliefs

Pressure groups vary greatly in their internal characteristics, and reflect the influence of different environmental factors. Consequently, the GA differs considerably in its resources, goals and beliefs from the UFWA and the APPU, and the differences between the three organisations contribute to their differing patterns of political behaviour. In considering the Association's resources, goals and beliefs, we will note some of the differences between the Association and its rivals.

Membership

With over 11,000 members the GA is one of Australia's larger State and regional commodity associations and the largest graziers' association. Although it is unable to speak for all producers of wool, wheat and meat in N.S.W., its size ensures that governments take notice of its demands. Moreover, the GA claims that its members own almost half the cattle and sheep in N.S.W. and that they now grow at least half of the State's wheat production.¹ Volume of production and stock numbers carry some weight,

¹Muster, 7 July 1965.

especially with public servants and on matters that are not highly controversial.

The composition of the GA's membership is decidedly different from that of its two main rivals. Members of the GA tend to have holdings that are considerably larger than average for the wool, wheat and meat industries. A large proportion employ labour throughout the whole year, as well as casual labour for short periods (such as at shearing time). Almost all GA members are wool and/or meat producers, though an increasing number now produce wheat in combination with grazing. Socially, most GA members think of themselves as graziers rather than farmers, and as a result the GA reflects the grazier rather than the farmer sub-culture. Most members are the sons of graziers, and many were educated in GPS schools. In addition, the GA's membership includes pastoral companies and wool broking firms which own pastoral holdings, as well as individual graziers. While the UFWA includes some owners of larger holdings among its members, it is essentially an association of smaller producers,¹ and it seems that most of its members think of themselves as farmers rather than graziers. Unlike the GA, the UFWA does not include wool firms and overseas pastoral companies within its membership; in fact, at the insistence of the Wheat and Woolgrowers'

1

The average size of UFWA members' holdings would probably be 1,500-1,600 acres, and the average flock size would probably be 1,200-1,700 sheep.

Association, the UFWA's constitution was drawn up in such a way as to confine membership exclusively to bona-fide farmers and woolgrowers.¹ Little is known about the composition of the APPU's membership, but it seems that members who produce wool, wheat and meat resemble UFWA members in many respects.

Over the years the GA's membership has changed in a number of ways. In 1890 the Association was formed by wealthy pastoralists and for the first decade or so its membership was confined almost exclusively to owners of large pastoral holdings, pastoral companies, wool firms and banks. In 1891, when there were 13,187 holdings in N.S.W. which ran sheep, the GA had only 650 members. These 650 members however, as Table 4 indicates, owned almost half the sheep in the colony and the average size of their flocks was over 38,000 sheep. In the first three decades of this century, with the recruitment of many smaller woolgrowers into the Association, the average size of GA members' flocks fell sharply from 22,254 in 1901 to 3,496 in 1929.

1

Minutes of the Executive Council of the Wheat and Woolgrowers' Association, 21 January, 7 April, 18 July 1960; and minutes of the General Council of the FSA, 30 July 1960.

TABLE 4

Sheep Numbers and Size of GA Members' Flocks¹

Year	Total No. Sheep in N.S.W.	No. of sheep (or equivalent cattle) owned by GA members	Average No. of sheep per GA member
1891	55,986,000	24,005,000	38,843
1901	40,020,500	7,699,000	22,254
1911	51,580,000	15,251,000	10,725
1921	37,571,500	20,985,000	4,116
1929	50,184,900	31,688,000	3,496
1937	53,166,000	30,137,000	3,808
1941	55,568,000	30,743,000	3,712
1950	53,298,000	23,391,000	2,380
1960	71,000,000	24,559,000	2,355
1965	72,396,000	30,396,000	2,810

 1

Compiled from figures in a report of the GA Unity Study Committee, 2 April 1968, p.30. Column four contains two sorts of errors which tend to compensate one another. In calculating membership contributions the GA equates cattle with a certain number of sheep. At least for some years, the figures in column three include cattle equivalents. However, the GA has always had a small number of members who own no stock and these members are usually included in calculating the average number of sheep per member. The figures in column four have been taken directly from the report.

By 1929, as Table 5 indicates, over half the Association's members had flocks of less than 2,000 sheep. The recruitment of smaller woolgrowers and the rapid increase in the Association's membership (from 275 in 1900 to 9,674 in 1929) were partly a result of an increase in the number of woolgrowers (from 1901 to 1929 the number of rural holdings carrying sheep in N.S.W. increased from 17,500 to 31,700) brought about by the break-up of large estates and the trend to mixed farming. But, as we have seen, it was also the result of a deliberate attempt by the Association to increase its membership size and to recruit smaller woolgrowers. Today over 40 per cent of its members have fewer than 2,000 sheep, and the average size of members' flocks is just under 3,000 sheep. But the average flock size of GA members is considerably larger (about 60 per cent) than the average flock size for the State. And despite the active recruitment programmes carried out by paid organisers and a membership contribution scale weighted in favour of small growers (for growers under 1,000 sheep the membership contribution does not cover even servicing costs), the GA has never succeeded in recruiting a majority of the total number of small woolgrowers. As the figures in Table 5 indicate, in 1965 its membership included only 17 per cent of woolgrowers with less than 2,000 sheep, but 63 per cent of those with over 10,000 sheep.

The GA's leaders still consider the inclusion of smaller woolgrowers to be a definite political asset. In its submissions and publicity the GA constantly

TABLE 5

Rural Holdings in N.S.W. Carrying Sheep and
GA Membership Classified by Flock Size¹

(Source: Report of GA Unity Study Committee, 2 April 1968;
and various editions of the Graziers' Annual).

Flock Size	1891		1929		1950		1965	
	N.S.W.	GA	N.S.W.	GA	N.S.W.	GA	N.S.W.	GA
Under 500	5,358	2	13,061	859	11,111	930	8,174	417
500-999	2,248	11	6,789	1,724	8,990	1,883	8,092	1,194
1,000-1,999	1,954	24	5,669	2,730	7,252	3,045	10,800	2,988
2,000-4,999	1,696	77	4,271	2,908	4,815	2,957	8,701	4,145
5,000-9,999	686	87	1,209	924	1,042	688	2,105	1,134
10,000-19,999	495	123	518	409	280	205	405	263
20,000-49,999	491	190	171	107	71	45	87	51
Over 50,000	259	136	20	13	5	3	3	2
Totals	13,187	650	31,708	9,674	33,566	9,756	38,367	10,194

¹For 1950 and 1965 the membership figures for the GA do not include non-stockowners.

emphasises that the bulk of its membership consists of 'men with small and middle-sized holdings'.¹ Inclusion of smaller growers has undoubtedly improved the Association's public image and representativeness, although it is still generally thought of as an elite body of wealthy woolgrowers. On the other hand, the high social status of many of its members is a useful political asset but one, as Dahl² has suggested in another context, that can be exploited only to a limited extent. The high social status of its members gives the GA respectability and makes it comparatively easy for it to gain access to bureaucrats. Inclusion of a high proportion of owners of large holdings also gives added weight to its views on economic matters. But on highly controversial issues social status counts for little.

The GA's membership is widely scattered throughout the country districts of N.S.W. except for the Riverina and the far west, where the two other graziers' associations (the Graziers' Association of Riverina and the Pastoralists' Association of West Darling) operate. The territorial boundaries recognised by the three graziers' associations are shown on the accompanying map. The scattered location of members and potential members makes organising and recruiting new members difficult. But for an economic pressure group there

¹ The Graziers' Annual 1961-62 edition, p.23.

² Robert A. Dahl, Who Governs? Democracy and Power in an American City, New Haven, 1961, pp.229-38.

are some advantages in having members widely scattered in many different electorates rather than concentrated in one area, provided that in each electorate there are sufficient members to have a significant influence on voting and on the behaviour of the local member of parliament.

The GA's strength and membership character varies between the three sheep zones. In the high rainfall and pastoral zones the GA is much stronger than the UFWA. Here probably 70 to 80 per cent of holdings are included in the GA's membership.¹ In the wheat-sheep zone the position is reversed; the UFWA is appreciably stronger than the GA, and possibly only 30 per cent of rural property owners belong to the GA. However, almost half the GA's membership is drawn from the wheat-sheep zone. In the pastoral zone GA members generally run sheep only, and in the high rainfall zone sheep and/or cattle. In the wheat-sheep zone most GA members run sheep and some cattle, and now grow wheat themselves or enter into share-farming agreements for wheat to be grown on their land.

Regional differences and differences between specialisation in different commodities provide potential sources of conflict within the GA. Other

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The figures used in this section are based on interviews with staff and members of the GA and other organisations, and on the writer's calculations. Figures are available for the number of members in each of the GA's electoral districts (see accompanying map). By superimposing zone boundaries on the map of electoral districts, it is possible to compute approximately how many GA members are located in each sheep zone.

potential sources of conflict are differences of interests and outlook between owners of smaller and larger holdings, between stud owners and non-stud owners, and between Liberal Party and Country Party supporters. In addition, a significant proportion (probably 20 or 30 per cent) of members also belongs to the UFWA, and a somewhat smaller proportion to the APPU.¹ But despite these differences, the GA has a high level of membership solidarity. Opinion on policies and tactics is often sharply divided, but such differences are seldom on basic issues and are usually resolved by constitutional means. What is significant is that no splinter group has ever broken away from the GA. Its solidarity springs basically from the general homogeneity of its membership. Despite their differences, GA members share basically the same general outlook, and are bound together by a sense of common purpose and of common experiences. The cross-membership between the GA and other farm organisations does not seriously affect the GA's solidarity since few members with dual (or triple) membership feel an equal sense of loyalty and commitment to each organisation to which they belong. Those who belong to both the GA and the UFWA tend to identify themselves with one body, depending mainly on whether they think of themselves as graziers or farmers, or are inactive in both. Often primary producers join more than one

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Except for the Dillon-Jarrett Survey of 1963 commissioned by the APPU, no detailed survey has been made of cross-membership between farm organisations.

organisation solely to get rid of a persistent organiser.¹

Since its formation the GA has enjoyed a high degree of membership stability. As Table 6 shows, since 1930 the membership size has remained fairly constant. In addition, the turn-over in membership has been comparatively low. To sustain its membership level the GA employs permanent organisers to recruit new members and to visit those whose membership contributions fall into arrears. But even with these recruitment methods, the GA's membership level would not be sustained unless members were well-satisfied with the services provided and with the performance of the Association in politics, particularly as its membership contribution rates are higher than those of its competitors.² The GA offers a large range of services to members apart from the promotion of their general interests by political activities. Its most valuable services are those related to the employment of labour. Both directly, and through the AWGC and the National Employers' Policy Committee, the GA represents employers of pastoral labour in award and national wage case hearings. It supplies members with full details of awards and conditions of employment, and with copies of agreement forms based on awards and on employment regulations for shearers and all of the

1

Aitkin, p.306, considers that many country people join the Country Party for the same reason.

2

That is apart from the rates for small producers.

TABLE 6

GA Membership 1890-1965

(Source: Various issues of the Annual Report, Report of Proceedings and The Graziers' Annual, and information supplied by the GA Librarian).

1890	606	1930	9,269
1895	340	1935	7,537
1900	275	1940	8,826
1905	429	1945	8,900 (approx)
1910	1,400 (approx)	1950	10,055
1915	2,386	1955	11,092
1920	5,098	1960	10,422
1925	5,067	1965	11,075

other numerous categories of labour (such as shed-hands, wool-pressers, cooks) employed in the pastoral and agricultural industries. Comparable services to employers of labour are unavailable from any other farm organisation or from any official institution. Legal and taxation advice is supplied and on occasions the GA undertakes legal action on behalf of individual members. Veterinary, superannuation, insurance and discount buying services are also provided, and the Association makes representations to government departments on behalf of individual members.

Membership Participation

There can be few voluntary organisations whose leaders are not from time to time disturbed by apathy of rank and file. The GA is no exception, even though it is probably true that the level of membership participation in the Association is higher than in other farm organisations.

The level of membership participation varies with different activities. Fewer than 10 per cent of members attend branch meetings regularly, and less than 1 per cent attend the Annual General Meeting.¹ Even fewer members hold office in local branches or higher organs since the number of such positions is limited. On the other hand, when ballots for the election of members of the General Council are required, up to 40 per cent of eligible members return voting papers.² In 1950 almost half the members (4,518 out of 9,364) returned their ballot papers in a GA referendum on the principle of grower finance for a proposed wool marketing scheme.³ In times of crisis, or when highly contentious issues are being debated, even higher proportions of members become mobilised and attend branch meetings, as they

1

Apart from the secondary sources indicated, this section is mainly based on the writer's observations, and on discussions with members and staff of the Association.

2

From figures given in Annual Conference records. Often ballots are unnecessary as sitting members are usually returned unopposed.

3

Muster, 15 June 1950, p.51.

did, for example, in 1950, over the wool sales deduction legislation. The ability to mobilise a high proportion of members in a crisis is a particularly valuable political asset. While a higher rate of participation in branch activities would probably increase the overall efficiency of the organisation, as well as the political effectiveness of branches as independent centres of political action, the present rate is sufficient to enable the GA to function quite effectively. Moreover, the GA's rate of membership participation is decidedly higher than that of the APPU, and probably slightly higher than that of the UFWA.¹

We have already observed that in the GA, membership recruitment is related to size of holdings and social status. Membership participation is likewise related; those with larger holdings and higher social status participate more actively from the branch level upwards. There are a number of reasons for this. More prosperous and wealthy land owners generally respond more readily to adverse changes in economic conditions, mainly because they have a higher level of income aspiration,

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The APPU's rate of membership participation is lower mainly because the APPU operates active branches only in a few isolated areas. Many APPU members in grazing and wheat areas have never attended an APPU branch meeting; in many cases they don't know where the nearest APPU branch is. If the GA's rate of membership participation is higher than that of the UFWA, this could probably be best explained in terms of greater class cohesion among graziers and the use of differing membership contribution systems. GA members have their contributions re-assessed annually and receive an annual account, whereas most UFWA members sign bank-orders giving their banks authority to pay their annual contribution automatically each year.

and often a better appreciation of the factors that cause adverse changes in profitability and more definite ideas about possible solutions.¹ Larger graziers also have a greater fear of trade unions, the Labor Party and government intervention, mainly because they have more at stake, and because they feel more vulnerable to attack. In a study of farm operators in Wisconsin, Warner and Heffernan² found some evidence (though it was not conclusive) to support the hypothesis that the greater the number of benefits a member thinks he receives from a farm organisation, the greater will be his participation in the organisation. They found more substantial evidence to support a second hypothesis that the more a member thinks the benefit he is receiving from an organisation is contingent upon his participation, the greater his participation will be. There is evidence to substantiate both hypotheses in the case of the GA. Because they employ permanent labour forces and depend on itinerant shearing teams, larger graziers derive greater benefit from the GA's industrial service. Most of them appreciate this fact; if they did not, they would not agree so readily to

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On this point see Denton E. Morrison and Allan D. Steeves, 'Deprivation, Discontent, and Social Movement Participation: Evidence on a Contemporary Farmers' Movement, the NFO', Rural Sociology, Vol. 32, No.4 (December 1967); and Frederick C. Fliegel, 'Aspirations of Low-Income Farmers and Their Performance and Potential for Change', Rural Sociology, Vol. 24, No.3 (1959).

2

W. Keith Warner and William D. Heffernan, 'The Benefit-Participation Contingency in Voluntary Farm Organizations', Rural Sociology, Vol. 32, No.2 (June 1967).

retention of the sliding membership contribution scale based on stock numbers. They also value the GA's political functions more highly since they feel more vulnerable to attack. In addition, they are aware that, if they do not participate in the affairs of the Association as a group, their special interests are unlikely to be safeguarded. Because they employ more labour and have greater economic security, larger graziers also are better able to afford the demands of time and expense that active participation involves. These demands can be particularly heavy, and in the GA there is little in the way of financial rewards. Unlike other farm organisations, the GA does not even pay an accommodation allowance to delegates to the Annual Conference. Larger graziers also participate more actively because they consider it is their duty to do so. Milbrath¹ reports that several studies show that persons feeling a duty to participate in voluntary organisations are more likely to do so, and that persons with upper socio-economic status are more likely to develop a sense of citizen duty. The sense of duty among larger graziers is particularly strong. Graziers are brought up to believe that they belong to an elite group whose members have a responsibility to the community, and an even greater responsibility to their class and the grazing industry. Some grazing families have a strong family tradition of active participation in the Association, and over the years have been

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Lester W. Milbrath, Political Participation: How and Why Do People Get Involved in Politics, Chicago, 1965, pp.61-3.

particularly well represented on the General Council and the Executive Committee. They include the Abbotts, the Dangars, the Katers, the Killens, the Wrights, and the Ashtons. Sometimes a number of members of the one family are active in the GA at the same time. For instance, in 1966 when B.A. Wright was the Association's President, his father (a past-President) and one of his brothers were also members of the General Council, and another brother was Chairman of the New England District Council.

Some of the reasons why smaller landowners participate less actively in the GA have already been suggested but there are others. Smaller landowners are often extremely conscious of their lower social status. Generally they consider that it is the larger landowners' 'place' to participate more actively in the GA, and that their proper role is to give support when it is needed. Members with smaller holdings can easily feel out of place in GA branches where the main activists are owners of larger holdings and graziers of higher social status.

Leadership

Leadership is related to membership participation in that leaders are recruited from among activists and, for most of the same reasons that operate in the case of membership participation, tend to be drawn from among activists with higher socio-economic status. Most GA leaders from branch level up own large holdings and employ a permanent labour force; generally they come from old grazing families, and have been educated

in the best private and church schools. Most of them produce wool and meat rather than wheat. Almost all think of themselves as graziers rather than farmers, and reflect the characteristic attitudes and beliefs of the distinctive grazier sub-culture.

But these are not the only criteria for securing office. Despite their natural concern about wealth and status, larger graziers have a high regard for ability, education, dependability and service. Over the years a tradition has built up in the GA that these qualities are important in leaders, and the method used for choosing leaders tends to emphasise these qualities. This method differs markedly from that of the UFWA, as shown in Figure 6. With the UFWA's method, where the Annual Conference chooses the General Council, the President, the Vice-Presidents and the Treasurer directly, there is a tendency to select competent and articulate conference performers or even demagogues. In the GA there is a more careful, graduated, sifting process whereby leaders are selected by a much smaller body whose members are well aware of one another's record of service, ability and reliability.

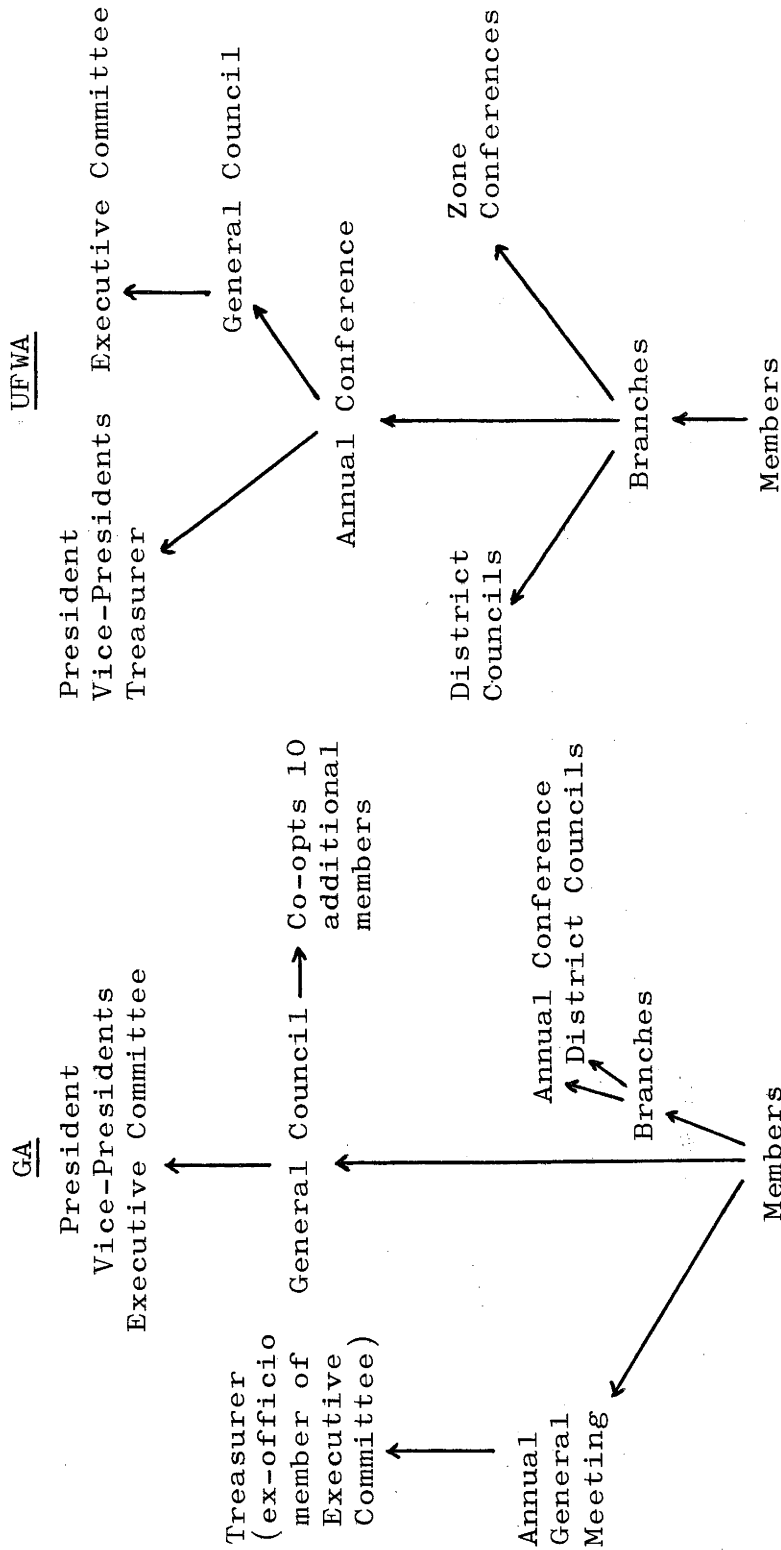
Many of the GA's Presidents have combined natural ability and education with wealth and high social status. One notable example was Sir Norman Kater, who was President of the Association from 1922 to 1925.¹

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The story of the Kater family is well set out in David S. Macmillan, The Kater Family 1750-1965, Sydney, 1966. Valuable material is also available in the Association's biographical file.

Figures 6. Methods of Choosing Leaders

Source: GA and UFWA constitutions



Born in November 1874, Kater was the son of a well-known pastoralist, sheep breeder, company director and member of the Legislative Council. On his mother's side he was a direct descendant from the famous explorer, Gregory Blaxland. Kater was educated at All Saints' College Bathurst and Sydney Grammar School, and later at Sydney University where he qualified as a medical practitioner. However, except for brief periods after graduation and during the first world war, he did not practise, but instead devoted himself to pastoral and business interests, and to politics. In 1910 he entered into partnership with his father and managed the 'Egelabra' and 'Yanganbil' properties. He was elected to the GA General Council in 1911 and to the Executive Committee in 1919. After his term as President of the Association, he continued to serve on the General Council until 1931 when he was appointed a Trustee of the Association, a position he retained until his death in 1965. Apart from the GA, Kater participated actively in many other organisations including the N.S.W. Sheepbreeders' Association, the Country Party and the Institute of Public Affairs. From 1923 to 1954 he was a member of the Legislative Council, and in the late 1920s chaired an official committee of inquiry appointed by the Bruce Government to examine problems facing the pastoral industry and to make recommendations. His business connections were extensive. By 1929 (when he received his knighthood), he was Chairman of the board of directors of the Commonwealth Wool and Produce Company, and a director

of the Colonial Sugar Refining Company, the Graziers' Co-operative Shearing Company, the Globe Worsted Mills, and the London, Liverpool and Globe Insurance Company. Later he was appointed to the boards of other companies. For years Sir Norman directed his business affairs from his own office in O'Connell Street in the heart of Sydney's banking and business area. He maintained homes in Sydney and Moss Vale, as well as on his main property, and was a member of the exclusive Union and Australian clubs in Sydney, the Queensland Club, and the Junior Carlton club in London. In many respects Kater was a unique figure. But many other GA Presidents have been well-educated, able and experienced, as well as being wealthy. J.P. Abbott and D.W. Bucknell were also university graduates, Sir Frederick Tout was a lawyer, and W.E. Abbott had read papers to the Royal Society and in 1884 was awarded the Society's bronze medal. B.A. Wright, elected President in 1965, is a brother of Judith Wright the poet. Sir Frederick Tout and Sir Graham Waddell both had extensive business connections and served on the boards of many prominent public companies.

The leaders of the GA have often differed significantly in social and economic status from the Association's membership as a whole. This has sometimes resulted in differences of outlook and interest, but the effects of such differences have been minimised by the high regard given to leaders within the organisation and by the genuine efforts of leaders to consider different points of view among members. The high regard in which leaders are held is

based partly on tradition. Once a member is elected President, he is automatically accorded high status and respect and it is unknown for anyone to run for office against a President standing for his second or third term. The tradition of giving leaders high status is related to a general tendency among farmers and upper socio-economic status groups to place emphasis on respect and even deference to their elected leaders. But many GA Presidents, and other leaders also, have acquired status and legitimacy by their charismatic qualities and their performance. Perhaps the most forceful President was J.P. Abbott who immediately after his term of office entered the Commonwealth parliament and served in 1940 and 1941 in the Menzies Ministry.

The leaders of the GA also have always differed significantly in wealth, social status and education from leaders of other farm bodies, an important factor underlying the differences in political behaviour between the GA and its two main rivals. A survey conducted by the writer¹ showed that leaders of the three organisations differ markedly in education, social background and in the sizes and types of their enterprises. Ninety-six per cent of GA respondents

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To secure data on the extent of the differences between leaders of the GA, the UFWA and the APPU, the writer conducted a survey early in 1968 of members of the general councils of the GA and the UFWA and members of the Finance and Administration Committee of the N.S.W. division of the APPU. A detailed explanation of the survey method and response rate secured is included in an appendix.

had some form of post-primary education while this was true of only 79 per cent of UFWA respondents and only 65 per cent of those from the APPU. Almost 20 per cent of GA respondents held university degrees or agricultural diplomas, against less than 5 per cent of APPU respondents and none at all for the UFWA. The differences in social background were even more marked. No APPU or UFWA respondents belonged to any of the three exclusive clubs in Sydney (Australian, Union and University clubs) whereas almost 30 per cent of GA respondents reported belonging to one or more of these clubs. Almost 80 per cent of GA respondents had attended a church or private secondary school, whereas the figures for UFWA and APPU respondents were 38 per cent and 12 per cent respectively. Family traditions of organisation participation were somewhat higher in the GA than in the UFWA, and appreciably higher than in the APPU. Respondents were asked whether their father was, or is, a member of the same organisation (in the case of UFWA, one of its predecessors). Replies in the affirmative were: GA 66 per cent, UFWA 56 per cent and APPU 21 per cent. Differences in size and type of enterprise were considerable, as Table 7 shows. The average size of APPU respondents' holdings was 1,100 acres; for UFWA respondents it was 3,886 acres and for GA respondents 14,121 acres.¹ Table 8 indicates that GA

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The average for GA respondents does not include one respondent who, through family companies, partly owned a greater amount of property than all other GA respondents together.

TABLE 7

Size of Properties of Leaders
(Percentages)

Acres	GA	UFWA	APPU
Under 2,000	11.5	60.7	76.2
2,000 - 4,999	21.3	24.2	23.8
5,000 and over	67.2	15.1	--
Total	100.0	100.0	100.0

TABLE 8

Size of Flocks of Leaders who Ran Sheep
(Percentages)

Size of Flock	GA	UFWA
Under 2,000	12.7	37.5
2,000 - 4,999	32.5	41.7
Over 5,000	54.8	20.8
Total	100.0	100.0

respondents who ran sheep had considerably larger flocks than UFWA respondents. The average for GA respondents was approximately 7,000 sheep and for UFWA respondents 3,000. Most GA respondents were interested in wool production, while the interest of UFWA respondents was mainly in wheat. Of GA respondents 81 per cent reported that they produced wool and only

64 per cent that they produced wheat; for UFWA respondents the figures were 70 per cent and 91 per cent respectively.¹ GA respondents also tended to employ more permanent labour, as indicated in Table 9.

TABLE 9
Permanent Labour Employed by Leaders
 (Percentages)

Employees	GA	UFWA
Nil	11.1	31.3
1	15.9	37.5
2 - 5	52.3	25.0
6 or more	20.7	6.2
Total	100.0	100.0

The composition of the leadership of a pressure group has a marked effect on the organisation's character and behaviour. Strong, able and skilful leaders constitute a valuable political resource. Clearly the Association's leaders in the past have left their mark on the organisation and have contributed to its success in politics. Without doubt its leaders today constitute a valuable political resource.

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GA respondents mostly listed wool first among the commodities produced while most UFWA respondents wrote wheat first.

Goals

The goals of a pressure group are largely determined by the character of its membership, particularly rank and file activists and leaders, and by the motivation that brought the group into existence and/or into politics and that provides the stimulus for sustaining its political activity.

The GA's goals clearly reflect the attitudes, values and emotions of larger graziers - in other words the main characteristics of the grazier sub-culture. Thus the GA seeks to maintain the existing social and economic order which accords graziers their privileged position. It stands in theory for a minimum of government intervention and for free enterprise; it is opposed to socialism and communism, and to many of the goals of trade unions and the Labor Party. In the case of the wool industry, the GA reflects the belief of larger graziers that the problems of the industry can best be overcome by increased productivity, wool promotion and research, and government assistance to reduce costs, rather than by marketing reform. Because leaders and activists share a similar general outlook, there is a strong degree of consensus on basic goals.

The various political motivations that have operated on the GA have tended to reinforce these goals derived from its membership character. Because of its experiences with trade unions and Labor governments, the GA as an institution has good reason to see unions and Labor administrations as

constituting a definite threat to its existence, as well as often constituting a threat to the well-being of its members.

Changes in goals are a common phenomenon in the career of any pressure group.¹ When the Association was founded its goals were extremely limited and negative in orientation. Its first aim was to counteract the industrial organisation of shearers, then to resist their demands for better conditions and a 'closed shop'. But later, in response to new political motivations, the GA's goals gradually broadened and included positive as well as negative goals. Today the Association aims to promote and protect the interests of its members, not only as employers of labour, but as producers of wool, wheat and meat, as rural dwellers, and as citizens. It still aims to resist the actions of trade unions and Labor governments, and the encroachment of socialism and communism. In consequence, it wants to preserve the status quo and if possible regain lost ground. But at the same time, despite its opposition in theory to government intervention, the GA is concerned to achieve many forms of extended government activity and expenditure. Moreover, its positive goals are becoming increasingly important as a result of graziers' increasing need of government assistance.

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See Zeigler, pp.75-6, on this point.

The GA's aims naturally vary with changing circumstances. During periods of industrial disturbances and Labor rule, the GA's fear of trade unions and the Labor Party inevitably increases. For example, in 1948 when Labor governments were in power in N.S.W. and the Commonwealth and after attempts by the Chifley Government to nationalise airlines and banks, the President of the GA (P.A. Wright) told delegates at the Association's Annual Conference:

In a battle to maintain our rights and privileges as free citizens...we are fighting on four fronts.

We have to resist the efforts of Governments to hold and enlarge the extraordinary powers ceded to them temporarily during the war and, by means of those powers, to transform themselves from the servants to the masters of the people.

We have to wage an implacable campaign against a treasonable, subversive communist minority, sometimes supporting, sometimes defying our Governments, aiming at enslaving us under a totalitarian dictatorship.

We must combat those pressure groups, used so adroitly by the communists and by opportunistic union leaders, which are endeavouring to exploit the post-war situation for the sectional advantage.

And we must strive to awaken in people, blind to the threat to their liberties and prone to be taken in by specious promises, a realisation of the thralldom [sic] into which they will be drawn unless they shed their apathy.¹

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Presidential address to 1948 Annual Conference (Annual Conference records, 1948).

But at other times the GA is more concerned about purely economic goals. In the last decade, with less to fear from trade unions and the Labor Party, and with sharply declining wool prices, the GA has been concerned primarily with the 'cost-price squeeze'.

Identity and Operational Norms

These terms refer to beliefs held by leaders, activists and staff and also, to some extent, by members. Identity refers to beliefs about what kind of organisation the GA is or should be. Operational norms are beliefs about how the Association should operate and behave, and about the nature of the outside political world. These beliefs constitute an important part of the Association's internal characteristics.

While all leaders and activists recognise that the GA is an organisation which represents the interests of graziers, and that it differs from other farm organisations, there are some differences of opinion about how wide the GA's interests should be, and about the extent to which the Association actually differs from other farm organisations. The most contentious of these questions is that relating to the width of the Association's interests. Some members favour restricting the GA's interests to wool and meat matters, while others consider that the Association should take a definite and increasing interest in wheat policy. Members in the northern part of the wheat-sheep zone have been pressing for the name of the Association to be changed to 'The Graziers and Graingrowers' Association of New South Wales', and for provision to

be made for the automatic representation of the Agricultural Committee on the Executive Committee.¹ To date these pressures have been resisted, but in the future they could be a source of serious dispute. On the question of the extent to which the GA differs from other organisations, the main division of opinion is between leaders and members. Leaders generally see the differences between the GA and other farm organisations as significant, and as a barrier to unity; many members on the other hand, tend to minimise the differences, and show much greater enthusiasm for amalgamation with other organisations.

On most other matters concerning identity and operational norms there is a high degree of consensus. Leaders, activists and members alike see the GA as an association of graziers rather than farmers, and consider that it should uphold the traditional values of graziers. There is a tremendous pride in the Association which is seen as an important and responsible policy-former in the Australian political system. It is considered that the Association's policies are soundly based and in accord with the national interest. On the occasion of its seventy-fifth anniversary in July 1965, T.B.C. Walker, then the Association's President, wrote of the GA:

Its past is a great one and its policies have been distinguished by two outstanding characteristics: integrity and soundness. This, I think, is due to the practice of

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General Council minutes, 15-17 November 1967, and Annual Conference minutes, 1967.

studying a new problem fully before it takes a decision.... It has always sought to present the truth to the industry and conclusions which may be drawn logically from the facts.... A characteristic of graziers is their strong sense of independence. The association has this characteristic, too. If it is right, it does not like compromise.¹

There is also a strong belief that the Association's role in the formation of agricultural policy is crucial.

Because the Association is seen as responsible, its leaders and staff have clear ideas about how the Association should behave, and what methods are legitimate and proper for it to use. In an address to a regional conference of GA delegates in 1960, S.S. Ick-Hewins, then General Secretary, expressed the settled view on how the methods of the GA differ from those employed by other groups. He told delegates:

An organisation is knit together very largely because its members possess something in common in their philosophic outlook. One organisation may be convinced that strength lies in a large number of angry members capable of marching on Canberra or Macquarie Street, armed with cudgels and pole-axes and of heaping the desk of some Arbitration Court judge with a pile of intimidatory telegrams. Another may take the view that it is better to win both government and the public by unassailable reason. The latter class must have considerable knowledge and appreciation of the National problems with which government has to deal.

¹

Muster, 7 July 1965 (anniversary supplement), p.10.

After thirty-two years' observation of the Graziers' Associations throughout the Australian States, I have no hesitation¹ in saying they belong to the latter class.

Once or twice some inexperienced delegate to the Annual Conference has suggested the possibility of strike action, only to be told that such action is considered improper. Even at the branch level, there is a strong belief that the GA's methods and political style differ from those of other farm organisations, particularly the UWFA and the APPU. The GA prides itself on its rational and business-like approach to policy-making, and on its reliance on argument and direct approaches to governments rather than on irresponsible, public campaigning. The secretary of a local branch of the GA complained to the writer about this difference in political style: on a local matter, he related, the GA branch had enlisted the support of the UFWA branch, which instead of pursuing the matter 'quietly and sensibly', went at it 'like a bull at a gate'; the project failed.

The GA has always been conscious of criticisms levelled against it - that it is undemocratic and ruled by a close coterie of wealthy pastoralists, that it is (as one Labor Minister² once described it) 'an exclusive society', that it is reactionary and ultra-conservative,

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Notes on an address delivered at Bathurst, 30 July 1960 (held by GA Library).

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This criticism came from the Hon. Clive Evatt in the 1940s.

and that it vetoes the proposals put forward by other farm organisations without making any positive contributions. Such criticisms are considered to be unfounded and unfair. In 1948 P.A. Wright, then the Association's President, replied to some of these criticisms. He told delegates at the Annual Conference:

It is sometimes said of us - simply because, in the past, as now, we have refused to be stampeded by the glib catchcries of the day - that we are conservative. If to be conservative is to insist on keeping the best of the old while accepting only after test what the new may have to offer us - if to be conservative is to maintain the dignity of human beings and basic principles of decency in the conduct of daily life ... no matter what technical and scientific changes the world may see - then we are conservatives, and profess that faith proudly.

The graziers of New South Wales - of Australia - have never set their face against change. Indeed, the most superficial survey of the industry shows that the opposite is the case.

Far from being content to ride unthinkingly on the sheep's back, we have spent vast sums in developing our land and pastures, in improving our flocks and herds, stimulating research to keep wool in its pre-eminent position as a textile, and exploring and developing new markets.¹

Some practices and beliefs in the GA result partly from reaction to criticism. One of these is the strong emphasis on democratic procedures.

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Annual Conference records, 1948.

The GA's view of the economic and political systems in which it operates is essentially rational and well-informed. The GA's leaders and staff, in particular, have a good appreciation of how the political system works, of government policy-making and administrative processes, and of the relative amounts of power (and kinds of power) wielded by different institutions of government and by different official actors in the system. However, their view of their competitors and more particularly their fear of trade unions, the Labor Party, socialism and communism are perhaps less rational.

Financial Resources and Secretariat

The GA enjoys an income far greater than its rivals and probably greater than any other farm organisation in Australia. For instance, in 1964 when the GA had a membership of 10,990 and the UFWA had a membership of 19,600, the GA's general income was almost double that of the UFWA.¹ The size of a pressure group's income depends on its membership, on the ability and willingness of its members to contribute, and on the actual membership contribution scheme used. Being the largest of the graziers' associations, the GA is naturally the most wealthy. However, the GA's financial superiority over the UFWA springs mainly from the fact that members of the GA

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This statement is based on examination of both organisations' financial statements for 1964.

are better able and more willing to pay larger amounts to the Association, and contributions are based on a sliding scale related to stock numbers.¹ In 1967 the minimum membership contribution was \$10, with an additional charge of 60 cents per 100 sheep over a minimum of 1,000 sheep.² Thus, while some members paid only \$10, others with large holdings and flocks paid sums ranging up to approximately \$2,000. In contrast, the UFWA has a fixed membership fee which was \$10 in 1967.³ In addition to its annual ordinary income from membership contributions, the GA has considerable assets (including an office building in the heart of the commercial area of Sydney,⁴ as well as invested funds), a Special Purposes Fund which is used for 'political purposes', and the constitutional power to raise additional funds by special levies or 'calls' from its members up to \$2 per 1,000 sheep and

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In 1967 an assessment based on wheat production was also used, but this proved impracticable and was abandoned.

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For the purpose of this calculation one head of cattle was deemed to equal four sheep.

3

This statement is based on information supplied in 1967 by the Acting General Secretary. Not all members however, paid \$10. At the 1967 UFWA conference the Treasurer explained that many members had not changed their bank-orders as requested to \$10, and consequently were paying at old rates. One branch secretary told the writer that some members of his branch were paying as little as \$1 p.a.

4

The UFWA too has its own office building which is somewhat smaller than the GA's building.

\$1 per 100 head of cattle p.a.¹ The Special Purposes Fund, which is supported by voluntary contributions from members is used mainly for special campaigns and for the support of political parties.

In Australia there is little scope of bribery and corruption at the official level. Financial resources do constitute an important political asset for pressure groups, however, and they can be used for five main purposes: maintenance of a secretariat and the hire of experts, organisation maintenance and membership recruitment, regular publicity and propaganda, contributions to political parties, and the fighting of special political campaigns. The GA uses its financial resources in each of these ways. Table 10 shows an analysis of the GA's expenditure for 1965 against that of the UFWA. What is significant is that the GA spends a larger proportion of its ordinary income on maintaining its secretariat (and consequently it is able to employ a larger staff), public relations, and affiliation fees to commodity federations (most of which go to the AWGC). The table also shows that the GA spends less than the UFWA at branch level, mainly because the GA's branches have no separate funds (their operating expenses are paid from head office), whereas the UFWA's rules

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Rules of the Graziers' Association of New South Wales
(incorporating amendments up to 26th March 1966),
rule 22.

TABLE 10

Comparison of GA and UFWA General Expenditure in 1964¹
(Percentages)

	GA	UFWA
Publications and public relations	17.3	13.3
Affiliation fees and commitments to commodity federations	14.1	6.2
Membership recruitment	12.9	18.0
Expenses of Executive Committee committees, conferences	10.3	13.2
Remittances to or expenditure of branches and district councils	4.0	21.7
Head office expenses	39.6	27.2
Others	1.8	0.4
Total	100.0	100.0

provide for branches to receive $12\frac{1}{2}$ per cent of membership subscriptions.²

On the basis of the number and quality of its staff and its office facilities, the GA's secretariat is much superior to those of other farm organisations. It is also superior to the secretariats of most trade

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This table has been compiled from the 'Treasurer's Report and Balance Sheet and Accounts, year ended 31st December 1964' for the GA, and the statement of the 'Revenue and Expenditure Account, year ended 31st May 1964' for the UFWA.

²

Memorandum and Articles of Association of United Farmers and Woolgrowers' Association of New South Wales, rule 44, p.16.

unions and comparable to the secretariats of many business pressure groups. The GA in 1967 had a staff of sixty-one, apart from cleaning and building maintenance employees. Except for the UFWA and the Victorian Wheat and Woolgrowers' Association which had staffs of thirty-three and twenty-two respectively, all other farm organisations had staffs of less than twenty-one.¹ Table 11 shows an analysis of the staff of the GA and four other farm organisations according to function and the number of university graduates. What is significant is how the GA utilised its larger staff. The number employed in organising and the conduct of the buying-service and the insurance scheme was roughly comparable to staffing in other large farm organisations, but a much larger number were employed in public relations, in research, and in providing clerical and secretarial assistance to senior staff. Five members of the GA staff held university degrees; others held professional qualifications in accountancy, business administration and public relations. In recruiting staff, the GA has always placed more emphasis than other farm organisations on academic qualifications and on experience in business or journalism, rather than on experience in farming. Its salaries, particularly at senior levels, have always been higher than those offered by other farm organisations. In addition, the

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At the writer's request, all the leading organisations supplied details on their staff size in 1967.

TABLE 11

Members of Staff in Some Selected
Farm Organisation Secretariats in 1967¹

	GA	UFWA	APPU (N.S.W.)	Victorian Wheat and Woolgrowers' Association	Stockowners' Association of S.A.
Senior Executive/ Administrative	7	6	4	2	2
Research	2	1	1	-	-
Public Relations	10	3	1	2	-
Clerical/Secretarial	29	15	6	6	6
Organisers	5	6	2	4	1
Buying-service/ Insurance	8	2	5	8	2
Total	61	33	19	22	11
No. of university graduates	5	2	1	-	-

¹ Based on information supplied by each organisation.

GA offers attractive fringe benefits and has its own superannuation scheme. The turnover in staff, especially at senior levels, is very low. In 1965 there were eleven members of staff who had been with the Association for more than twenty years, and four for almost forty years.¹ Since 1912 the GA secretariat has only had two 'permanent heads'; J.W. Allen from 1912 to 1946, and S.S. Ick-Hewins since 1946.² Ick-Hewins holds a law degree. For a short period after graduation he taught at Sydney Church of England Grammar School, and then joined the staff of the GA in 1928, becoming Assistant General Secretary in 1935. The GA's office facilities are clearly superior to those of all other farm organisations. Particularly important is its library which has extensive holdings of government and academic publications, press clipping files, and periodicals relating to economics, politics and agriculture. The library, which in 1967 had a staff of five, also holds and organises all the Association's files.

The GA's secretariat in many respects is like a public bureaucracy or a government department in miniature. It is hierarchically organised, it has a high degree of specialisation of function and well established procedures, and there is a strong emphasis on efficiency, economy and staff neutrality regarding

1

Muster, 7 July 1965.

2

From 1946 to 1966 Ick-Hewins was General Secretary and in 1961 was appointed to the newly created post of Chief Executive Officer.

policy-making. Except for the Association's organisers, the GA's staff are concerned with much the same functions and tasks as are their counterparts in the public service: the preparation of reports and submissions; correspondence; searching for files and material in files; servicing of committees; and organisational maintenance.

The quality of its secretariat gives the GA political advantages over its rivals. The main functions performed by its secretariat are: securing advance intelligence and scrutiny of legislation and regulations; preparation of submissions to governments; conduct of direct negotiations with public servants; briefing of GA committees, deputations and representatives on other bodies; public relations; organisation maintenance and membership recruitment. But unfortunately for the Association, its senior staff are severely limited in the time they can spend on research, scrutiny of legislation and regulations, and preparation of submissions. The heavy demands of organisation maintenance and the provision of services to members consume perhaps 70 per cent of the time of senior staff,¹ and in the last decade demands on the staff have increased faster than the rate of staff expansion.

In addition to the facilities provided by its secretariat, the GA often secures the advice and assistance of outside experts, particularly academic

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Ick-Hewins's estimate. (Interview 1 September 1966).

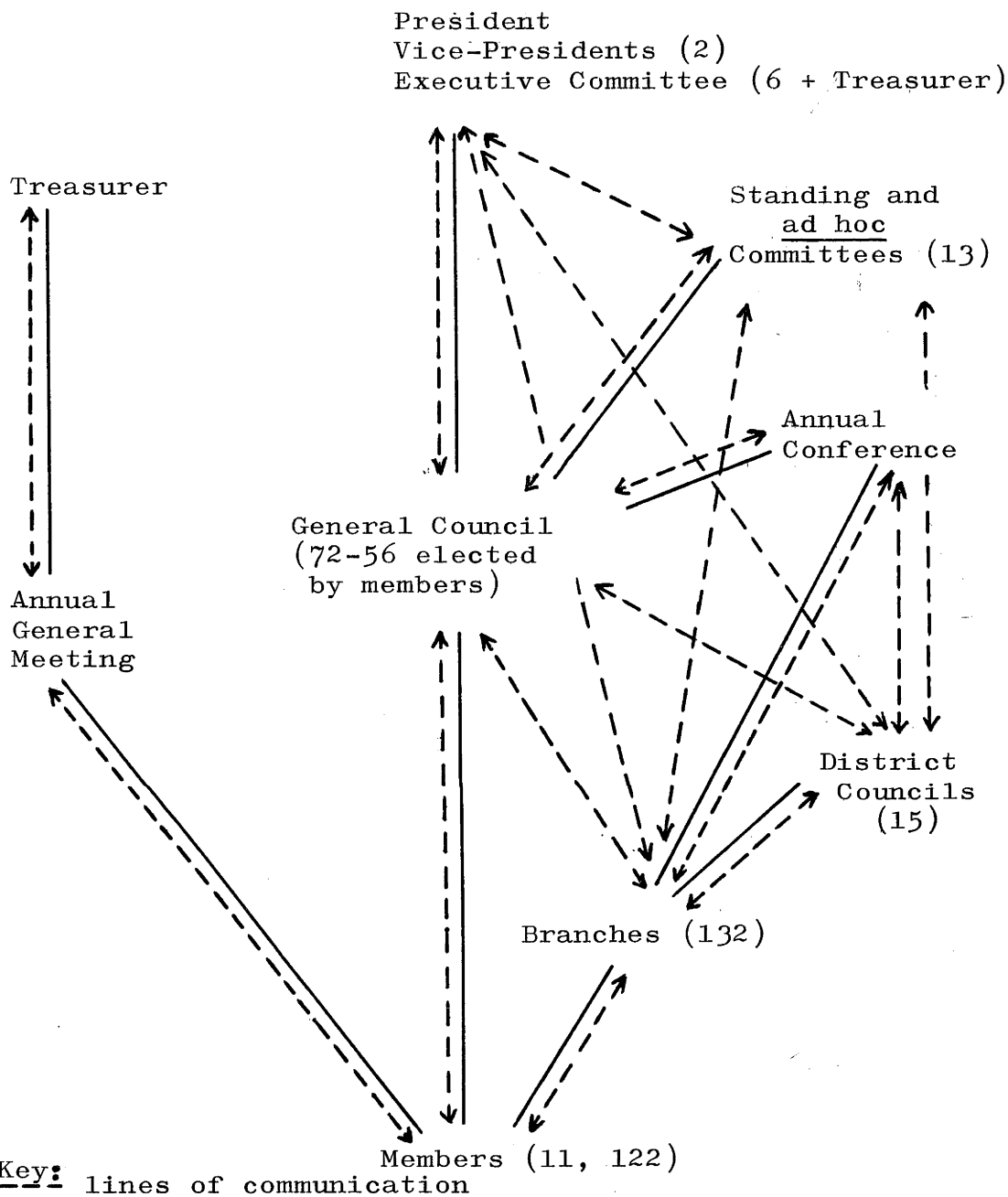
economists and legal authorities. For example, the GA and the AWGC employed leading economists to assist in the preparation of submissions to the Philp and Vernon committees, and the GA often seeks opinion of counsel if it doubts the validity of legislation and regulations.

Structure, Decision-making and Power

Australian farm organisations are similar in structure, partly because they have similar clientele and functions, and partly because their founders tended to borrow constitutions and structures from the same sources, and from each other. Gradually, however, each association has developed its own institutional peculiarities. The GA is a more complex organisation than its rivals and colleagues, and it conforms neither to the common pyramidal model nor to the simple hierarchical model. It is a curious mixture of centralisation and decentralisation, of oligarchy and democracy; nonetheless, it generally operates effectively and fulfils the basic needs of members. Figure 7 shows this structure in diagrammatic form. The main lines of communications between organs in the structure are shown by broken lines while the unbroken lines show relationships of responsibility.

Branches of the GA differ from those in most other farm organisations in three main respects: they have no independent source of income, head office pays the secretaries a fee for each meeting held as well as an

Figure 7. Organisation Structure (1967)



annual retainer,¹ and most branch secretaries are stock and station agents or accountants who usually accept the position not so much for the fee but for business contacts. Not being members of the Association, such secretaries sometimes lack the real enthusiasm of activists, but this is offset by secretarial efficiency and by the provision of what is virtually a permanent office for the branch, conveniently located in a larger town.² Branches are able to submit motions directly not only to the Annual Conference but to the General Council, the Executive Committee, and standing and ad hoc committees.³ As well as participating in policy formation, branches perform a useful function for the head office and central organs by providing information and opinion. Copies of branch minutes are sent to the head office; secretaries perform this duty reliably since they are paid for each meeting only after the minutes are received. Branches also have the power to deal directly with local government matters, and even with local matters relating to State and Commonwealth governments. They provide services (such as the organisation of field days) and social functions, assist in membership recruitment, and attend

1

In 1966 the fees were: \$6.30 per ordinary meeting, \$10.50 for the annual meeting, plus a retainer of \$10.50 as long as the annual meeting was held.

2

Based on the writer's observations and on interviews with branch secretaries and chairmen.

3

Rules of the Graziers' Association, rule 80.

to local publicity for the Association. Branches of the GA, like those of any pressure group, vary greatly in the regularity of their meetings and their effectiveness. Some hold regular monthly meetings and engage in a wide range of political activities. Others are dormant except for an annual meeting.

The main role of district councils¹ is to co-ordinate the activities and, as far as possible, to reconcile the views of branches as they relate to regional matters. Their functions are severely limited since branches are not compelled to channel their motions through them and since councils have no representation on higher organs. However, district councils perform useful political activities at regional level and provide an easy and effective means for the President and senior staff to confer with representatives of a number of local branches at the one time.

Unlike those of most other farm organisations, the GA's General Council is elected directly by the membership, or at least fifty-six out of its seventy-two members are.² These fifty-six members represent electoral districts (see map earlier in this chapter) and in their election all members of the Association have equal voting rights. Nominations for election to the General Council can be made by branches, or by

¹ Ibid., rules 88-93.

² Ibid., rule 30.

any five members. Of the other sixteen members of the General Council, ten are co-opted by the Council, three are elected by the Cattle Council and two by the North Coast District Council, and the Treasurer is a member ex-officio. The practice of co-opting ten members is a useful means of recruiting new leaders with special qualifications and experience. But since in the past staff and directors of wool broking firms were sometimes co-opted in this way (one senior staff member of a wool firm was Chairman of the Executive Committee from 1916 to 1928),¹ this practice is not popular with many members of the GA. The GA's opponents also cite this provision as evidence to show that the Association is undemocratic and that it is dominated by the wool firms.² In opposition to this practice, and to the fact that members of wool firms were often on the Executive Committee, between 1920 and 1941 motions were introduced at thirteen different Annual Conferences seeking to make members of wool firms ineligible for appointment to the General Council or to the Executive Committee.³ These attempts however, failed. Constitutionally, the General Council has control over property and finance, and power to determine policy

1

This was B.B. Allen, Wool Manager of the Australian, Mercantile Land and Finance Company.

2

For criticisms from wheat-sheep farmers' organisations, see Hitchins, p.40.

3

See Annual Conference minutes, 1920, 1921, 1922, 1923, 1924, 1925, 1926, 1927, 1930, 1932, 1933, 1940, 1941.

between Annual Conferences. It also elects the President, the Vice-Presidents, and members of the standing and ad hoc committees. Apart from a short meeting immediately after the Annual Conference for the purpose of electing officers, the General Council meets twice a year.

The Annual Conference is looked on as the supreme policy-making body and is made up of a representative from each branch together with the members of the General Council. At various times unsuccessful efforts have been made to secure separate representation for district councils, and to enable the Conference to elect the President and members of the Executive Committee.

The main functions of the Annual General Meeting¹ are to receive the annual financial report, to elect a Treasurer (who must be a resident of Sydney), and to alter the rules of the Association. All members are eligible to attend the Annual General Meeting, or to participate in decision-making by means of proxy votes.

The constitution of the GA provides for three standing committees: the Cattle Council, the Agricultural Committee and the Western Division Committee.² The Cattle Council was established in 1934 to promote the special interests of members

1

Rules of the Graziers' Association, rules 96-107.

2

Ibid., rules 58-66c.

producing beef cattle. It is made up of thirteen members elected by the General Council, two members elected by the North Coast District Council, and co-opted members, many from recognised stud beef cattle societies. The Agricultural Committee was formed in 1946 and is elected annually by the General Council. It is concerned mainly with wheat policy. The Western Division Committee was formed in 1955 to promote the special interests of members in the Western Division.¹ In addition to the standing committees recognised by the constitution, the GA has in operation approximately ten ad hoc committees and sub-committees, many of which in practice operate as standing committees.² With marked increase in the volume of transactions between the GA and governments, these committees are playing an increasingly important role in the Association.

The President and two Vice-Presidents are elected annually by the General Council. By the constitution they are limited to three successive years in office.³ This safeguards the establishment of an entrenched oligarchy of three members.

1

For administrative purposes, N.S.W, is divided into three land districts - the Eastern, Central and Western Divisions. In the Western Division most land is held on a leasehold basis.

2

Apart from the three standing committees, the following committees operated in 1967: Wool, Meat Marketing, Mutton and Lamb, Agricultural Education, Land, Shipping, Local Government and Land Tax, Economic, Public Relations, and Unity Study.

3

Rules of the Graziers' Association, rule 46.

The Executive Committee is the Association's 'inner cabinet'. It consists of the President, Vice-Presidents, Treasurer and six other members elected by the General Council.¹ Theoretically, its function is to implement policy, but in practice it has wide policy-making power and it also makes most of the tactical decisions. It meets monthly and its meetings generally extend over two or three days.

In any voluntary organisation with a mass membership it is inevitable that all members cannot share equally in decision-making, but Michels's 'iron law of oligarchy'² operates less in the GA than in many other pressure groups. Constitutionally, there is an opportunity for all members to participate in decision-making about policy. Members can make their views known at the Annual General Meeting, at branch meetings, or directly to members of the General Council, committees, or the Executive Committee. Unlike that of many organisations, the GA's structure allows for direct communication between any of its major organs.³ Thus branches can communicate their views directly to the Annual Conference, the General Council, the Executive Committee, and standing and ad hoc committees. Branches, district councils, the

1

Ibid., rule 49.

2

Robert Michels, Political Parties, New York, 1966 edition (translated by Eden and Cedar Paul with an introduction by Seymour Martin Lipset).

3

See Figure 7.

standing and ad hoc committees enjoy a fair degree of autonomy and within limits have freedom in decision-making about both policy and tactics. In practice, as well as in theory, the Annual Conference is the chief policy-making body. Questions of high policy such as about the GA's attitude to wool marketing schemes are always determined by the Conference. The General Council and the Executive Committee often refer high policy questions to the Conference for determination, and in special circumstances they call special conferences to determine policy on particular matters.¹ Before the Annual Conference or special conferences a preliminary agenda is circulated in advance to give branches an opportunity to discuss motions on the agenda paper. At the Annual Conference there is ample opportunity for all delegates to express their points of view on major questions. In addition to these methods, the GA has also experimented with plebiscites and ballots to enable the whole membership to determine policy on particular issues.² Such methods however, are clumsy and costly. From all this it is clear that the GA is much more democratic than most farm organisations. It also is much more democratic than its critics allege - and it is definitely not the 'tool' of the wool firms.

1

Special conferences were held in 1925, 1950, 1956, 1962, 1963, 1965.

2

For example, ballots were held in 1916 on the change of the Association's name and in 1950 on a proposed wool marketing scheme.

Yet as in any organisation with a mass membership, there is an inevitable tendency towards oligarchy. Effective participation in policy-formation is limited to activists, and inevitably leaders have even greater influence on policy than rank and file activists. Oligarchy arises also because, as in any organisation, small groups or individuals, through their position or expertise, tend to dominate decision-making. For instance, at the Annual Conference members of the General Council and the Executive Committee tend to dominate debates because of their skills in meeting procedure and their greater knowledge. With the increased range of the GA's goals and the increased volume of business being transacted between the Association and governments, the tendency towards oligarchy is increasing. The Annual Conference and the General Council meet infrequently,¹ and often have insufficient time to deal with all items on their agenda papers. Thus, many decisions are left to the staff and the Executive Committee. In the same way,

1

Sometimes decisions on important matters have to be made very quickly. In 1960 Ick-Hewins told a regional conference at Dubbo:

I had to determine policy myself in relation to the evidence which was given by this Association before the Committee of Inquiry into Land Valuation, for no other reason than that we were summoned to appear at short notice immediately the committee was established and over the Christmas holiday period when there were no conventions, conferences, councils or executives to consult. Something had to be done and it was done.

because of the increasing volume of business the Executive Committee must depend increasingly on staff advice and often leave decisions about tactics to them.

Because of the social background of its leaders, its operational norms, and the important role of the staff in providing background information, the GA's approach to decision-making is serious, realistic and rational. The role of the staff is particularly important. Even for the Annual Conference, the staff prepare detailed explanatory notes for all important items on the agenda paper. After reading these notes branch delegates often realise that their branch has been misinformed and ask leave to withdraw or amend their motion.

Political Image

The GA has many different public images, rather than a single image. Trade unionists and members of the Labor Party generally have a highly unfavourable image of the GA. They see it as an organisation of wealthy pastoralists and wool firms, with the determined aim of defending the selfish interests of its members and exploiting the working-class. Their reaction to the word 'grazier' is usually highly emotional and hostile. Other farm organisations have a love-hate attitude towards the GA. They often try to court the GA's friendship, but at the same time they are intensely jealous of the GA's power and status. Members of other farm organisations (particularly wheat-sheep farmers' organisations) are inclined to hold highly exaggerated views about the GA's goals and

how it operates.¹ The view that bureaucrats have of the GA varies according to their individual political biases and according to their experiences of contact with the GA. Those who deal with GA on economic or technical matters are often tremendously impressed with the quality of the GA's leaders and staff, with how well informed they are, and with their reasonable and rational outlook. Those who have been involved in public controversy in which the GA has participated are often less favourably impressed, and see the GA as being reactionary and even irrational, and its leaders as being stubborn and uncompromising. Governments, too, hold differing views of the GA. But no matter what party is in power, the GA is recognised as a group whose members perform important economic functions as producers in the economy. But while the general public accord the GA high status, they often have little sympathy with the GA's demands for increased government assistance on the grounds of the economic disabilities of graziers.

To sum up, the GA's political resources include its constant, large membership; members with high social status; a satisfactory level of membership participation; skilful and dedicated leaders; strong financial resources and a well-staffed secretariat; an effective organisation structure; a serious and rational approach

1

One well-experienced leader of a rival organisation confided to the writer that the GA has dossiers on leaders of all competing organisations.

to decision-making; and a good image with those who share the Association's beliefs or have come in contact with it on technical and non-controversial matters. On the other hand, it has some serious disabilities: inability to speak for all producers of wool, wheat and meat in N.S.W.; numerical weakness in comparison with the UFWA; a marked anti-Labor, anti-trade union political orientation; a conservative ideological position; and a poor image with an intense antipathy from certain sections and groups. The Association's goals and beliefs reflect the grazier sub-culture. While it still seeks to resist unfavourable government action and is opposed to socialism and communism, the GA today is concerned to achieve many forms of extended government activity and expenditure. Members consider that the Association is different from other organisations, though there is some difference of opinion on the extent of the differences. They also see the Association as being a responsible and influential body, with a political style different from that of its rivals.

IV. BEHAVIOUR

CHAPTER 7

Style, Scope, Intensity and Co-operationPolitical Style

Political style is an important aspect of pressure group behaviour, but one that defies precise and rigorous analysis. It refers to the distinctive manner in which a group performs its political actions. Individual pressure groups have distinctive styles in much the same sense as do musicians and sportsmen. A musician's style is something more than his skill and his techniques. Two musicians may have equal skill, they may use similar techniques, and they may even share similar beliefs about music, but each will have his own distinctive style of performing. Something of the same kind is true of pressure groups. Two groups may be concerned with achieving the same political goals and may even use the same general tactics, but each will perform its political actions in its own distinctive way.

The political style of a pressure group is derived primarily from the political culture of its leaders and activists, and also from the pattern of beliefs built up over a period of time about the organisation's identity and how it should behave in politics. The GA's political style is elegant and polished, with an element of artfulness. In politics it gives the impression of being confident and

experienced. Its political actions and statements are generally in 'good taste' and, even in public campaigning, its performance is restrained. In fact, the GA's political style is very similar to the political style of its individual leaders, and bears the marks of the grazier sub-culture and of a social and economic elite.

In contrast, the UFWA has a distinctively different political style that reflects the wheat-sheep farmer sub-culture. The difference in style between these two organisations is evident throughout their activities - even in where they choose to hold their annual conferences and how their conferences are run. The GA traditionally has held its conference in the Wool Exchange in the heart of the down-town commercial section of Sydney. Its conference is characterised by an emphasis on serious discussion, logical argument, and strict rules of debate. In contrast, most UFWA conferences have been held in the Buffalo Hall near Central Railway Station, and oratory and appeals to emotions play a much bigger part in debates than at GA conferences.

Scope

Scope refers to the range of issues in which the group is interested, the volume and kinds of demands it makes, and the degree to which it employs political means to achieve its goals. Scope is influenced mainly by the character of the political environment, by economic factors and by the group's goals and resources.

When the GA was first drawn into politics the range of issue-areas on which it sought to influence policy and administration was very limited. But over the years, as the scope of government activity increased, touching the lives of graziers in new ways and making them increasingly dependent on government assistance, the Association modified its goals and took interest in more and more aspects of government. Table 12 shows the extremely wide range of issue-areas with which the GA is concerned today. In this respect, the GA differs little from its competitors in the farm sector. Indeed, concern with a wide range of issue-areas seems to be a characteristic of Australian farm organisations and one that distinguishes them from trade unions and business groups which have more limited interests.

In the literature of political science it is often suggested that groups concerned with a wide range of policy-areas are at a distinct disadvantage compared to those which are concerned with a very limited range. Irish and Prothro state:

The more goals a group tries to achieve, the weaker it becomes in its pursuit of any one of them. If it can concentrate on an overriding aim, as the Anti-saloon League did in battling for prohibition, its chances of maintaining cohesion and winning success are enhanced.¹

1

Marian D. Irish and James W. Prothro, The Politics of American Democracy, Englewood Cliffs (New Jersey), 1959, p.342

Table 12

Main Issue-Areas of Interest to the GA

(Compiled from volumes of Report of Proceedings and minutes of Annual Conference and General Council)

Commonwealth Government

Taxation

Economic policy, banking, credit

Trade and tariffs

National wage cases and general employment conditions

Pastoral industry awards

Wool marketing, promotion, research

Meat marketing and promotion

Wheat stabilisation and overseas sales

Livestock disease control and eradication

Livestock, crop and pasture research

Agricultural extension

Water conservation

Shipping freights and services, and containerisation

Telephone and postal services

Radio and television services

N.S.W. Government

Land taxation and probate duty

Control and eradication of livestock diseases

Cattle compensation

Livestock, crop, and pasture research

Abattoirs

Land legislation and administration

Railway facilities and freight rates

Road transport regulations and taxation

Main roads

Wheat storage and transport

Pest control

Water conservation and irrigation

Soil conservation

Stock stealing

Use of firearms

Education - schools, universities, agricultural and technical colleges

Hospital services

Local government administration and rates

Table 12 (continued)

Main Issue-Areas of Interest to the GA

(Compiled from volumes of Report of Proceedings and minutes of Annual Conference and General Council)

N.S.W. Government (continued)

Port facilities
 Airport facilities and air services
 Industrial awards and conditions
 Industrial development and decentralisation

Local Government

Roads
 Rates
 Stock saleyards and abattoirs
 Electricity
 Community facilities

While this generalisation is often true, in the case of economic pressure groups there are definite advantages in being concerned with a wide range of policy-areas at three different levels of government. If one department or one level of government is unsympathetic, there is always the possibility of securing some success with other departments or at other levels of government. On the other hand, interest in a wide range of issue-areas poses problems, though in the case of the GA these are related not to cohesion but rather to the sheer difficulty of keeping in touch with developments in each issue-area, in formulating realistic demands, and in establishing and maintaining close relations with all the appropriate authorities. With its strong secretariat and committee

system, the GA has an advantage over other farm organisations with a similar range of interests. But even so, the Association's resources are often severely taxed.

Table 12 gives a picture of the importance to the GA of the three levels of government. Analysis of the volume of demands made in relation to each level of government confirms the proportions in the table.¹ The State Government is still slightly more important than the Commonwealth, and both Commonwealth and State Governments are vastly more important than local government. On the other hand, it could be argued that, 'because of its overriding power, the Commonwealth is the most important level of government, and that the number of issue-areas and volume of demands do not provide an accurate indication of the relative importance of different levels of government to a pressure group. Be this as it may, the GA leaders and staff still tend to consider that the affairs of the N.S.W. Government have greater importance for the Association. But they recognise that the situation is changing, and that the importance of the Commonwealth is rapidly increasing. Not all members and activists however, think this way. Indeed, the more parochially-minded branches are still heavily orientated towards local government matters.

1

An analysis of the motions passed at the 1967 Annual Conference revealed that, of those relating to national and State government, approximately 40 per cent related to State government while 60 per cent related to national government.

Since the 1920s the volume of demands made on governments and government authorities by the GA has expanded enormously. Volume of demands is extremely difficult to measure but, using as a rough measure the number of motions passed by Annual Conferences and by meetings of the General Council and the Executive Committee, and the number of political activities listed in the Association's annual reports, it appears that since the 1920s the volume of demands made by the Association has increased at least three or four times. This increase has resulted from the expanded range of government activity, the increased dependence of graziers on governments, the growing complexity of modern government, the increased tendency for the GA to act as an ombudsman on behalf of its members, and the increased size and functions of the GA's secretariat.

The GA makes many different kinds of demands on governments and government authorities, and their relative importance and volume depend mainly on the motivation provided by environmental factors. For example, in recent years many of the GA's demands have been related to the 'cost-price squeeze' in the wool industry and to problems of silo storage for wheat. The GA's demands are also closely related to the demands made by other pressure groups and to the policies and action of governments.

The demands that the GA makes on governments differ from one another in many respects. First, they differ in the tone in which they are made. On occasions demands take the form of strong and vocal

protests, sometimes with a hint of the use of some retaliatory action if the demand is not met. An example of use of a mild threat was in 1950 in relation to the wool sales deduction acts when the GA hinted that if its demands were not met the Government could face loss of electoral support.¹ But generally the GA's demands are simple, precise, straight-forward requests, and are usually couched in the officialese of government bureaucracies.

Second, demands include actual demands for change as well as requests for information about existing policy and administrative practice, or about projected changes. Demands which seek change vary according to the type and degree of change sought. Some call for fundamental policy changes, others for the application, extension or variation of established policy. Others again seek purely administrative modifications. Numerically, demands for fundamental policy changes are the least important; at Annual Conferences or meetings of the General Council most resolutions call for the application, extension or variation of established policy (usually to secure increased government responsibility and expenditure) or for purely administrative modifications. The case-study on cattle compensation (see chapter 12) shows that once the objective of securing a fundamental change in the form of the establishment of a cattle

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See chapter 11 for a detailed account.

compensation scheme was achieved, the GA's demands on this question afterwards related solely to the extension and variation of policy, and to administrative modifications. Nevertheless, from the Association's viewpoint, the fundamental changes it seeks are often of great importance, and it pursues them with vigour and persistence.

Third, the GA's demands include both ideological demands and purely economic demands. The GA has its own ideological orientation, and seeks to promote it. At times the Association calls for government action to promote this outlook, and also to safeguard its members and the community from forces which it considers provide a threat to their security. In March 1950 the GA's General Council resolved that it

...applauds the action of the Federal Government in making operative the provisions of the Crimes Act as a counter to Communist activities in the Commonwealth. It trusts that such action is only a forerunner to further definite steps to rid the community of the canker which seeks to destroy the very foundation of the nation. This Association pledges itself to provide every possible assistance to the carrying out of the government's policy in this regard.¹

This resolution was publicised, and a copy was forwarded to the Government. Since the early 1950s, with a non-Labor government in power in the Commonwealth parliament

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Minutes of General Council, 24 March 1950.

and with comparative industrial peace, the GA has been pre-occupied with securing economic goals and relatively little concerned with ideological demands. The economic demands that it makes are generally realistic, reasonable and backed-up with evidence and argument. For example, on tariff policy the GA does not expect the Government to abandon protection for secondary industry. It seeks rather to have protection confined only to those secondary industries which are clearly economic, and for the degree of protection given to secondary industry to be kept in close check. One of the best statements of the GA's rational and realistic approach to economic policy questions was given by B.A. Wright in his address as President to the 1967 Annual Conference:

We live in strenuous times: strenuous because of the pressures exerted upon primary industry by rapid economic growth, deliberately undertaken as national policy. Australia's take-off on this adventure began about the time of the second World War, stimulated by the need to develop manufactured import substitutes. The pace has been accelerated by the realisation that full-scale economic development is a condition precedent to national security.

The industrial revolution of Australia is well advanced: it has gathered momentum: it will not be put into reverse. We have no option but to adapt ourselves to it: but in the manner of adaptation we may indeed have options....

Quite apart from the basic function of feeding and clothing people, primary industry in Australia - the nation's principal source of exports - is, at this stage of development, the source of foreign

exchange for the purchase of materials which are essential to our national growth. The ability of primary industry to function economically in this role is a basic necessity for the achievement of the national objective.

Economic growth is inflationary: but we sell on overseas markets. We are in consequence subject to the pressure of costs constantly rising against whatever prices we can secure on the world's open markets.

Costs are, of course, the prices of the commodities and labour we buy to run our industry. That they will rise is inevitable. That is the lesson of history. Our first function is to try to restrain the rate of increase; and in particular to keep that rate to that at which world price levels generally are increased.¹

After stating that the Association's first recourse must be to arbitration tribunals in order to restrain wage increases to keep parity with increases in productivity, Wright went on:

Our second line of attack must be through the tariff and this will not be easy, because the thinking of many manufacturers and of Labor has become conditioned to concepts which are no longer valid. We must try to convince the Australian worker that, unless tariff protection is selective, it can defeat the objective of full employment and deliver the profits derived from Australia's more profitable undertaking to foreign investors.

1

Annual Conference records, 1967.

This Association is not a free trade organisation. It does, however, call for practical recognition of the fact that the development of secondary and tertiary industries in Australia is dependent upon trade balances which our export industries provide: and that the ability of export industries to fulfil that function is determined by the relationship of the costs they incur to the prices they receive.¹

Apart from appeals to arbitration tribunals and the Tariff Board, the Association seeks to restrain costs by persuading government authorities to reduce fixed charges and taxes, and by securing subsidies on fertilizer and government grants for research and promotion. To a layman, its whole approach to economic matters appears to be eminently sensible and rational.

Despite its ideological commitment and political orientation, the GA is inclined to pragmatism on economic questions. For example, in 1965 the Association opposed a reserve price plan for wool marketing largely (but not exclusively) on the grounds that the plan involved government intervention in the industry,² but at the same time it supported the government-operated wheat stabilisation scheme, based on a uniform guaranteed price per bushel and compulsory acquisition of each grower's crop. Throughout the

1

Ibid.

2

Chapter 12 gives a detailed account of the Association's opposition to the reserve price plan in 1965.

1930s, the GA strongly opposed proposals for wool marketing reform or for a direct subsidy. But in the end, after years of low prices, the Annual Conference in 1939 carried a resolution asking the Government to grant a subsidy of 1d per lb on wool when the selling price fell below 1/- per lb for the year.¹

Fourth, some demands seek extension of government activity while others seek retention of the status quo, or reduction in government activity. In its early years in politics, as we have seen, the GA had a strong negative orientation towards government activity; its main concern was to secure retention of the status quo, and reduction in government controls and charges. But over the years, as graziers like all other producers became increasingly dependent on government assistance, the Association's orientation changed. Today the GA is essentially positive in its approach to politics, and it makes many demands for increased government activity and expenditure. Such demands are seen not as being in conflict with a free enterprise ideology but as perfectly fair and just, particularly since agriculture is the 'backbone' of the economy.

Fifth, demands include those where the GA is the initiator of change, or where it supports the initiative of another group or groups, and those where the GA seeks to veto the demands of other groups,

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Annual Conference minutes, 1939. This decision was not pursued far since in September 1939 an appraisal scheme was introduced as a war-time measure.

or to veto government action or proposed action. In its early history in politics, the GA was primarily concerned with the use of veto power. In this sense too its political orientation was negative. While it still makes many demands that seek to veto proposed changes, today the GA's approach is more positive and in agricultural policy it is an important initiator of change.

We have already seen how the politicisation of the GA resulted from the influence of various environmental factors. To what extent does the GA today attempt to achieve its goals by political means? An analysis of the Association's records shows that it seeks now to achieve its goals primarily by political action. At least 95 per cent of resolutions passed by Annual Conferences call for or imply political activity of some kind. Nevertheless, the GA still seeks to achieve some goals by independent action. For instance, it still negotiates directly with wool brokers, wool buyers, stock and station agents and shipping companies. But the importance of these means of achieving its goals is rapidly diminishing.

Intensity

Intensity refers to the fervour and persistence with which a group pursues its political objectives.

For a number of reasons the GA displays a high degree of intensity. It is constantly and seriously involved in politics, it sees political means as the best way of achieving most of its goals, it makes demands which it considers to be realistic and

theoretically possible of achievement, and it has a well-staffed secretariat to assist in demand articulation and to pursue the demands made. Moreover, in politics the GA does not expect immediate success with every demand it makes, but recognises that the achievement of some objectives will take time, effort and the use of varying strategies. This persistent and repeated following up of 'requests' is itself a kind of pressure, especially as the GA does not immediately take 'no' for an answer. The case-study on cattle compensation (see chapter 12) illustrates the GA's persistence in one field, and how it employs different strategies and arguments to achieve a single objective.

Although the level of intensity with which the GA pursues its political goals can be thought of as high at any time, it does vary from year to year, and from month to month. Intensity also varies between different issue-areas at any one time, and on the same issue-area from time to time.

Variations in intensity from year to year depend mainly on the political party or parties in government, whether there are industrial disturbances, action taken by other groups, and economic factors such as price fluctuations or droughts. In respect to its fervour rather than its persistence, the general intensity of the GA's political behaviour was much greater in the late 1940s when the Chifley Labor Government was in power than it has been in recent years.

Variations in intensity during the year are partly related to the same factors but also the Association's

internal characteristics, and to the varying tempo of politics throughout any year. Immediately after each Annual Conference and the two main meetings of the General Council, the GA transmits many of its demands for the year to governments and statutory authorities. The tempo of politics varies throughout any year depending mainly on when the N.S.W. and Commonwealth parliaments are in session, when official groups such as the Loan Council and the Agricultural Council are scheduled to meet, and on the timing of election campaigns. In addition, January is usually a slack month for political activity.

Variations in intensity between different issue-areas at the one time, and on the one issue-area from time to time are considerable but extremely difficult to measure. Nevertheless, some indication of the approximate intensity with which specific proposals in each issue-area are sought can be secured from an analysis of the number of resolutions submitted in each issue-area to Annual Conferences. This method assumes that generally more resolutions are submitted in issue-areas which appear more important to branches and about which members feel more strongly, and that the Association generally pursues proposals on these with greater intensity. Moreover, the variations in intensity suggested in Table 13 are substantiated by other evidence. For example, from the records of the Association and from press reports, it is clear that in both 1966 and 1967 the GA pursued its demands on wool policy with a high degree of intensity. Drought was a particularly important issue-area in 1966;

Table 13

Number of Resolutions Submitted to Annual Conferences
in Main Issue-Areas¹

(Source: Agenda papers 1966 and 1967 Annual Conferences)

<u>Main Issue-Areas</u>	<u>Annual Conferences</u>	
	<u>1966</u>	<u>1967</u>
Industrial	10	11
Meat and Livestock	35	23
Drought	33	14
Land	10	12
Water and Irrigation	40	16
Wheat	8	87
Wool	60	97
Taxation	30	38
Economic	6	17
Fires, Bushfires, Insurance	-	9
Pests	3	6
Education	11	6
Local Government	5	12
Roads	-	5
Transport	7	25
Communications	3	9
Agricultural/Pastoral Supplies	11	2
Others	12	8

¹

The ordering of the issue-areas in the table follows that of the 1967 agenda paper. The table shows the number of resolutions submitted by branches, district councils, committees, and members of the General Council, and not the actual number of separate resolutions appearing on the agenda paper (which was less since the staff compound almost identical resolutions to reduce the length of the agenda paper). Resolutions on organisational and political matters are not included. The total number of resolutions submitted in 1967 was significantly greater than in 1966 because of special interest in and problems concerning wool and wheat matters.

because of a prolonged and serious State-wide drought branches came forward with many schemes for long-term planning to provide for droughts as well as with demands for short-term relief. Table 13 shows that in 1966 the number of resolutions on the main issue-areas varied from nil to sixty, and in 1967 from two to ninety-seven. Similar variations occurred on individual issue-areas between the two years with the biggest variation on wheat. In 1966, following drought conditions there was little concern about wheat storage facilities. However, in the 1966/7 season conditions were particularly favourable, with a record crop being produced, and as a result storage and transport facilities were severely strained.

The intensity with which the Association makes and pursues any single proposal depends on a number of factors. The GA seeks to achieve goals more intensely when it is reacting to some perceived threat to its well-being or the well-being of its members. Thus it reacts strongly to industrial disturbances, discriminatory government action against graziers, attacks on the free auction wool marketing system, or a sudden decline in profitability of members' enterprises. In the last decade demands relating to wool marketing and the 'cost-price squeeze' have been pursued with greater intensity than any others.

The GA also seeks to achieve specific goals with greater intensity when its sense of fair-play is outraged. The case-study on the wool sales deduction acts (see chapter 11) illustrates this point. One

reason why woolgrower organisations felt so strongly about these acts was that they considered woolgrowers alone were being made to bear the main burden of the government's anti-inflationary measures.

Intensity is often related to urgency. Pressure groups invariably try to influence proposed legislation before it becomes law. 'Once the bill becomes law', one prominent member told the 1919 Annual Conference, 'it is very difficult to get an amendment but if the Minister can be approached before the Bill becomes law, it is more easy to get him to shape the Bill into something which would be equitable to the producers'.¹

Intensity is also related to expectations of success. Usually the GA does not pursue non-ideological goals with vigour if it thinks there is little possibility of at least partial success. When Labor governments are in power, the GA recognises that some of its demands will have little chance of success. In 1963 a GA sub-committee recommended that the Association press for special rebates on probate and estate duty in respect of land used continuously for primary production. The GA however, did not make a serious approach to the N.S.W. Labor Government to achieve this proposal. Its annual report explained: 'The Association has already approached the N.S.W. Government on this issue and been refused and it is plainly a principle that Labour will not accept'.²

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Verbatim report, Annual Conference records, 1919.

2

Report of Proceedings, 1963, p.61.

Considerations of strategy also influence the intensity with which the GA articulates its demands. The GA does not seek a specific goal with vigour if it considers that this will adversely affect negotiations on some more important issue, or that it will stimulate other, and perhaps stronger groups, to make counter-demands, or that it will lead to a full-scale review which could lead to the GA being more adversely situated than under the status quo. For these reasons at times the GA and the AWGC delay making demands or even abandon the idea altogether. In 1963, according to the GA's annual report, the AWGC refrained from acting on a request from the GA in connection with death duties because at the time it was negotiating to obtain a substantial subsidy for wool promotion.¹

The intensity with which resolutions passed by the Annual Conference and the General Council are communicated to authorities depends largely on the Executive Committee and the staff. After each Annual Conference, the Executive Committee and the staff have the task of conveying up to two hundred separate resolutions to authorities. A small number of these are chosen for special attention. Detailed submissions are prepared and the requests are often followed up with letters and press publicity. The remainder of the resolutions are communicated to the appropriate authorities by means of formal letters stating that at

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Ibid.

the Conference a certain resolution was passed and asking that consideration be given to the matter. The choice of resolutions for special treatment depends on a number of criteria including: urgency, possibility of success, ease with which a satisfactory and convincing submission can be prepared, and intensity of members' feelings. A similar procedure is adopted after meetings of the General Council.

Co-operation

As an aspect of pressure group behaviour, co-operation refers to the extent to and means by which a group co-operates, combines or forms alliances with other groups to achieve its goals. Co-operation is influenced by environmental factors and by the group's internal characteristics.

The Australian political system encourages economic pressure groups to co-operate, combine, form alliances, and even to amalgamate with other groups. For State-based groups, such as the GA, some form of co-operation is almost inevitable in order to command effective political influence at the national level - a level of government which has become of great importance to all economic pressure groups. State-based groups can approach Commonwealth departments and authorities directly, but compared with national representative groups they carry little weight. Thus, to be effective they must combine with other groups to form national structures.

On the whole, both State and Commonwealth governments prefer to deal with large, representative groups which can speak for an industry or for a whole economic section, and in recent years have encouraged groups to combine. The following statement from a speech by John McEwen illustrates what he and other Commonwealth Ministers have been telling farm organisations:

...the Government wants to continue to work with industry and continue the basis that we have established of a concept of partnership between government and industry. But there must be the maximum achievable degree of unity amongst the Australian producers themselves. If the Government is willing - and this is a real advance - to consult primary industry, it is essential that primary industry be able to speak with a united voice.¹

And when farm organisations have followed this advice, they have often received a pay-off in the form of increased recognition and greater opportunity to participate in policy-making and administration.

The shift of political power to the executive and bureaucracy in all western politics has also encouraged groups to combine. In Political Man, Lipset writes:

I would suggest as a research hypothesis that the more centralized an industry, the more need for a union to be bureaucratic.

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Speech by the Hon. John McEwen, Minister for Trade and Industry, to the Annual Conference of the Tasmanian Farmers' Federation, 30 June 1965.

A union like the steelworkers', which bargains with a few gigantic corporations, must set up a union authority-structure which parallels that of the corporations.¹

This hypothesis can apply equally well to pressure groups with regard to their relations with governments. 'Big government' necessitates big pressure groups. Large representative pressure groups are better able to negotiate and bargain with expert bureaucracies and powerful executives.

The multiplicity of economic pressure groups representing each of the three main economic sections in the Australian political system provides considerable scope and motivation for groups to form different kinds of alliances with many different groups. Few economic pressure groups are able to establish and maintain exclusive clientele relationships with government departments. Most have to compete, not only against groups from other economic sections, but against rivals from the same section. But in many cases competitors can also double as allies, and groups naturally tend to co-operate and combine with those groups that share common goals. Since most farm organisations are concerned with a wide range of policies, there is considerable scope for establishing different kinds of alliances with many different groups. In respect to particular policy-areas and goals, the GA finds that it shares common objectives with business groups,

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Seymour Martin Lipset, Political Man, 1964 edition, p.360.

and/or other graziers' associations, and/or other farm organisations. At times it even shares common objectives with non-economic pressure groups.

Political factors however, impose constraints on co-operation. Traditional rivalry provides a barrier to co-operation between the GA and the UFWA, and between the AWGC and the AWMPF, while the GA's ties with political parties would be a hindrance to amalgamation with other groups.

Political culture provides additional motivation for co-operation. To some extent all primary producers are concerned about their declining numbers, and consider that they are politically disadvantaged. This tends to draw farmers together and to increase their enthusiasm for the amalgamation of farm organisations. On the other hand, cultural factors also provide constraints on co-operation. In the case of the GA, the differences between the graziers' and wheat sheep farmers' sub-cultures tends to make co-operation with the UFWA difficult.

Economic factors limit rather than motivate co-operation. In the wool, wheat and meat industries alone, economic diversity has created differences in economic interests which are an impediment to co-operation. Moreover, because of economic diversity, it is difficult to devise suitable structures to combine associations that differ not only in interests but in size and in political resources.

The extent to which the GA is willing to co-operate and combine with other groups, its choice

regarding which groups it wishes to co-operate with, and the actual form that co-operation takes is also influenced by its internal characteristics, particularly its perceptions of threats and danger, its operational norms, and its beliefs about its own identity.

Co-operation with Business Groups

Co-operation is best analysed separately in relation to the three main groups with which the Association co-operates, combines and forms alliances: business groups, other graziers' associations and other farm organisations.

Unlike its two main rivals, the GA has co-operated informally and formed alliances with business groups almost since its inception. Faced with a common threat from militant trade unions in 1890, the Association combined with other employers' bodies to break the strikes and defeat the unions.¹ Since then it has often co-operated informally with business groups on matters of mutual concern. In 1900 it combined with other employers' associations in N.S.W. to resist trade union demands with respect to an industrial arbitration bill before the State parliament.² Immediately after the second world war the Association supported business interests in opposing efforts of the Chifley Government to nationalise banks and airlines. Apart from informal co-operation on an

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See chapter 5.

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Minutes of Council, 6 July 1900.

ad hoc basis, the GA has had various formal alliances with business groups. In 1967 its formal alliances included direct membership of the Employers' Federation of N.S.W., the Sydney Chamber of Commerce, and the Taxpayers' Association of N.S.W. and, through the AWGC, membership of the National Employers' Associations, the National Employers' Policy Committee, the National Industrial Committee, the Australian Tariff Council, and the Australian Overseas Transport Association.¹ All these alliances related primarily to economic objectives. In addition, the GA at different times has formed alliances with business groups primarily to achieve ideological goals. In the 1930s and 1940s the GA helped finance the Sane Democracy League, an anti-communist propaganda organisation.² In 1947 with five business groups it founded a propaganda organisation called the Central Public Relations Bureau to combat communism and to improve industrial relations.³ The five business groups were the Country Traders' Association, the Retail Traders' Association, the Employers' Federation of N.S.W., the Sydney Maritime Underwriters' and Salvage Association, and the Fire and Accident Underwriters' Association. Each

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Compiled from various publications of the GA.

2

Minutes of the Special Purposes Committee, 18 August 1936 and 28 November 1944, and annual financial statements.

3

Explanatory notes for agenda of 1949 Annual Conference (Annual Conference records, 1949); and minute book of the Central Public Relations Bureau.

organisation initially contributed £500 and soon the Bureau had a staff of four, two of whom were university graduates.¹

Co-operation with business groups has always come easily and naturally to the GA and has imposed little strain and tension. Culturally and politically graziers and businessmen have much in common. As employers of labour, they oppose demands of trade unions. As entrepreneurs, they oppose unnecessary expansion in public bureaucracies, undesirable forms of government regulation of economic life, high taxation, and attacks on the principle of free enterprise. They share the same fear of socialism, communism and nationalisation. The formal alliances have always worked well, mainly because they have been confined to specific, narrow issue-areas or goals, and because they have imposed few restrictions on the independence of member organisations. To give one example, the National Employers' Policy Committee, which is the executive committee of the National Employers' Associations, is concerned solely with national arbitration matters and with national wage cases. On

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Ibid. In January 1948 the name of the organisation was changed to Central Research Bureau. This name however, was not suitable to the Registrar General for registration under the Business Names Act and so in March the same year the name Industrial and Economic Research Service was adopted. In late 1948 the Service's chief employee, Stewart Howard, floated a proprietary company and took over the Research Service, while the participating organisations formed themselves into the Public Relations Committee which continued in existence into the 1950s.

the Committee, the AWGC is by no means a minor member (its President, in fact, in 1966 was appointed Chairman of the Committee for 1966/7)¹ and it participates with other organisations in planning the general case to put before the Arbitration Commission. In addition, the Committee's detailed rural case is prepared by the AWGC's own industrial officer.²

Co-operation with Other Graziers' Associations

Co-operation with other graziers' associations today takes two main forms: informal co-operation in relation to specific goals or issues, and formal alliance through the AWGC.

Some informal co-operation takes place between the GA and graziers' associations in other states but more important is the co-operation between the GA and the other two graziers' associations in N.S.W. in relation to matters of common concern at State level. The area of common interest between the three associations is considerable, and they co-operate by exchanging information, supporting one another's demands, and making joint approaches to government departments. They also send delegates to one another's conferences and meetings, and the GA and the

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Report of Proceedings 1966, p.6.

2

From information given by the GA President in his address to the 1967 Annual Conference (Annual Conference records, 1967).

Graziers' Association of Riverina operate joint branches along their territorial border. The effectiveness of this co-operation however, is limited. Liaison is slow and difficult because the two smaller associations run their affairs from offices in Melbourne and Broken Hill. They also fear that extensive co-operation with the GA will reduce their independence, and make it more difficult to refuse the GA's proposals for amalgamation.¹

More important than informal co-operation is the formal alliance with other graziers' associations through the AWGC. As we have already noted, graziers established their first federal organisation in 1890 and the same factors which brought the pastoralists' unions into being motivated the formation of the Pastoralists' Federal Council.² Because of the serious threat that pastoralists faced, the founding member organisations readily agreed to constitutional provisions which bound them on decisions made by the Council. These provisions enabled the Council to present a united front against the shearers' unions, and later to speak with a single voice on political questions.

With the formation of the Commonwealth, the Pastoralists' Federal Council assumed new functions.

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For many years the GA has favoured amalgamation with the two smaller graziers' associations. Approaches were made to this end as early as 1921 (General Council minutes, 4 February 1921).

2

Minutes of Council, 19 September 1890.

Almost immediately it began communicating demands on behalf of its member organisations to the Commonwealth Government, and once the Commonwealth Arbitration Court was established it assumed the task of defending the interests of graziers and resisting demands of the AWU for increased shearing rates. Originally the Council consisted of four member organisations but by 1960 it had nine.¹ After 1919 it was known as the Graziers' Federal Council.

In 1919 the Association was represented at a conference in Melbourne when the AWC was formed,² and it became one of the founding member organisations. Later it supported the conversion of the AWC from a temporary to a permanent organisation. In 1946 the GFC and AWC established a joint secretariat headed by J.W. Allen who had been Secretary of the GA since 1912. In 1960 the two organisations merged to form the AWGC, and the GA's President became the AWGC's first President while a member of the GA's General Council was appointed as its Chief Executive Officer.³

Formal co-operation with other graziers' associations has been of advantage to the GA. Today the AWGC provides the GA with its main channel of communication for policy demands to the Commonwealth

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Explanatory notes to agenda for 1960 Annual Conference (Annual Conference records, 1960).

2

N.S.W. Graziers' Annual 1920, p.45.

3

Report of Proceedings, 1960, p.6.

Government. Through the AWGC, the GA is consulted about major policy changes affecting the wool and meat industries, and has opportunity to participate in negotiations. Through the AWGC the Association participates in the determination of wages (in both the federal pastoral award and national wage cases) and is represented on the AWIC, the Australian Wool Board, the Australian Meat Board and various advisory committees. The AWGC is by far the most impressive of all the commodity federations. For a commodity federation it makes decisions quickly, and since its member organisations are bound by its decisions it can speak confidently and authoritatively. As we have observed, it is the only commodity federation with its own secretariat; and in 1967 it had a staff of eight, four of whom were university graduates.¹

On the other hand, from the GA's viewpoint these formal alliances with other graziers' associations have never been completely satisfactory. Despite their cultural homogeneity, the graziers' associations differ considerably in their economic interests. The Queensland and Northern Territory associations, for instance, are primarily concerned with beef cattle rather than wool. The GA has often been worried about the extent to which its interests differ from those of other associations. For ten years it opposed the amalgamation of the GFC and the AWC, mainly because it wanted to retain the

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Information supplied by the Chief Executive Officer of the AWGC.

AWC as a separate body concerned only with wool policy.¹ Mainly because of economic differences between the wool and meat industries in each State, the graziers' associations differ enormously in their membership size and the number of stock owned by members. These differences have made it difficult to devise fair and workable systems of representation on federal bodies and bases for membership contributions. Both the Pastoralists' Federal Council and the GFC used a system of scaled voting which favoured the smaller associations while contributions were based on member's stock numbers.² The GA, as the largest association, consequently bore a large proportion of the financial burden, but had proportionately less voting power. In 1952, for instance, the GA contributed 40 per cent of the GFC's income but had only four votes out of seventeen.³ At the same time, the four smallest associations each had one vote, but together contributed slightly less than 10 per cent of income. Thus, it was possible for a combination of smaller associations contributing much less income to outvote

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Minutes of Annual Conferences, 1949, 1951, 1952, 1953, 1954, 1957, 1960; and minutes of General Council 22-23 June 1960.

2

The system of voting used on the AWC also favoured smaller organisations. However, the AWC had no income of its own, and its expenses were provided by the GFC.

3

Explanatory notes to agenda for 1952 Annual Conference (Annual Conference records, 1952).

the GA. This sometimes happened, and on such occasions the position was made more intolerable for the GA since it was constitutionally bound to uphold such decisions. On a number of occasions the GA threatened withdrawal from the GFC. In 1942 it actually resigned over a difference about meat policy,¹ but finally the other member organisations gave way and the GA withdrew its resignation.² In 1959-60, on the threat of withdrawal from the GFC, the GA secured a more adequate basis of representation on the projected AWGC. It also obtained a constitutional provision enabling member organisations representing a majority of actual members to elect not to be bound by decisions carried by a majority vote representing a minority of actual members.³ After securing these concessions, the GA agreed to the amalgamation of the GFC and the AWC, and confidently expected that the AWGC would prove a more effective structure. But these hopes have been frustrated. The GA still lacks adequate representation in relation to its membership size, and to the financial support it contributes. The AWGC's performance has disappointed the GA, particularly in relation to wool marketing, and despite pressure the AWGC has refused to open an office in Canberra.⁴

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The Graziers' Annual 1942, p.41.

2

Minutes of General Council, 24 March 1942.

3

Minutes of General Council, 4-5 November 1959; and Report of Proceedings 1960, p.6.

4

Minutes of Annual Conference, 1967; and discussions with leaders and staff.

With the increasing power of the Commonwealth Government, its relationship with the AWGC is one of the most pressing problems facing the GA. The GA would like to reconstruct the AWGC - perhaps to give it a unitary rather than federal structure - to make it a more effective body. This will not be an easy task. Another possible strategy - and one it has seriously considered - is to withdraw and try to establish itself as a national body. This however, would be a risky and perhaps dangerous move since the Commonwealth Government might well refuse to recognise it as a national body.

Co-operation with Other Farm Organisations

Co-operation with other farm organisations takes place on both an informal and a formal basis.

The main informal co-operation is between the GA and the UFWA, though at times the GA co-operates with other bodies including the APPU and the Primary Producers' Union of N.S.W. The case-study on cattle compensation illustrates some aspects of the informal co-operation that operates on non-controversial issues. The closest and most effective informal co-operation between the GA and the UFWA is often at branch level in relation to specific local issues. But some co-operation does take place at senior levels. The two organisations exchange information. At times they support one another's demands on matters of mutual interest and, on occasions, even make joint approaches to government departments. The scope and effectiveness of this co-operation are limited by traditional rivalry,

the long history of dispute over wool marketing and promotion, cultural differences and differences in political style.

Over the years the GA has co-operated formally with other farm organisations through membership of peak organisations of various kinds at State and national levels. In 1967 it was a member of the N.S.W. Chamber of the NFU and of the Australian Wheatgrowers' Federation. Through the Wheatgrowers' Federation and the N.S.W. Chamber of the NFU it was represented on the NFU, and through the AWGC on the AWIC.

The GA's enthusiasm for formal co-operation through membership of peak organisations and for amalgamation with other organisations has varied considerably. Its attitude to co-operation and amalgamation has been influenced primarily by the nature and seriousness of external threats, by the effectiveness of the GA's access to and influence with governments, by its perception of the degree of common interest existing among primary producers, and by pressure from its members.

For the first two decades after its foundation, the question of co-operation with other farm bodies did not arise. But with the accession of the Labor Party to office in N.S.W. and the Commonwealth, the GA soon sought allies among other farm bodies. In 1917 it promoted the establishment of the Producers' Associations' Central Council, the first peak organisation of farm bodies in N.S.W.,¹ and in 1919

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N.S.W. Graziers' Annual 1918, p.44.

it co-operated with the FSA to form the Country Party. It also explored the possibility of uniting all farmers in a single organisation. Motions in favour of the amalgamation of all farm organisations were discussed at the 1918, 1919 and 1920 Annual Conferences.¹ In 1921 the Secretary of the GA drew up a plan for uniting all farmers in a single body with distinct departments to deal with the special interests of each primary industry. This plan was publicised² and then debated at the 1921 Annual Conference. Many delegates to the Conference supported the proposal, arguing that by uniting, farmers would be better able to resist the attacks of trade unions and Labor administrations. Others warned against the plan. 'The Graziers and Farmers and Settlers', Colin Sinclair, a wealthy grazier, told the Conference, 'are like oil and water, they will not mix'.³ However, the Conference agreed to convene a meeting of all farm organisations to discuss the matter. The GA Secretary subsequently issued invitations to other organisations, but the response was discouraging. The Pastoralists' Association of West Darling intimated that it wished to retain its separate identity; the Graziers' Association of Southern Riverina and the Primary Producers' Union stated that they were opposed to amalgamation while the GA was affiliated to the Country

¹ Minutes of Annual Conferences, 1918, 1919, 1920.

² The Sydney Stock and Station Journal, 1 April 1921.

³ Verbatim report, Annual Conference records, 1921.

Party; the Sheepbreeders' Association declined the invitation; the Stockowners' Association made no reply; and the FSA stated that it considered that it was an inopportune time to consider the matter.¹ Until the Producers' Associations' Central Council collapsed in 1937, following the withdrawal of the FSA and the Primary Producers' Union, the GA channelled many of its demands to State and federal authorities through this peak organisation. Generally it was well satisfied with the Council's performance,² mainly because it successfully dominated the Council's decision-making and its General Secretary acted as the Council's Secretary.

The 1940s witnessed a second major burst of GA enthusiasm for formal co-operation through peak organisations. Faced with a Labor government in Canberra, and later with the twin threats of APPU expansion and the establishment of a government controlled peak organisation of farmers (as foreshadowed in the tenth annual report of the Rural Reconstruction Commission)³, the graziers' associations through the GFC participated actively in the formation (in 1943) and development

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Statement to the 1922 Annual Conference by the GA Secretary (Verbatim report, Annual Conference records, 1922).

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See annual reports of the GA Secretary and addresses by the Presidents to Annual Conferences in issues of the N.S.W. Graziers' Annual.

3

See President's address to 1948 Annual Conference (Annual Conference records, 1948).

of the Primary Producers' Council of Australia, which in 1949 became the NFU.¹ In N.S.W., with a Labor government also in power, the GA promoted efforts to form an effective State peak organisation. In 1942 the Agricultural Bureau instigated the establishment of the New South Wales Council of Primary Producers' Organisations.² The GA joined, but soon withdrew on the grounds that it was 'under the aegis of the Department of Agriculture'.³ Soon after the GA promoted the Primary Producers' Consultative Council, a loose body without a formal constitution. In 1948, in reaction to aggressive organisation in N.S.W. by the APPU, the GA and other organisations promoted the formation of the Primary Producers' Council of N.S.W.⁴ which in 1960 became the N.S.W. Chamber of the NFU.

Once a non-Labor government returned to office in the Commonwealth parliament, the GA had less need of a national peak organisation. However, some time passed before its enthusiasm for the NFU showed signs of wavering, and in the early 1960s the GA strongly supported the formation of the AWIC. In N.S.W. with a Labor government still in power, the GA was more enthusiastic about unity. On a number of occasions

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Harman and Smith, p.73.

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The Graziers' Annual 1943, p.61-3.

3

Explanatory notes for 1948 Annual Conference (Annual Conference records, 1948).

4

Ibid., and Muster, 2 February 1948, pp.9-11.

throughout the 1950s the GA considered the possibility of amalgamation with the FSA and in 1960 actually made an unsuccessful approach to the FSA to commence negotiations towards a merger.¹ Nevertheless, during the early 1960s an increasing number of prominent members within the Association began to voice doubts about the value of peak organisations and of working towards union with other organisations.

Since 1962 or 1963, despite the general tide of opinion among farmers in favour of unity, the GA and most of the other graziers' associations have moved towards isolation. In July 1965 the AWGC surprised other farm organisations with the announcement that it was withdrawing from the NFU at the end of 1965. Its President explained:

My council, which is responsible for protecting the interests of the unprotected wool and meat producers, has formed the view that those interests are not sufficiently consistent with producers of commodities mainly marketed within Australia, or which enjoy export subsidies....²

But apart from the belief that the interests of graziers were different from those of other farmers and that these interests were not being properly protected and promoted, the AWGC was dissatisfied with the NFU's

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Minutes of General Council, 5-6 August 1959; Annual Conference minutes, 1960; letter Ick-Hewins to G.G. Ashton 18 January 1961 (GA file 980).

2

The Land, 1 July 1965.

performance (particularly its slowness in decision-making), its political style, and its membership contribution system based mainly on ability to pay rather than on a per capita basis.¹ There was also fear among the graziers' associations that the projected merger of the NFU with the APPU might result in deletion of the veto clause in the NFU's constitution. (This clause allowed any member organisation to veto discussion of any subject which it considered to be a matter of domestic concern).

The GA's leaders today lean towards isolation, though they are not opposed to all forms of unity. In his presidential address to the 1966 Annual Conference, B.A. Wright gave a clear statement of the present state of thinking within the GA - and one which contrasts with many of the muddled statements on unity from other farm organisation leaders. He stated:

Unity of primary producers' organisations involves the sacrifice of autonomy.... There is no unity when organisations accept that discipline if it suits them and reject it if things are not going their way. We must be satisfied therefore that the sacrifice of autonomy is justified by practical results.

What is the real object? Many people, seeking to answer this question, seize on the catch phrase - 'To speak with one voice'. This implies, ambiguously, that the object is to create a more effective pressure group.

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Since 1965 the NFU has adopted a per capita contribution scheme, at least in principle.

It is ambiguous because some conjure up the picture of massed primary producers miraculously reduced to - or is it intimidated into - unanimity and all roaring for the same thing. The more realistic and, in fact, the only possible interpretation is that decisions, constitutionally resolved, will be accepted as binding, so that, on any specific matter, the government or other responsible authority will be delivered only one message and will be relieved of the responsibility of reconciling, compromising or choosing between conflicting policies. In other words, the political risks are to be accepted by the organisation - and with them the risks of disintegration. It is small wonder that the concept of primary producer unity has received considerable support in political circles.

In my view we should not be concerned with the convenience of government or of political parties. Our concern is with the convenience and efficiency of primary producers in organisation. Amalgamation of groups which in social, economic and political philosophy are sufficiently homogeneous should not create an insuperable problem and could enable administrative rationalisation and the getting-in of financial resources with which to improve staff efficiency. But to force into a common organisation interests which are not ideologically homogeneous must - and does - lead to the suppression of ideas, to intolerable delays in evolving policy and to the emergence of watered-down compromise lacking in the vigour of conviction. I fear the regimented suppression of opinion far more than I do the consequences of government being confronted with conflicting policies.¹

Since the controversial reserve price referendum, opinion among GA leaders towards unity has hardened.

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Annual Conference records, 1966.

The GA became disillusioned about the value of the AWIC and the campaign reduced the possibility of further co-operation and amalgamation with the UFWA, at least for the short-term future. But despite this, among rank and file members, and even members of the General Council, there is considerable enthusiasm for the idea of co-operation and amalgamation with other farm organisations. Some delegates to the 1966 Annual Conference voiced their disappointment at the AWGC's withdrawal from the NFU,¹ and at the 1967 Conference a sub-committee was appointed to study the question of unity.² While it is unlikely that pressure from the membership will result in a complete and sudden change in the thinking of GA leaders, membership opinion will probably tend to moderate any further swing to isolation. It seems highly unlikely that the GA in the near future will withdraw from the N.S.W. Chamber of the NFU, or will press for withdrawal of the AWGC from the AWIC. It is even less likely that the GA will withdraw from the Australian Wheatgrowers' Federation to which it gained admission only in 1966 after years of effort and constant pressure from its wheatgrower members.

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Based on the writer's observation of the Conference debates.

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Annual Conference minutes, 1967.

CHAPTER 8

Form: Primary Political TargetsForm

Of the four dimensions of behaviour in his model, 'form' is the one that Eckstein describes in greatest detail and one of the two that he employs extensively in the empirical section of Pressure Group Politics. Eckstein defines form as 'the principal channels and means through which pressure groups act on government and the character of the relations between the groups and organs of government'.¹ For analysis Eckstein divides form into two components; channels of influence and character of relations. What he thinks of as channels of influence is evident in the following quotation:

Broadly speaking, pressure groups may try to exert political influence through four major channels: the electorate, the political parties, the legislature and the administrative departments. That British pressure groups tend to concentrate on the last of these channels is borne out by the BMA.²

For our analysis we will employ Eckstein's general concept of form but modify its definition and use different components for analysis. We will define

1 Eckstein, p.15.

2 Ibid., p.73.

form as the means employed by a pressure group to communicate demands to centres of official decision-making and the means employed to exert political influence. For our purpose form is essentially a process of demand communication. In our analysis we will divide form into four components: organs of demand articulation, political targets, channels of communication, and character of relations. The reason for using these four components needs explanation.

Eckstein's two components proved useful for his analysis of the BMA. However, in many respects the form of the GA's behaviour is more complex than that of the BMA's. As we have already seen, the GA conveys demands to a wide range of decision-makers at three different levels of government on a great variety of issues. To give an adequate explanation of the form of the GA's behaviour, it is helpful to make a distinction between the political targets to which it communicates demands, and the actual channels of communication employed for this purpose. Thus, for our purposes, what Eckstein refers to as channels of influence become political targets. The term channels of communication we will use to refer to letters, formal submissions, deputations, press releases and the like.

Our four components for the analysis of the form of the GA's behaviour come from a simple model of the process of communication. In essence, the process of communication involves a sender, a message, a channel and a receiver. The messages or demands communicated

articulation include organs within the Association's structure as well as those outside it; the latter are those groups with which the GA is formally linked and which articulate certain kinds of its demands.

The number and character of a pressure group's organs of demand articulation, and the relative importance of each organ are determined primarily by a group's internal characteristics. As already indicated, decision-making power within the GA is shared by a number of organs and, to some extent, by the Association's secretariat. Many organs within the Association's structure also enjoy a large degree of autonomy with regard to specified policy-areas, and are permitted to make independent approaches to government authorities and to issue statements to the press. Consequently, the GA has many separate internal organs of demand articulation. These include central organs (such as the Executive Committee and General Council), local organs (local granches and district councils) and the secretariat. The secretariat prepares and transmits some demands (mainly on administrative matters or in response to complaints from individual members) independently of other organs, but most of the demands it transmits are on behalf of the central organs and, to some extent, of local organs.

Other factors as well as group characteristics help determine the number and importance of organs of demand articulation. For instance, local organs are important because of the need to communicate demands

to shires, municipalities and county councils. The development of numerous standing and ad hoc committees in recent years is related to the expanded opportunities for pressure groups to participate in decision-making, and also to the tremendous increase in the volume of business transacted between the Association and governments. It is also largely because of the kind of political setting in which it operates that the GA chooses to articulate some of its demands, particularly those relating to national issues, through other bodies to which it is formally allied.

The main organs of articulation used by the GA are set out below:

I. Organs within the GA's structure

1. Central Organs
 - (a) President
 - (b) Executive Committee
 - (c) General Council
 - (d) Annual Conference
 - (e) Standing and ad hoc Committees
2. Local Organs
 - (a) District Councils
 - (b) Branches
3. Secretariat
 - (a) Chief Executive Officer
 - (b) General Secretary
 - (c) Public Relations Department
 - (d) Other staff

II. External Organs

1. The AWGC
2. Bodies to which the AWGC is affiliated:
 - (a) National Employers' Policy Committee
 - (b) Australian Tariff Council
 - (c) The AWIC

II. External Organs (continued)

3. The Australian Wheatgrowers' Federation
4. The NFU (N.S.W. chamber)
5. The Employers' Federation of N.S.W.

That these different organs should articulate different kinds of demands and use different kinds of channels of communication to convey demands to different targets is not surprising. Neither is it surprising that organs should differ in the volume, importance and range of the demands they articulate. The central organs, for instance, communicate a much greater volume and range of demands than local organs. The specialist committees are concerned with a very limited range of issue-areas and convey demands to a limited number of targets. To take one example, the Cattle Council is concerned solely with matters relating to beef cattle and almost all its dealings are with the N.S.W. Department of Agriculture. In contrast, the Executive Committee and staff are concerned with an extremely wide range of issue-areas, and with all the Association's political targets. Nevertheless, within the secretariat senior staff members specialise in matters relating to certain policy-areas. Demands articulated by external organs are those relating to fields of Commonwealth responsibility and those which the Association considers are better dealt with by united rather than individual action.

Political Targets

Political targets are those structures of official decision-making in the political system to which a pressure group directs its demands, and they can be divided into primary targets and other targets. Primary targets are the major centres of official decision-making that make decisions on matters which affect the group. The other category includes both secondary and intermediate targets, the first being centres of official decision-making that are of minor importance to the group, the second structures to which demands are conveyed in order to reach or bring pressure to bear on the primary targets.

The GA's primary political targets are Commonwealth and N.S.W. governments and statutory authorities, and local government bodies. Its other targets are the electorate, political parties, members of parliament, the judiciary, official committees of inquiry and royal commissions, and other pressure groups. Political parties, committees and royal commissions, and other pressure groups are intermediate targets while those remaining, at least on occasions, are both intermediate and secondary targets. To take one example, the electorate is generally viewed by the GA as an intermediate target, and by means of regular propaganda and public campaigns the Association attempts to influence public opinion in order to influence government. But at times the electorate is also an independent and autonomous centre of official decision-making, and on such occasions,

when the decisions affect the lives of graziers, the Association communicates its demands directly to the electorate. On constitutional amendments the electorate has autonomous decision-making power, once Commonwealth or State parliaments have drawn up a proposed amendment to be submitted to electors. Consequently, when the N.S.W. Labor Government in 1961 submitted the question of abolition of the upper house to the electorate, the Association appealed directly to the electorate to veto the Government's proposal. On marketing schemes for primary products, the practice has been for the Commonwealth Government to submit proposals to producers for determination. Thus, in 1951 and again in 1965 the GA and other groups vetoed proposals to introduce a reserve price wool marketing scheme by persuading a majority of woolgrowers to vote against the scheme. Intermediate targets are generally employed by the GA as complements and alternatives to direct communication to primary targets. The GA uses regular publicity and propaganda aimed at the electorate as a complement to direct communication to primary targets. When direct communication fails, the Association often appeals to electors as an alternative means of communicating its demands to primary targets and influencing them.

A pressure group's political targets are determined by the political setting, political culture, and the internal characteristics. Briefly, the political setting provides the range of potential targets, political culture determines which of these can legitimately be used and how they can be used,

and the group's internal characteristics influence its decisions about which targets it will use. The political setting is probably the most important factor. To be effective in politics, it will be remembered, a group must adjust itself to the formal structure of government and to the location of effective power within official institutions. Since government structure divides the functions of government between three levels of government and since decisions taken at each level affect the lives of graziers, the GA must communicate demands to targets at each level of government. Because effective power at both State and Commonwealth levels has become concentrated in the executive and bureaucracy, and in statutory authorities, parliament is now a target of only secondary importance. The actual structure of the primary targets determines the number and kinds of levels at which the GA can gain access. As Table 14 shows, access to ministerial departments and commodity boards at both Commonwealth and State levels, and to local government authorities is available at three distinct levels. However, groups can communicate demands to the Tariff Board and arbitration tribunals at one level only, and generally such communications must take the form of presentation of evidence at formal hearings.

Since the Association became actively involved in politics, there has been a marked expansion in the number of primary political targets to which it communicates demands. This has resulted from a number of factors including expansion in the scope of

Table 14
Levels of Access for the GA in
Three Types of Official Structures

Levels	<u>Ministerial</u> <u>departments</u>	<u>Commodity</u> <u>boards</u>	<u>Local</u> <u>government</u> <u>authorities</u>
1	Minister	Elected members	Elected members
2	Permanent head	Permanent chairman/ secretary/manager	Town/shire or county council clerk
3	Others officers	Other officers	Other officers

government activity and in the number of government departments, statutory authorities and local government bodies; increased dependance of all producers on governments; and broadening of the Association's goals. An indication of the extent of the expansion since the mid-1920s in the number of ministerial departments and statutory authorities to which the GA communicates demands is given in Table 15. This table lists only those departments and authorities to which explicit reference was made in the minutes of the GA's Annual Conferences for 1926 and 1927, and for 1965 and 1966, and in the Association's annual reports for those years. The two most striking features in this table are the increase in the number of Commonwealth departments, and the increase in the number of statutory authorities. Table 15 does not refer to local government where the increase in the range of targets has been less marked. The expansion of targets at local government level has resulted mainly from the creation of new local government authorities (mainly county councils) and from the assumption of new functions (such as the reticulation of electricity) by local government authorities.

Character of Relations and Channels of Communication

Relations between the Association's different organs of demand articulation and political targets show great variations. Similarly, different organs use different channels to communicate demands. The easiest means of analysing character of relations and channels of communication is to do so in relation to

Table 15

Political Targets: Ministerial
Departments and Statutory Authorities

(Source: N.S.W. Graziers' Annual, 1926, 1927; Report of Proceedings, 1965, 1966; Annual Conference minutes, 1926, 1927, 1965, 1966).

<u>1926-7</u>	<u>1965-6</u>
<u>Commonwealth Departments</u>	
Treasury (including Taxation Branch)	Treasury (including Taxation Branch, and Bureau of Census and Statistics)
Postmaster-General's	Postmaster-General's Trade and Industry Labour and National Service Primary Industry (including the Bureau of Agricultural Economics) Interior (including the Bureau of Meteorology) Health National Development Civil Aviation Army
<u>Commonwealth Statutory Authorities</u>	
Commonwealth Arbitration Court	Commonwealth Industrial Court Conciliation and Arbitration Commission Tariff Board Australian Wool Board Australian Meat Board

Table 15 (continued)

Political Targets: Ministerial
Departments and Statutory Authorities

(Source: N.S.W. Graziers' Annual, 1926, 1927; Report of Proceedings, 1965, 1966; Annual Conference minutes, 1926, 1927, 1965, 1966).

1926-71965-6

Commonwealth Statutory Authorities

Australian Wheat Board
 Australian Meat
 Research Committee
 Australian Agricultural
 Council
 Australian
 Broadcasting
 Commission
 Australian
 Broadcasting Control
 Board
 Commonwealth
 Scientific and
 Industrial Research
 Organisation
 Snowy Mountains Hydro-
 Electric Authority
 Australian National
 University

N.S.W. Departments

Treasury
 Labour and Industry
 Agriculture
 Railways
 Lands
 Local Government
 Chief Secretary's
 Police

Treasury
 Labour and Industry
 Agriculture
 Railways
 Lands
 Local Government
 Chief Secretary's
 Police

Table 15 (continued)

Political Targets: Ministerial
Departments and Statutory Authorities

(Source: N.S.W. Graziers' Annual, 1926, 1927; Report of Proceedings, 1965, 1966; Annual Conference minutes, 1926, 1927, 1965, 1966).

1926-71965-6N.S.W. Departments

Mines

Mines
Health
Main Roads
Motor Transport
Education and Science
Technical Education
Decentralisation and
Development
Conservation
Valuer General's
Premier's
Public Works
Housing
Justice

N.S.W. Statutory Authorities

State Conciliation Commission
Main Roads Board

Industrial Commission
Grain Elevators Board
Maritime Service Board
Water Conservation
and Irrigation
Commission
Prickly Pear
Destruction Committee
University of New
England
University of New
South Wales

specific targets. Thus, for the remainder of this chapter we will be concerned with primary targets, while in the following chapter our concern will be secondary and intermediate targets. Before turning to this detailed analysis however, three general points should be made.

First, according to one strand in Australian political folklore, pressure groups channel their demands largely through members of parliament who are contacted by lobbyists in the corridors of the parliamentary buildings, and who are influenced through lavish entertainment ('wining and dining'), sometimes by bribery, and occasionally by threats of action to jeopardise their chance of re-election. These notions are without foundation in the case of the GA (and I suspect for most, if not all, of the leading economic pressure groups). The GA relies primarily on direct communication to governments rather than on influencing members of parliament. There is no evidence that it has ever used bribery, and threats of campaigning to jeopardise the return of governments or individual members of parliament are rarely made. Moreover, the Association entertain politicians and public servants infrequently. In fact, it is probably true that Ministers entertain the Association's leaders more often than the latter entertain Ministers.¹

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According to various leaders of farm organisations, Ministers often entertain members of deputations or groups participating in discussions in their rooms or elsewhere.

Second, the character of the relations between the GA and governments largely determines the extent to which the GA relies on intermediate targets from time to time as a means of communicating with its primary targets. Because of its political orientation, the GA finds direct communication with Labor governments more difficult, and Labor governments are more inclined to take action likely to provoke the GA's use of veto power. Consequently, the Association tends to rely more on communication with intermediate targets when Labor governments are in office.

Third, at any one point of time the GA is usually communicating demands on a wide range of issue-areas to numerous political targets. Consequently, relations between different organs and different targets can vary tremendously at the one time - from extremely close and friendly relations, to open hostility. Similarly, at any one point of time, the Association usually employs a variety of channels of communication. Frequently it uses a number of channels concurrently to communicate with different targets about the same issue. In 1962, for example, following the Labor Premier's announcement that the N.S.W. Arbitration Act would be amended to make it obligatory for industrial tribunals to grant upon application a forty hour week to workers under N.S.W. rural awards, the GA took a deputation to the Premier and at the same time launched a press and radio publicity campaign.¹ Even on

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Report of Proceedings 1962, p.4.

largely non-controversial issues, the Association often uses publicity to complement direct approaches.

Relations and Channels: Primary Targets

For analysis we will divide primary targets into four categories:

1. The N.S.W. Government;
2. The Commonwealth Government;
3. Arbitration tribunals and the Tariff Board; and
4. Local government authorities.

N.S.W. and Commonwealth Governments refer to Ministers and public servants in government departments, and to statutory authorities except those in category 3.

N.S.W. Government

In this section we will confine our analysis to communications by internal organs only.

Relations between the GA and Labor ministries are seldom friendly and close, and never intimate. Labor governments have often treated larger graziers harshly, and have frequently ignored demands made by the GA. On occasions Labor Ministers have refused outright requests made by deputations from the GA. One notable occasion was in January 1926 when a deputation waited on J.T. Lang, the Premier at the time, requesting that the Government change its mind about abolishing the Legislative Council. Lang not only refused the request point-blank, but told his audience that he would do

everything in his power to see the Council abolished.¹ At times, on specific issues related to declared Labor policy, Labor Ministers have refused even to meet deputations from the GA.

The poor rapport that has often existed between the GA and Labor governments has by no means been solely the fault of Labor governments. The Association is always highly suspicious of Labor administrations and expects little sympathy. In more recent years the Association has often not bothered to take deputations to Labor Ministers on matters arising from Labor governments' stated objectives or those of the ALP. Activists as well as leaders in the Association are well aware of the situation. 'It is well known that we didn't cut much ice up there',² one delegate told the 1966 Annual Conference, when referring to the various government departments during the long period of Labor rule which ended in 1965. The GA has never shown any reluctance to criticise Labor governments. It has often campaigned against the Labor Party, and its close relations with the Country Party are no secret.

In contrast, relations with non-Labor Ministers are usually extremely friendly and close. As far as possible non-Labor governments have tried to meet the Association's major demands, or at least to make

1

'Statement showing the manner in which Resolutions of the Ninth Annual Conference have been dealt with', Annual Conference records, 1926.

2

From the writer's observation of the Conference.

significant concessions. Shortly after coming to power, the Askin Government, for example, lifted closer settlement proclamations over 22 m. acres of private land in response to demands from the GA.¹ With non-Labor Ministers GA members feel that they share the same outlook and values - as one member put it, 'we operate on the same wave-length'.² At times the Association has been disappointed and even dissatisfied with the performance of non-Labor governments; but even then, it has been unwilling to embarrass the Government to the extent of giving the Labor Party any real electoral advantage. In 1928, when non-Labor governments were in power in both Commonwealth and State parliaments, the GA President explained to the Annual Conference:

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See Annual Conference minutes, 1966; and Muster, 13 April 1966. These proclamations, mostly imposed by Labor governments, stopped legal transfer of land without the consent of the Minister for Lands. Some proclamations dated back to 1908. The GA argued that the Government should retain proclamations only over land that was immediately needed for closer settlement projects. The Askin Government followed this plan, releasing 22 m. acres and retaining proclamations over 250,000 acres, enough for its closer settlement programme for two years. The Government also announced that its policy would be to resume land for closer settlement only from large landowners, particularly overseas companies, who were not making 'the maximum economic use of their land'.

2

Interview with the writer.

I do not wish to convey the idea that we are perfectly satisfied with the Federal Government or that either the Federal Government or State Government should not be criticised by us. The perfect Government has not yet arrived, and probably none of us will ever see it. But our criticism should be constructive, and we should constantly keep in mind what a return to power of the Labour Party¹ as it is controlled to-day, would mean....

Despite their inclination to give preference to the GA, non-Labor governments have been limited by financial considerations, and by the need to win wide electoral support and consent from other interests in the amount of preference they have been able to give. Despite vocal protests from the GA, the Askin Government in its first term of office refused to abolish the system of land taxation established by Labor in the 1950s since its budget depended on this source of income.² In 1928 the Bavin-Buttenshaw Government refused a request from the Association to repeal Labor legislation, establishing an adult franchise for local government elections.³

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N.S.W. Graziers' Annual, 1928, p.15.

2

These protests included strongly worded resolutions passed at Conferences, press publicity and even public protest meetings arranged by local branches.

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Minutes of General Council, 6 June 1928. Local branches also made independent approaches on this matter. For an account of the action of one branch, see G.S. Harman, 'Politics at the Electoral Level - A Study in Armidale and New England, 1899 to 1929', M.A. honours thesis, University of New England, 1964,

(continued on p.274)

Labor governments have been similarly limited in the amount of preference they have been able to give to their supporting interests, and on non-party political matters have often agreed to demands from the GA and other farm organisations in the hope of winning electoral support in country districts. The fact that the Labor Party in N.S.W. has been able to win a share of the country seats has therefore worked to the Association's advantage. And apart from financial considerations and the need to broaden their base of electoral support, Labor governments have often granted concessions to the GA on non-controversial matters because of the assumed importance of the role of graziers in the economy.¹

Access to public servants in government departments is easy for recognised economic pressure groups, irrespective of governments. Relations between the Association and public servants differ little whether under non-Labor governments or Labor governments, with the exception that under Labor administrations officers concerned with party-political issues are somewhat reluctant to maintain really close relations with the Association.

¹ (continued from p.273)

p.666. The Government refused the GA's request for two reasons: Bavin believed in an adult franchise and had crossed the floor to vote for it, and it was considered that to withdraw a right already enjoyed by electors could result in a strong reaction from government supporters and potential supporters.

¹

The cattle compensation scheme (see chapter 13) is a good example.

The actual character of the GA's relations with public servants shows significant variations between departments.¹ On the one hand, officers in some departments are extremely friendly towards the Association and have an intimate knowledge of its activities and policies. On the other hand, officers in other departments with which the GA deals know little about the Association and have no special feelings of friendship towards it. The character of the relations between the GA and any department depends on a number of variables which include: frequency and type of contact; the types of demands the Association makes (i.e. the issue-areas involved, the degree and kind of change it seeks, and whether its demands seek to initiate change or to veto proposals from other groups or from within the department); the extent to which officers in the department feel dependent on the Association for information, advice, consent, and administrative help; and the ability of the Association to make things difficult for the department should it choose to do so. By far the closest and friendliest relations are with officers in the Department of Agriculture with whom the Association constantly transacts a large amount of business. Most of the GA's demands relate to administrative changes on non-controversial issues, and seek to initiate changes rather than to veto proposals of the Department or of

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This section is based mainly on interviews with the Association's staff and leaders, and with public servants in a number of government departments.

other groups. Officers of the Department depend to a high degree on the GA's information, advice, consent and help in administering policies. As the case-study on cattle compensation indicates, the Association acts as a sieve for grievances, and so saves departmental officers a great deal of time and bother. Individual organs within the GA's structure and individual members of the Association's senior staff maintain particularly close, personal relations with individual officers in certain divisions of the Department of Agriculture. To give one example, members of the Cattle Council have close relations with the Chief of the Division of Animal Industry and his officers with regard to disease control among beef cattle, livestock and pest research, and operation of the cattle compensation scheme. Soon after his retirement, one former Director-General of the Department, in a discussion with the writer, indicated that he had an excellent knowledge of the GA and its activities, and was personally acquainted with its senior staff members and many of its leaders. At the other end of the scale are those departments that do not regard the GA as being among its regular clientele and with which the GA has irregular contact. This category includes the Departments of Education, Technical Education, Justice and Housing.

Different channels of communication are used by the Association according to the kinds of demands being communicated and the particular target. Channels of communication can be conveniently divided into written and personal communications. Written communications take three main forms: letters, telegrams and submissions.

Each week dozens of letters go out from the Association's secretariat to Ministers and departments communicating the decisions of the Association's central organs, requesting information or changes in policy, or conveying complaints from members. Letters sent by the secretariat are couched in clear, precise public service language, and in format and tone are similar to the letters that come back from Ministers and departments. Sometimes delegates to the Association's Annual Conference complain that the staff rely too much on letters. 'The personal touch', one delegate in 1937 stated, 'carries more weight than a letter'.¹ The staff appreciate the value of personal contacts, but the volume of the Association's demand output makes it impossible for all demands to be communicated personally. In addition, some demands are best conveyed by letter.

Trunk-line telephone calls have largely replaced the use of telegrams. Telegrams however, are still used to convey formal statements on matters of urgency, and in crises as a means of protest. In the crisis over the wool sales deduction acts, as the case-study indicates,² the Association encouraged local branches to send telegrams of protest to the Federal Treasurer and to local members of parliament.

Submissions are usually prepared by the staff at the direction and often with the help of the Association's

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Verbatim report of debates, Annual Conference records, 1937.

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See chapter 14.

central organs. Because of the expertise of its senior staff members and the facilities available in its secretariat (particularly those provided by the library), the GA is able to prepare submissions which are often superior to those of other farm organisations; some have run to thirty or forty pages of typescript.¹ They usually include a great amount of evidence quarried from government publications, periodicals, and the Association's records, as well as data supplied by local branches.² In their style and format, the GA's submissions resemble submissions prepared by departments for Cabinet. They are divided into sections and sub-sections, a summary of the submission is provided at the beginning of the document, and the source of all important data used is clearly stated. The Association's submissions are based on rational and logical argument; they argue their case on the basis of statistical evidence, precedents, anomalies, practice in other States or overseas, or administrative convenience and efficiency.

Personal communications take various forms. The least formal, but by no means unimportant, are the

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For example, the Association's submission in September 1965 to the Minister for Agriculture on Bovine Tuberculosis control and eradication in N.S.W. ran to thirty-five pages. The text was divided into twelve chapters and was accompanied by a summary and statistical appendices. The submission was bound in an attractive folder for presentation to the Minister.

2

One common problem for the staff is to get local branches to take the trouble to collect and forward data for specific submissions.

communications that take place through informal social contacts. Senior staff members of the Association frequently meet their opposite numbers in government departments at social functions arranged by farm organisations, departments and statutory authorities, at meetings of professional associations such as the Australian Agricultural Economics Society, at animal health and farm machinery field-days, and through membership of the same exclusive clubs in Sydney.¹ Leaders of the Association too, frequently meet socially with permanent heads and other senior public servants. In recent years the Association has invited the Prime Minister, the Premier, or another senior Commonwealth or State Minister to open the Annual Conference. After the opening ceremony, the President and members of the Executive Committee as a rule entertain the visitor to lunch in one of the exclusive clubs. Commonwealth and State Ministers and senior public servants are also invited to the Association's annual dinner held during the Annual Conference. While some business is transacted through these social contacts, they are more important in establishing close and friendly relations, and in building up confidence and trust.

The most frequent form of personal communication is the daily informal contact between the Association's

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e.g. the University, Union or Australian clubs. This section is based on interviews with staff members of the GA and other farm organisations, and on interviews with public servants.

staff and public servants. The Association's staff are in constant contact by telephone and personal visits with their opposite numbers in the Department of Agriculture, and to a lesser extent in the Departments of Lands, Conservation, Railways, and Labour and Industry. Relationships between staff and public servants are very friendly, often on a first-name basis. Generally these communications relate to routine matters of administration, to complaints from GA members and to minor non-controversial policy decisions. At times however, questions of high policy are discussed, but such discussions usually are strictly 'off-the-record'. Some informal contact also takes place between the President of the GA, or members of the Executive committee or standing committees, and public servants. Members of the Cattle Council, for example, often have informal discussions with officers of the Division of Animal Industry in the Department of Agriculture.

Formal personal communications take three main forms. First, at intervals the Association conveys demands relating to major questions of policy to Ministers by formal deputations. Formal deputations are usually arranged some days in advance by the Association's secretariat, normally to coincide with meetings of the Executive Committee or other organs. Deputations generally consist of three to six members and, on legal or technical matters, are usually accompanied by a senior member of the staff. Except on party political matters, Ministers usually have the permanent head of the department and/or other senior

officers present. Apart from party political considerations, the success of a formal deputation depends on prior preparation. Usually the case to be presented is carefully prepared by leaders and staff who believe that, as Ick-Hewins puts it, unless they 'do their homework' they have little chance of success.¹ Often the permanent head or heads of sections are consulted in advance about what changes are feasible and practicable, and about what alternatives the Department might be prepared to accept. Usually a written submission is presented to the Minister by the deputation, or forwarded soon after.

Second, the Association's views are communicated to senior Ministers who are invited to open the Association's Annual Conference, and to Ministers and public servants who accept invitations to address any of the Association's central organs. The usual practice in both cases is for a period of questions to follow an address; through questions Ministers and public servants are usually made well aware of the Association's views and complaint.

Third, Ministers and senior bureaucrats often solicit the Association's views on proposed policy or administrative changes or on certain problems,² and frequently invite leaders and staff to participate in

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Interview with the writer.

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For example, in 1961 the Association was asked by the N.S.W. Labor Government to comment on a proposed companies bill. See Report of Proceedings 1961, p.75.

discussions. Eckstein makes a distinction between consultations and negotiations. Consultations take place, he states, when the views of organisations 'are solicited and taken into account but not considered to be in any sense decisive';¹ negotiations occur when a 'governmental body makes a decision hinge upon the actual approval of organizations interested in it, giving the organizations a veto over the decision'.² However, in the case of the GA something between consultation and negotiation is more common than either. Moreover, it is not the Government alone which can decide whether it will consult, or negotiate, or something between. Instead, the relationship depends on many factors in the power and psychological situations. Often in discussions both the leaders of the Association on the one hand, and Ministers and public servants on the other, are prepared to bargain and compromise, and consequently the final outcome is frequently other than the initial position of either party. Ministers and public servants, no less than leaders and staff of the Association, are limited in their powers and scope for manoeuvre. The former need to consult Cabinet and other departments to gain approval for major changes in policy, and they must work within the limits of declared government policy and often within an established departmental view. Leaders and staff of the GA have to work within the limits of the Association's ideological outlook and

¹ Eckstein, p.23.

² Ibid.

declared policies. Although the Association delegates considerable powers to its President and Executive Committee, because of its strong tradition of democracy, leaders are generally unwilling to accept responsibility for giving consent to policies which are not in line with the Association's policy or on which the Association has no declared policy. But while both sides are limited in their powers and in their scope for manoeuvre, most negotiations and discussions take place with the knowledge that in the last analysis the Government's will can prevail.

Lastly, the Association is able to communicate demands through its representatives on statutory boards and advisory committees. Representation on such formal institutions of government is highly prized by all pressure groups. Like other groups the GA spends considerable energy in trying to persuade governments to provide greater scope for the representation of farm interests on boards and committees, and to secure appointment of its members to such bodies. At State level the GA is well represented on a wide variety of bodies. In 1967 these included the Rural Workers' Accommodation Advisory Committee, the Pastoral Employees Conciliation Committee, the State Development Corporation, the Bushfires Committee, the Fauna Protection Panel, the Road Safety Council of N.S.W., the Advisory Committee on Safety in Rural Industries, the Rural Youth Council, and the North Coast Cattle and Beef Research Liaison Committee.¹ However, to date the

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Compiled from various publications and records of the Association.

Association has failed to secure representation on the Grain Elevators Board which, unlike many other boards and committees, is elected directly by growers. Following the Board's reconstitution in 1967, the GA ran candidates in three out of the four electorates but all four seats were won by candidates sponsored by the UFWA.¹ Perhaps the most valuable form of direct representation the GA has at State level is its representation, through its Chief Executive Officer, on the Rural Workers' Accommodation Advisory Committee. This Committee consists of three members: a departmental officer, a representative of employers (Ick-Hewins), and a representative of employees (an AWU nominee). Through this Committee, many potential matters of conflict and controversy between the GA and the AWU are successfully resolved by negotiation and discussion. All applications by employers for exemptions or partial exemptions from provisions of the Rural Workers' Accommodation Act are referred to the Committee.²

Relations with statutory authorities and the channels of communications used to convey demands to such bodies generally follow the same lines as with Ministers and departments, except that relations with autonomous statutory authorities vary little with changes in government.

1

Report of Proceedings 1967, pp.73-4.

2

See various editions of the Reports of Proceedings and the Rural Workers' Accommodation Act 1951.

Commonwealth Government

The character of the relations between the Association (and the AWGC) and Commonwealth Ministers, departments and authorities follows in many respects the same pattern as that at State level. With non-Labor governments relations have generally been close and friendly, while relations with Labor governments have often been strained and even antagonistic. Rapport with the last Labor government to hold office, the Chifley Government (1946-9) was particularly poor.¹ Relations also vary with departments, the closest relations being with the Departments of Primary Industry, and Trade and Industry.

Similarly in communicating demands the GA and the AWGC use both written and personal channels of communication. The AWGC prepares many detailed submissions, particularly on economic matters. Both directly and through the AWGC the Association is represented on a wide range of commodity boards and advisory committees.² Members of the GA and its federal bodies have also on occasions been appointed as members or advisers to Australian delegations to

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The GA not only reacted strongly to the Chifley Government's attempts at nationalisation, but through the GFC clashed with the Government on many issues including soldier settlement schemes and the de-control of hides and skins.

2

The two most important boards on which the GA is represented through the AWGC are the Australian Meat Board and the Australian Wool Board.

international trade conferences.¹ However, since the second world war the graziers' associations have had to share representation on the wool and meat boards with the wheat-sheep farmers' organisations. Despite repeated attempts, the GA has still not gained representation on the Australian Wheat Board,² though in 1967 it secured representation on the N.S.W. Wheat Industry Research Committee.³ As at State level, the GA and its federal bodies have regularly pressed for wider representation of graziers on all statutory authorities and committees which are concerned with matters related to their interests.⁴

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For example, Sir Frederick Tout attended the Ottawa talks in 1932 as a consultant; P.B. Newcomen, as President of the GFC, in 1947 was attached as non-official adviser to the Australian delegation to the International Trade Conference in Geneva; and C.M. Williams was a member of the Australian delegation of the International Trade Conference at Geneva in 1954 to discuss the General Agreement on Trade and Tariffs.

2

Like the Grain Elevators Board of N.S.W., the Australian Wheat Board is elected directly by wheatgrowers. In 1965 the GA ran two candidates but the two seats being contested were won by the UFWA. (Report of Proceedings 1965, p.29).

3

Sydney Morning Herald, 30 January 1967. Despite its name, this committee is appointed by the Commonwealth Minister for Primary Industry under provisions of the Wheat Research Act, 1957.

4

For example, the graziers' associations have at various times pressed for their nominees to be appointed to the Tariff Board and the boards of the various government banks.

At the same time, there are some important differences between the two levels of government with respect to character of relations and channels of influence. The most obvious differences arise from federalism. We have already seen that in theory the GA's demands to the Commonwealth Government are communicated through the AWGC and other national organisations. In practice the Association handles most administrative matters (including complaints from individual members)¹ itself, and frequently writes to Commonwealth departments to support demands made by the AWGC. In addition, in cases of urgency it sometimes makes its own approaches to the Commonwealth or boards on questions of policy. One such case was in 1966 when the Association's Mutton and Lamb Committee considered that a lamb promotion campaign was necessary to overcome a seasonal glut of lamb. The AWGC was not scheduled to meet for some weeks, so the Association conveyed its request directly to the Meat Board. However, it specifically requested a promotion campaign in N.S.W. alone, thus technically making the request a matter of State concern.²

The AWGC's relations with Commonwealth Ministers and bureaucrats are somewhat different from those between the GA, and State Ministers and bureaucrats,

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These mainly involve taxation, postal services, civil aviation, and radio and television services.

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Statement by the GA General Secretary to the New England District Council, 2 November 1966.

and the AWGC relies on slightly different channels of communication. Since the AWGC does not handle complaints from individual graziers or act as an ombudsman on their behalf, and since it has no office in Canberra, its staff have much less frequent contact with officers in Commonwealth departments than the staff of the GA have with their counterparts in N.S.W. departments. Consequently, informal and semi-formal personal communication between staff and bureaucrats is much less important. There is also less frequent contact between leaders of the AWGC and public servants than there is at State level. In recent years the usual practice has been for the President and the two senior staff members of the AWGC to go to Canberra at irregular intervals for up to a week at a time in order to transact business with Ministers and bureaucrats.¹ Apart from lack of frequent contact, relations between the AWGC and Commonwealth public servants are less intimate because of a suspicion among graziers, dating back to the 1940s, that the Commonwealth public service has a distinct liking for government intervention and economic planning - 'bureaucracy of the worst kind' - and that Commonwealth departments are inhabited by academic economists, many of whom are to the 'Left' in politics. At the 1954 Annual Conference, C.M. Williams, then the immediate Past-President of the Association, warned delegates of

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This section is based on an interview with the President of the AWGC on 15 November 1966.

'the long-haired socialists we have in the various Departments in Canberra'.¹ It is partly because of this suspicion of the political outlook of senior Commonwealth public servants that some of the graziers' associations have opposed attempts by the GA to have an AWGC office established in Canberra. They reason that with an office in Canberra there is the danger that AWGC staff members might become too friendly with public servants, and so be influenced by them.

Consultations and negotiations appear to be more important at the national level than at State level. Since 1962 the AWGC has participated with other leading economic pressure groups in the regular series of discussions, usually in February and June each year,² with senior Ministers on the state of the economy.³ Proposed changes in policy for wool and meat as a rule are discussed by the Commonwealth with the AWGC before a decision is announced, and the AWGC usually has opportunity for some degree of negotiation. But in negotiations, the Commonwealth,

1

Verbatim report, Annual Conference records, 1954.

2

In 1968 no talks were held in February because of the change in Prime Ministers.

3

The AWGC is usually represented at these discussions by its President. In 1965-6 the practice was for the representatives of the four farm organisations (the AWGC, the AWMPPF, the NFU and the APPU) to have a full morning with Ministers. The discussions were usually informal, though the farm organisations brought with them formal submissions. After the discussions, the Prime Minister usually entertained the farm representatives to drinks.

even more than the N.S.W. Government, always holds the upper hand and, in the case of wool and meat matters, it can exploit the differences between the AWGC and the two rival organisations for its own ends.

While the GA strongly supports the principle that commodity federations should be consulted prior to any changes in policy that affect their interests, it objects to the secrecy that surrounds most consultations and negotiations between the Commonwealth and the commodity federations. In 1950 and 1951 the GA protested against the secrecy with which the negotiations for a reserve price wool marketing scheme were carried on.¹ As a protest and in order to inform members of the nature of the proposals being discussed, in March 1951 it published in its newspaper a detailed statement of the main features of the plan being considered.² Almost immediately the Chairman of the AWC received a telegram from the Department of Commerce and Agriculture demanding an explanation and, according to the President of the GA, the Department took action tantamount to severing relations with the AWC.³ Concerning this incident, the President told the 1951 Annual Conference in April:

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See Minutes of General Council, 5-6 July 1950 and 18-19 July 1951; and minutes of Annual Conference, 1951.

2

Muster, 1 March 1951, pp.427-42.

3

Address to Annual Conference (Annual Conference records, 1951).

...what the governmentalist requires of primary producers' organisation is that it shall preferably be one and indivisible; and that its leaders shall negotiate on its behalf with full powers to commit their organisation, while the individual members are kept entirely ignorant of what is taking place. To inform members even in a publication that has the status of little more than a private circular is, in the eyes of the governmentalist, an offence.¹

A more recent example was over the New Zealand-Australia Free Trade Agreement which came into force on 1 January 1966. The Commonwealth consulted, among others, leaders of the commodity federations concerned with meat matters but restrained them from discussing the matters raised with their member organisations. At the Association's 1966 Annual Conference delegates expressed annoyance that the GA had not been consulted, particularly about the question of the removal of import duties on New Zealand lamb, and resolved to protest to the Ministers of Trade and Industry, and Primary Industry about the limited nature and secrecy of the prior consultations.² On 27 September 1966, McEwen replied:

In respect of lamb, the Government held extensive consultations with industry representatives and demonstrated the importance which it attaches to an effective and continuing exchange of

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Ibid.

2

Annual Conference minutes, 1966.

views between the industry and the Government in advance of international trade negotiations. There is hardly need for me to stress, however, the need for such consultations to be held on a confidential basis as publicity could seriously impair Australia's tactical position in trade negotiations.¹

Secrecy in negotiations with farm organisations is obviously necessary on policy proposals involving inter-government trade negotiations, but on others there seems to be no good reason why discussions should be confidential and why information should be unavailable to the public until the policy has been crystallised and the decision announced to parliament. The GA generally holds a similar view to that of Professor Campbell, believing that public discussion of policy proposals is in the interest of affected groups as much as the general public. Yet there appears to be little likelihood of any immediate change since the Commonwealth Government and its public service show a marked tendency to what Sawyer has referred to as 'government by secrecy'.²

Arbitration Tribunals and the Tariff Board

Because of their structure and functions these autonomous statutory bodies can only have formal

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'Report of Proceedings 1st July to 9th November, 1966', document prepared for General Council, November 1966, p.20.

2

Geoffrey Sawyer, 'Between the Lines', The Canberra Times, 5 July 1967.

relations with pressure groups, and the channels of communication are limited to submission of evidence at formal hearings.

While wages and working conditions for employees in N.S.W. are determined by both Commonwealth and State arbitration tribunals, the GA is predominantly concerned with decisions handed down by the Commonwealth Conciliation and Arbitration Commission.¹ In particular,

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The first award for the pastoral industry was handed down by the Commonwealth Arbitration Court in 1908. In the 1920s the N.S.W. Industrial Commission also made awards for pastoral employees. This caused confusion and, when the awards differed, was a source of dispute. In 1929 a non-Labor government took away from the N.S.W. Industrial Tribunal the power to make awards for rural industries. This power was restored in 1951 by a Labor Government and the State Industrial Commission made a State pastoral award in 1954. Differing State and Commonwealth awards in 1956 contributed to the conditions which produced a major shearing strike in that year. Employees of members of the GA are now generally covered by Commonwealth awards. In 1956 the Commonwealth Arbitration Court was replaced by the Commonwealth Industrial Court (which deals with judicial matters associated with industrial arbitration) and the Commonwealth Conciliation and Arbitration Commission (which handles the functions of conciliation and arbitration). In many respects the Industrial Court is better considered with the judiciary rather than as a primary target.

it is concerned with the Federal Pastoral Industry Award (which since 1917 has prescribed conditions of employment and rates of pay for station hands as well as shearers),¹ the Federal Woolclassers and Shearing Staff Employees Award, and with what have come to be known as the national wage cases.

For many years the GA Secretary appeared on behalf of the Association and the other graziers' associations in hearings on the Federal Pastoral Award,² but in recent years all arbitration work with respect to Commonwealth tribunals has been handled by the AWGC. The AWGC has two qualified industrial officers who devote their time fully to arbitration matters. In addition, as already indicated, the AWGC is a member of the National Employers' Associations and its two committees, the National Employers' Policy Committee and the National Employers' Industrial Committee.³ The National Employers' Associations, established in the late 1950s as an organisation to promote the interests of employers in the formulation of national wage policy, had approximately forty member organisations in 1967. The Policy Committee consists of one representative from each of the following four organisations: the Australian Council of Employers'

1

See 'History of Industrial Arbitration in Relation to Pastoral Awards in N.S.W., The Graziers' Annual 1930, p.100; and recent issues to Report of Proceedings.

2

e.g. see minutes of Council 26 June 1907.

3

This section is based on articles by E.S. Cole, the AWGC's industrial officer, in Muster, 25 January and 22 March 1967.

Federations, the Associated Chambers of Manufactures of Australia, the Australian Metal Industries Association of the AWGC. The Industrial Committee is composed of industrial officers from these four organisations and is responsible for the conduct of arbitration proceedings, preparing material for counsel, and the general organisation of the cases to be presented on behalf of employers. The Policy Committee, in conjunction with periodic general meetings of the National Employers' Associations, decides overall policy. As the national wage case in recent years has assumed greatly increased importance, the industrial officers of the AWGC are devoting an increasing proportion of their time to the work of the National Employers' Industrial Committee.¹

As well as submitting evidence at formal hearings, the AWGC at times takes the initiative and requests the Commission to intervene because of a 'dispute' in the industry. (The Commission is able to intervene only where there is 'dispute'; a 'dispute' occurs when a claim made by either employees or employers is rejected by the other party). The Commission then intervenes, and holds a formal hearing at which the affected parties present their cases. Hearings often take months. Finally a decision is handed down, either making a new award, varying an existing award or leaving the existing award unaltered. Determinations by the Commission have the force of law.

1

Report of Proceedings 1967, p.4.

Of the commodity federations and national farm organisations, the AWGC alone takes a serious interest in arbitration and has its own special industrial officers.¹ However, other organisations occasionally make cursory appearances at hearings, mainly to satisfy their members and to secure publicity.

The Tariff Board was established in 1921 as an impartial body to advise the Commonwealth Government on protection for Australian industry, and to inquire into proposals for new, increased or reduced tariffs or bounties.² It consists of eight members, three of whom are public servants. The other members are not appointed to represent special interests, though they are often deliberately chosen from among business interests, farm groups and trade unions.³ The Board investigates industries only when it is given a 'reference' by the Minister for Trade and Industry. Usually a group seeking a variation in the tariff first approaches the Department of Trade and Industry and attempts to convince officers that a prima facie case exists for a variation. If it succeeds, a specific

1

See Commonwealth Arbitration Reports for information to the parties to disputes. The UFWA has a separate organisation, the Farmers and Settlers' Industrial Association, to handle its industrial work. However, this organisation has no separate staff, and most of its work is performed by the Employers' Federation.

2

See Tariff Board Act 1921-1962, and Corden, pp.181-4.

3

In 1967, of the five non-public servant members, one was a grazier, one a farmer, and three had backgrounds in commerce or manufacturing.

reference is given to the Board which then makes its own inquiries, holds public hearings and reports to the Minister. However, there is no compulsion for the Minister to release the report, or to adopt its recommendations.

Since the Board's inception the GA has presented evidence, either directly or through other organisations, at hearings concerned with proposals to vary duties on manufactured items used by graziers. In the 1920s the GA's Secretary appeared on a number of occasions on behalf of the Association,¹ but in 1932 the Joint Committee for Tariff Revision took over the task of presenting evidence to the Board.² In recent years the Association's tariff work has been handled by the AWGC. The AWGC's economist gives evidence at hearings - for example, in 1965 he gave evidence at inquiries on industrial chemicals, replacement internal combustion engines for vehicles and certain replacement parts, and the marketing of crude oil,³ - and the AWGC also conveys its demands through the Australian Tariff Council,⁴ as the Joint Committee is now called.

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For example, in 1924 the Secretary presented evidence jointly on behalf of the GA and the Producers' Associations' Central Council in an inquiry on duties on barbed wire, sheep shearing and agricultural machinery, and pastoral supplies.

2

The Association joined the committee in 1932 (N.S.W. Graziers' Annual 1932, p.44).

3

Report of Proceedings 1965, p.37.

4

The members of the Australian Tariff Council are the AWGC, the NFU, the Australian Council of Retailers, and the Sydney Chamber of Commerce.

Sometimes both the AWGC's economist and the Secretary of the Tariff Council give separate evidence at the one inquiry on behalf of the AWGC.¹

On tariff matters the graziers' associations have done much more than other farm organisations in the way of presenting substantial evidence at public hearings. But their performance on tariff matters has been much less impressive than it has been on arbitration and on many other issues. They have relied on periodic protests to the Minister for Trade and Industry about the high level of tariffs and the adverse affect of tariffs on their costs, and on presenting evidence to inquiries intitated by manufacturers to secure increased protection. Their submissions have been generally sound, but in many inquiries they have been outmatched by manufacturing interests. Manufacturers with an interest in securing or raising tariff protection for a single item or small range of items are in a better tactical position than organisations like the graziers' associations which aim to veto increased tariffs on any major items used by graziers. But despite this, the graziers associations have not used the available machinery to its best advantage, and have lacked any overall co-ordinated strategy. Their approach to tariff matters has been very much on an ad hoc basis. They have used the machinery of the Tariff Board merely

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Tariff Board's Report on Replacement Motor Vehicle Engines and Certain Replacement Parts, 30th September 1965; and Tariff Board's Report on Industrial Chemicals and Synthetic Resins, 13th April 1966.

to veto demands by manufacturers for increased protection, rather than to initiate inquiries for tariff reductions on specific items used by graziers.

Since 1967 however, the AWGC appears to have adopted a more realistic and useful approach. In 1967 it applied to the Minister for Trade and Industry for an inquiry into rural machinery, submitting as a basis a list of sixteen items including ploughs, reapers, binders and mowers which carried import duties ranging from as high as 45 per cent general to 22½ per cent preferential.¹ The Minister referred the matter to the Tariff Board which opened its public hearing in June 1968.² This approach is likely to have a much higher pay-off, particularly if the AWGC is able to have detailed cases prepared for submission to inquiries, and if it follows up the inquiries by demanding the immediate release of reports and the implementation of favourable recommendations. The AWGC may also be able to capitalise on the proposals by the Tariff Board to classify industries according to the degree of tariff protection they need and to make a thorough review of the existing tariff protection for all industries.³ But to be more effective, the AWGC will need a larger staff and will need to develop closer relations with officers of the Tariff and Import Division within the Department of Trade and Industry.

1

Report of Proceedings 1967, p.68.

2

Sydney Morning Herald, 18 June 1968 p.14; Muster, 19 June 1968, p.1.

3

Sydney Morning Herald, 18 October 1967.

Local Government Authorities

The main communication to local government bodies is from branches and district councils to individual shires, municipalities and county councils, though on occasions the GA's central organs and secretariat communicate demands to individual councils, or to all local government bodies through the Shires' Association and Local Government Association.

Relations between local branches and shire councils are generally friendly, and branches rely mainly on personal communications to convey their demands. Frequently members of the Association hold office on shire councils and so provide an effective channel of communication. In 1966 the writer attended one branch meeting where the local Shire President was present as a member of the branch. When local government matters were discussed, he explained the Council's policies and the background to certain decisions, and listened to complaints voiced by GA members.

Relations between GA branches and municipalities and between branches and shire councils dominated by councillors representing urban ridings are often less friendly, and in such cases the Association relies on more formal channels of communication.

Communications between branches and district councils, and shire, municipal and county councils relate mainly to rates, roads, saleyards, abattoirs, and electricity services.

CHAPTER 9

Form: Other Political Targets

Our category other political targets, it will be remembered, includes both secondary and intermediate targets. Secondary targets are centres of official decision-making power that are of less importance in themselves and/or to the group than primary targets, whereas intermediate targets are structures to which the group conveys demands in order to reach or to bring pressure to bear on primary targets.

The Electorate

The electorate (or sections of it) constitutes both an intermediate and a secondary target. Communication to the electorate takes two forms: regular publicity and special campaigns.

In some respects it is surprising that the GA uses regular publicity so extensively as a means of achieving political goals. As we have seen, graziers prefer to transact their business, whether it be commercial or political, by direct, personal negotiation, with a minimum of fuss. They dislike campaigning in public, and have some distaste for modern public relations techniques. These attitudes are reinforced by the Association's operational norms, which place high emphasis on responsible behaviour, and on achieving political goals by reasoned argument and carefully

prepared submissions. Yet the GA relies heavily on publicity. Each year it spends large amounts on public relations - probably more than any other farm organisation in Australia and, at a guess, as much as many large business pressure groups.¹ The explanation is that despite cultural factors and operational norms, the Association is compelled by the political context in which it operates and by pressure from its members to make extensive use of publicity.

These pressures on the Association operate in a number of different ways. Zeigler suggests that one of the important variables which determines the extent to which a pressure group relies on public relations is the degree to which it is subjected to hostile publicity.² Because it represents a socio-economic elite and operates in a political context of strong competition against other groups, and because of its anti-Labor orientation and its policy differences with other farm

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Between 1960 and 1966 the GA spent in the vicinity of 15 to 20 per cent of its budget on public relations. This estimate is based on an analysis of the Association's financial records and on a document, 'Report from the Executive Committee on Public Relations', submitted to the General Council in July 1967. Little information is available on how much or what proportion of their budget other pressure groups spend on public relations. However, we know that the UFWA spends only one-third of the amount spent by the GA, and in 1964 only 13 per cent of its income was used on publicity and public relations. Most other farm organisations spend comparatively little on publicity. Eckstein records (p.73) that in 1957 the BMA spent 4.6 per cent of its total budget on public relations.

2

Zeigler, p.234.

organisations, the GA is subjected to more hostile publicity than most farm organisations, and most economic pressure groups. In consequence, it feels the need of publicity in order to answer criticisms, and to reply to attacks. The GA's leaders and staff react strongly to misrepresentation of the Association's tactics and policies, particularly as they take pride that the Association behaves responsibly in politics and that its policies are soundly based. One of its policies most frequently misrepresented, leaders and staff consider, is that on closer settlement. The GA insists that it is opposed not to closer settlement, but only to uneconomic schemes and to the unfair resumption of holdings. The Association's view today is still the same as expressed by one of its presidents nearly forty years ago:

...as practical men we object to many of the hairbrained schemes that are politically paraded in the name of closer settlement. We are for a sane system that treats the present landowner fairly, safeguards the sheep studs, and gives a new settler every reasonable chance to succeed. We are opposed to the give-every-man-a-block-of-land system that is designed to play up to the extremists who know nothing of the land difficulties and care less for the interests of the primary producers.¹

1

Address by C.G. Waddell to 1927 Annual Conference (N.S.W. Graziers Annual 1927, p.23).

Like other farm organisations, the GA reacts angrily to what it considers to be unfair criticism by academic economists of the wool, wheat and meat industries, and of graziers.¹

The GA also feels it necessary to employ publicity in order to correct misleading and false information conveyed to the public by the mass media. GA members consider that the press, radio and television often mislead the public, particularly about the wealth of graziers and the profits they make. At each Annual Conference, almost without exception, branch delegates complain that city newspapers report only top auction prices and not average prices for wool and livestock, and that they make no efforts whatsoever to publicise information about graziers' costs of production, taxation liabilities, and problems with drought and pests. To counteract this situation, delegates press for the Association to expand and improve its own public relations work.²

1

For example, in 1965 the GA reacted as angrily as the UFWA and other wheatgrowers' organisations to an article by E.J. Donath in the Sydney Morning Herald on 1 December 1965, which questioned the need for the payment of a subsidy to wheatfarmers (see letter by B.A. Wright, Sydney Morning Herald, 6 December 1965, p.2).

2

Typical of motions introduced by branch delegates calling for more effective publicity was a motion moved at the 1962 Conference by Ian Sinclair (now a senior Commonwealth Minister) on behalf of the Tamworth branch calling for greater publicity for the 'daily greasy average as well as top [wool] prices'. (Annual Conference minutes, 1962).

At times the GA also feels the need of publicity to protect and promote its political ideology. In the late 1940s, when Labor administrations were in office in N.S.W. and the Commonwealth, and when the Chifley Government was experimenting with nationalisation schemes, the GA ran a sustained publicity campaign to warn the public of the dangers of socialism and communism, and to demonstrate the advantages of the free enterprise system.¹ It also co-operated with business groups in forming and maintaining the Public Relations Bureau which circulated anti-communist propaganda and carried out special surveys. One survey the Bureau made was of the time lost to industry through strikes by Communist controlled unions.² Another concluded that the Government's social services schemes cost the ordinary worker far more than he received in benefits.³ In its ideological publicity, the GA has never thought in terms of persuading members of the public to its point of view. Rather, it has naively believed that if only the 'true facts' can be properly presented, the public will see their danger, and come to share its viewpoint.

1

The GA's newspaper, Muster, carried numerous articles and editorials about socialism and communism. On 1 December 1949 it published a long article entitled 'The Free Enterprise System and Socialism (A Comparison)'. A note explained: 'This factual comparison is carried by Muster without comment'.

2

Sydney Morning Herald, 22 April 1948.

3

Muster, 15 June 1948, pp.9-10, 18.

In any pressure group with a mass membership, publicity is essential to inform members of the group's policies and activities, to convince them that their interests are being adequately promoted and safeguarded, and to mobilise their support on particular issues.¹ In the case of the GA, the need for publicity to communicate with members is great because of the spatial distribution of members and because the Association operates in a context of political competition. Its competitors make extensive use of publicity; consequently, to satisfy its members and to mobilise their support the Association must do the same. In addition, publicity is necessary to compete with rivals in attracting new members.

Economic pressure groups also use publicity as a means of establishing their claims to speak on behalf of industries or economic sections, and securing recognition with governments. One of the main aims of the extensive publicity on wheat policy in recent years has been to establish the Association's claim as a legitimate voice of wheatgrower opinion and to gain recognition by governments as a spokesman for the industry. In this way the Association hopes to secure greater opportunity to participate in discussions on wheat policy, to be consulted by governments on all proposed changes, and to secure representation on all appropriate committees and boards. The Association's claim to speak for the wool and meat industries is well established, though

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On this point, see a useful discussion in Zeigler, pp.234-5.

competition from the UFWA and the APPU necessitates constant efforts to see that its status is safeguarded.

Finally, publicity is necessary to complement and supplement personal and written communications to governments. Most economic pressure groups publicise details of many of the demands they make directly on governments in order to bring some public pressure to bear on decision-makers and, more important, to be in a position to mobilise public support should some crucial request be refused. Publicity is also used as a supplement to other forms of communication to primary targets. In Australia the practice has developed whereby governments and pressure groups communicate with one another indirectly through the press, radio and television, as well as directly. Leakage of Cabinet decisions or possible changes in policy is now a routine public relations exercise employed by Ministers and departments to prepare the way for projected changes and to test the reaction of pressure groups. Pressure groups in turn constantly keep governments informed of their thinking, even before changes in policy are mooted by governments. They 'warn' of possible dangers, 'urge' government action, 'forecast' possible trends, 'welcome' hints of favoured changes.

Most of the Association's regular publicity is handled by the Executive Committee and the secretariat

with the assistance of an independent public relations firm.¹ The President and senior staff members frequently reply to hostile publicity by letters to the city dailies, and to country and farm newspapers. A well-produced weekly newspaper, Muster, is published by the Association and circulated to all its members, and to members of State and Commonwealth parliaments and to government departments.² The Association also publishes a comprehensive annual report³ (under the title of Report of Proceedings), The Graziers' Annual, and occasional booklets and pamphlets. It maintains a comprehensive news release service to the metropolitan press, rural weeklies,⁴ country press, Australian

1

From 1 July 1967 a public relations firm headed by Stewart Howard, who was the principal employee of the Central Public Relations Bureau and later editor of the Association's newspaper, took over many of the functions performed by the GA's News Bureau, which had been established in 1957. ('Report from the Executive Committee on Public Relations', July 1967).

2

Muster was established in 1946. For its first year it was a monthly journal, and then was published bi-monthly. Since April 1951 it has been a weekly tabloid newspaper. Issues now vary in length from twenty to twenty-eight pages.

3

The Report of Proceedings for 1967 ran to ninety-two pages.

4

Relations with the two main rural weeklies in N.S.W., Country Life and The Land, are close. The Association has a representative on the board of directors of both (though with The Land the representative is not an official nominee of the Association) and in addition has a financial interest in Country Life.

Associated Press, and radio and television media. On occasions, the Association organises press conferences, and supplies newspapers with information, editorials and sometimes special articles.¹ Press representatives attend and report on the Annual Conference and meetings of the General Council. Leaders and staff sometimes take part in radio and television programmes. A hospitality tent is provided by the Association at the Sydney Sheep Show and country shows to provide contact with members and prospective members.

In addition, the function of publicity is also performed by local branches and district councils, by the AWGC, and by other organisations with which the Association is directly affiliated. Some active local branches secure a great amount of publicity, even in the city daily press.²

While the GA's publicity is as effective as that of other farm organisations, in view of its resources and the amount it is prepared to spend on public relations, it could do much better. In the past its public relations work has suffered from lack of planning, from frequent administrative and policy changes, and from a desire to secure maximum publicity

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For example, in 1967 and 1968 articles were prepared on the national drought fodder reserve scheme, a superannuation scheme for the grazing industry, and the special problems of producers in the Western Division.

2

Some branches get good publicity in the rural section 'On the Land' in country editions of the Sydney Morning Herald.

on certain specific matters, yet to remain withdrawn from reporters. Until recently, when the Executive Committee took a much greater interest in the Association's public relations work, little effort had been made to formulate an overall public relations policy. Confusion about the role of the Association's newspaper was just one symptom of this; some thought it should be a house journal, while others believed it should be a general rural weekly. Many of the Association's public relations projects were hurriedly conceived and implemented, without detailed planning or costing. In the 1930s the Association sought a licence to establish a radio station, and later combined with other interests to found a station in the central-west of N.S.W.¹ However, the GA had no clear idea of how it would use a radio station to achieve its goals, and made no efforts to found or participate in other stations. In the late 1930s, it commenced a weekly radio programme which was later expanded to other stations. However, in the early 1950s this project was suddenly discontinued.² More recently the Association made frequent ad hoc administrative changes

1

The Graziers' Annual 1936, p.31. This station was 2GZ, Orange; the GA invested £3,000 in the project.

2

These were commenced on 2GZ. By 1948 they were broadcast on four stations, and in the early 1950s on five. In the 1930s, the GA also negotiated unsuccessfully to buy a country newspaper (the Bathurst Times) without any clear plan in mind. The minutes of the Special Purposes Committee record the negotiations that took place.

in its public relations staff. Today the GA is still less accessible to reporters than many other organisations. While it allows reporters to attend the Annual Conference and meetings of the General Council,¹ business is frequently discussed in committee with the representatives of the press excluded. Many reporters find the UFWA more accessible, and are allowed to attend even meetings of its Executive Committee. On the other hand, it appears that many of the Association's leaders and senior staff now recognise that the public relations work has been weak, and efforts are being made to overcome deficiencies.

The GA employs special propaganda and publicity campaigns for two distinct purposes. As already explained, on certain matters the electorate, or part of it, has autonomous decision-making powers. Consequently, when the interests of graziers are affected, the GA appeals to the electorate as a secondary political target. In the second place, when the Association is denied access to governments, or when its demands on important issues are refused, or when a special effort is needed to veto some government action, it stages intensive short-term campaigns, appealing to the electorate in the hope of bringing pressure to bear on the government. We will examine each of these circumstances in some detail.

1

Reporters were not permitted to attend some of the early Annual Conferences. (Annual Conference minutes 1918, 1919, 1921). Meetings of General Council have been open to the press only since 1946.

The Association appeals to the electorate as a secondary target at Commonwealth and State general elections, constitutional referenda, referenda connected with industry marketing schemes, and ballots for the election of representatives to marketing boards and committees. Most farm organisations participate in the last two, but few participate actively in constitutional referenda and general elections campaigns. The GA participates in these campaigns mainly because of its strong anti-Labor orientation. In 1961 it waged an active campaign in the referendum on the proposed abolition of the Upper House in N.S.W., and the GA President sent out a circular to all members explaining that retention of the Legislative Council was necessary as an 'essential safeguard to public liberty and property'.¹ Frequently during general election campaigns the GA comes out openly against the Labor Party,² and campaigns on behalf of the non-Labor parties. On occasions over the years staff have been made available to assist in the preparation of publicity and in providing a research service for non-Labor candidates and speakers.³

1

Report of Proceedings 1961, p.70.

2

For instance, in the 1954 federal election the President of the GA issued a press statement highly critical of the Labor leader's policy speech (Sydney Morning Herald, 8 May 1954).

3

The N.S.W. Graziers' Annual 1933, p.52, records that in the 1932 State election campaign a member of the GA's staff was made available to answer questions and

(continued on p.313)

The most common type of short-term intensive campaign waged by the GA is what Finer¹ describes as a 'fire-brigade campaign', aimed to veto or influence some action about to be taken by a government. The aim of such a campaign is to mobilise support among members and other groups, so forcing the Government to back down, or at least to compromise. On occasions, the GA has waged campaigns of this kind even before a policy change has been officially announced. In 1936, for example, the Association's President, J.P. Abbott, launched a strong attack on the Government at the Annual Conference, claiming that he had learned from a reliable source that the Government planned to place restrictions on trade with Japan, one of Australia's main customers for wool.² Government spokesmen immediately attacked him for making an 'irresponsible' statement, but two months later the Government increased tariff duties on Japanese goods entering Australia, and Japan retaliated by stopping all purchases of Australian wool.

4 (continued from p.312)

generally assist non-Labor candidates and speakers. Schedules of likely election questions and suitable answers were prepared and distributed throughout the State. More recently staff have assisted Liberal and Country Party campaigns in State elections, though no record of this is to be found in the Association's annual reports.

1

S.E. Finer, Anonymous Empire: A Study of the Lobby in Great Britain, London, 1966 edition, p.93.

2

Sydney Morning Herald, 19 March 1936 and The Land, 20 March 1936.

Most of the GA's special short-term campaigns have been directed against Labor administrations. One of its most sustained and energetic of these was in the late 1940s against the Chifley Government's plans to nationalise banks. By means of press publicity, radio talks, public meetings and articles in its newspaper the GA endeavoured to arouse public opinion.¹ It warned electors that nationalisation of banks was the first step in a carefully planned movement by the Government towards complete socialism; after banks, it claimed, nationalisation of insurance companies, wool firms, steel plants, coal mines and the mass media would automatically follow.² In one broadcast message, a GA spokesman explained that bank nationalisation raised the issue of 'whether Australia is to remain a free country or whether we are to have the clock turned back and become a slave State'.³ The Association's President wrote to all members urging them to attend specially organised local protest meetings, and to write or telegraph their local member of the Commonwealth parliament and also N.S.W. Senators.⁴ But not all campaigns have been directed against Labor Governments.

1

Typical of the articles that Muster carried was one by the Chairman of the Associated Banks of Victoria entitled 'No Efficient Banking Possible under Government Monopoly: No Place for Socialism in Australian Way of Life'.

2

For example, see Muster, 1 October 1947, p.1.

3

Report in Muster, 15 September 1947, p.19.

4

Enclosure in Muster, 15 September 1947.

In 1950 and 1951 the GA campaigned against the wool sales deduction acts, introduced and passed by the Menzies Government; a detailed study of the Association's behaviour in this campaign is presented in chapter 11. A more recent example was in 1967 when the Association campaigned for exemption from land tax of all land used for primary production. In this case, the main pressure for the campaign came from local branches which organised their own protest meetings. The biggest and best publicised of these meetings was at Moree in June 1967, when 1,200 landholders heard the Chief Executive Officer of the Association present the GA's case for relief from the burden of land tax in the presence of the Premier, R.W. Askin (Liberal Party leader), and the Deputy Premier, C.B. Cutler (Country Party leader), and other politicians.¹ After Ick-Hewins spoke, Askin explained to the meeting some of the difficulties of budgeting faced by his Government, but admitted that land tax was a 'bad tax' and promised some relief in his 1967/8 budget.² In its public campaigns directed against non-Labor governments, the GA has always been limited by the fear of unseating the government; even if a non-Labor government refuses its demands on an important issue, the GA considers that such a government is still preferable to any Labor administration. But even with Labor governments, the GA is seldom prepared to let all restraint go.

1

The Land, 15 June 1967.

2

Ibid. Later in the year the Premier announced that land tax on rural holdings would be abolished progressively over a number of years.

The GA has done better in special campaigns than in regular publicity. It has demonstrated an ability to mobilise its resources and to fight impressive and sustained campaigns. In attempts to veto proposals of governments it has often appealed successfully to farmers' conservatism and effectively exploited both their hostility towards public bureaucracies and their fear of socialism and communism. In some of its appeals to the electorate the GA without doubt, has been influential; in 1951 and again in 1965, in combination with other groups, it successfully vetoed attempts to introduce reserve price wool marketing schemes.¹ But in some attempts, such as those to secure seats on the Wheat Board, the GA has failed. Special campaigns waged by the GA to veto proposed legislation or to secure changes in government policy likewise have varied greatly in their success. Some of its most impressive campaigns - for example, the campaigns against bank nationalisation and the wool sales deduction acts - failed to achieve their goals, while other more modest efforts achieved success, or at least secured useful concessions. Obviously, in special campaigns the measure of success that a group can achieve depends on many variables apart from its political resources, the extent to which it mobilises them, and the methods and tactics it uses. In the bank nationalisation campaign, the Chifley Government proceeded with its plans despite the opposition of

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See Chapter 12.

business and farm groups because it regarded the policy as a fundamental objective. In the case of the wool sales deduction acts, a non-Labor Government refused to give in to woolgrowers (though it agreed to some concessions) because of the budgetary problems that it faced.

Political Parties

The GA's close relations with and its use of political parties make it unique among economic pressure groups in Australia, apart from trade unions. Today most farm and business groups proclaim loudly and incessantly that they are non-political. By this they mean that they have no formal ties with parties, that they do not supply parties with finance, and that officially they favour neither one party nor another. Non-partisanship has obvious advantages: it places groups in a strong position to approach any government in power, it facilitates recruitment of members from among supporters of all parties, and it eliminates potential internal disputes about party politics. The GA however, makes no pretence to be non-partisan. It openly declares its opposition to the Labor Party, and it is well-known that it gives financial support to the Country Party and, to a much smaller extent, to the Liberal Party. Moreover, it

helped found the Country Party in N.S.W. in 1919, and from then until 1945 was formally affiliated with that Party.¹

But while most farm and business groups are officially non-partisan, many of them, in fact, work to some extent through political parties. They do so mainly through their individual members who contribute funds to, or who are active in parties. Sometimes groups deliberately encourage their members to penetrate parties and seek to use parties for clearly defined purposes. But generally individual members of groups act more or less independently within parties on behalf of their groups. Consequently, the influence of most farm and business groups on parties is usually un-co-ordinated, unplanned and highly informal. At the same time, groups can often significantly influence the policies of parties, particularly detailed policies related to specific industries, and sometimes the election promises made by parliamentary leaders. Through parties groups can

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Apart from the GA, the following farm organisations at one time were affiliated with Country Parties: the United Graziers' Association of Queensland; The Tasmanian Farmers, Stockowners and Orchardists' Association; the FSA; the Farmers and Settlers' Association of South Australia; the Farmers and Settlers' Association of Western Australia; the Primary Producers Association in Tasmania; the Queensland Farmers Union; and the United Cane Growers' Association in Queensland. But except for the FSA and the Farmers and Settlers' Association of Western Australia (renamed the Primary Producers' Association in 1920), all these farm bodies withdrew soon after the Country Parties they fostered came into being. The GA was the last farm body to withdraw its affiliation and, as far as we know, the only one that has continued to supply financial support.

also publicise and win wider support for specific proposals, secure easy and convenient access to Ministers and opposition spokesmen, and on occasions bring some pressure to bear on Ministers, especially when access is denied, when requests are refused, or when negotiations break down.

Apart from its influence based on its special relationships, the GA also uses parties as intermediate targets in a similar fashion to many other groups. Cross-membership between the GA on the one hand, and the Country Party and the Liberal Party on the other, is common. Moreover, many of the Association's leaders and rank and file activists are also active in local party branches, or on the central governing bodies of the two parties. In most years the GA's Executive Committee and General Council include a large number of party activists. In 1965, for instance, the three senior officers elected at the March meeting of the General Council were all Country Party activists. T.B.C. Walker, the President, was well-known as a Country Party supporter. One Vice-President, F.M. Macdiarmid, was Chairman of the Canberra-Queanbeyan branch. The other Vice-President, J.B. Fuller, had been a member of the Central Council continuously since 1945, and the Party's Vice-Chairman from 1956 to 1959 and Chairman from 1959 to 1964. He had also been a member of the Legislative Council since 1961 and in July 1965, after being appointed Minister for Decentralisation and Development, resigned from office in the GA. This overlap in membership, especially among leaders and rank and file activists, enables

the Association to use the two parties in a number of ways to advance its interests. GA leaders and activists try to persuade the parties to adopt as policy proposals already decided upon by the Association. They also endeavour to use the parties to publicise and secure wider support for demands made by the Association on governments. One reported example occurred in July 1968 when the President of the Association, B.A. Wright, as a delegate from the Armidale branch of the Country Party successfully moved at the Party's annual conference that the State Government be requested to supply finance to establish a Faculty of Natural Resources at the University of New England at Armidale.¹ The idea for such a faculty first came from the New England District Council of the Association. With the Association's support, the District Council had publicised the proposal and secured from the University a promise that such a faculty would be established as soon as funds were available. As part of its drive to persuade Commonwealth and State governments to make funds available, the GA, through its President, thus used the Country Party as an intermediate target. Leaders of the Association and the AWGC frequently use their own party contacts to facilitate approaches to non-Labor Ministers. T.B.C. Walker told the writer in 1966 that, as President of the AWGC, he generally arranged interviews with

1

The Land, 11 July 1968, p.3.

Commonwealth Ministers in Canberra through personal friends in the parliamentary Country Party.¹ In a similar way informal or semi-formal discussions on policy are sometimes arranged between leaders of the Association or the AWGC, and sub-committees of parties.²

Admittedly, this informal relationship that the GA has with the two parties through its individual members is closely related to its more formal relations. Indeed, in some cases it is difficult to distinguish between the two kinds of relationships. Moreover, it can be argued that the cross membership between the Association and the Country Party is largely the result of the Association's role over the years as one of the Party's founders and its main financial guarantor, and that the GA's leaders and activists successfully influence policy within the Party partly because of the financial support that the Association provides. But at the same time, it is necessary to recognise the distinction between the two kinds of relationships. Through them both the GA secures support and publicity for policies, gains

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Interview, 15 November 1966.

2

For example, in September 1967, a meeting was arranged in Canberra between the Liberal Party Federal Rural Committee, and the President and the Executive Committee of the AWGC. At this meeting the problems of the wool industry, promotion, drought, tariffs and wages were discussed. According to a report in Muster (6 September 1967), on 'such vital points as arbitration, total wage and tariffs, there was complete agreement'.

access to Ministers and opposition spokesmen, and puts pressure on governments. However, the GA has always seen its more formal relations with political parties, particularly the Country Party, primarily as a means of keeping Labor out of office and securing the return of governments sympathetic to the interests of graziers. In addition, the GA found its formal link with the Country Party useful as a means of securing seats in parliament for its leaders and members.

The GA began the practice of giving financial support to political parties during the first world war. Reacting to the first majority Labor governments, the Association actively sought every means possible to protect the interests of its members and to secure greater influence in politics. As we have already seen, organisers were appointed to recruit new members, particularly smaller woolgrowers. Allies were sought among other farm bodies, and in 1917 the Association successfully promoted the Producers' Associations' Central Council. In 1916 it established a Producers' Special Purposes Fund

...to assist any organization, political or otherwise, to further the ends of pastoralists and rural producers, and to oppose any projects of the State and Commonwealth governments that are detrimental to their interests.¹

Members were asked to contribute at the rate of 5/- per 1,000 sheep, and 25/- per 1,000 cattle and horses.

1

Minutes of Council, 29 March 1916.

Over £4,500 was subscribed within twelve months, and most of this was used to assist individual National Party candidates in the 1917 Commonwealth and State elections.¹ In both elections the Association also employed its own political organisers to assist candidates. Had not the Association in 1919 decided to participate in forming the Country Party this practice would probably have been continued.

The idea of forming a separate Country Party came from the FSA, but without the GA's help the project most likely would not have been so successful. For many years the FSA had been keen to establish a farmers' party. However, each of its attempts had failed. In March 1919, after a brief period of alliance with the Nationalists, the FSA decided to make a further attempt and in September invited the GA and other bodies to assist.² Even before the FSA issued its invitation, many GA members soon became enthusiastic about a separate party following the FSA's decision of March 1919 and advocated that the Association should co-operate with the FSA. At the time many graziers felt extremely dissatisfied with the performance of both the Hughes and Holman Nationalist Governments, particularly over the continuation of price-fixing and the general neglect

1

Statement by GA President to 1918 Annual Conference (Verbatim report, Annual Conference records 1918).

2

Graham, Formation of the Australian Country Parties, pp.109, 116, 121.

of rural interests. They feared the radical tendencies of Hughes and Holman, both ex-Labor leaders, and were disappointed with the Association's lack of opportunity to influence the selection of Nationalist candidates. Moreover, the logic of a separate party was obvious; surely, they argued, producers needed their own party if they were to be as effective in politics as the trade unions. Fifteen GA branches submitted resolutions to the 1919 Annual Conference, scheduled to commence on 30 June, in favour of the Association conferring with the FSA, the Primary Producers' Unions and others with the aim of establishing a 'Producers' Party'.¹ At the last moment, after copies of the preliminary agenda had been distributed, the Conference was postponed because of an influenza epidemic. The delay provided opportunity for further discussion and, by the time the Conference met in mid-September, another seventeen branches had submitted resolutions in favour of forming a new party.² And by then the FSA had issued its invitation to the GA.

Delegates to the Conference agreed that the grazing industry needed better representation in parliament. 'The industry is a hundred years old', one delegate claimed, 'and has not had proper representation in

1

Preliminary agenda paper for Conference to commence on 30 June 1919. (Annual Conference records, 1919).

2

Agenda paper, Annual Conference records, 1919.

Parliament for the whole period'.¹ Even Nationalist supporters admitted that the National Party had not adequately met the needs of graziers. However, opinion was sharply divided on whether the Association should withdraw support from the Nationalists and help establish a third party. Supporters of the National Party argued that a third party would split the non-Labor vote and make it more difficult to keep Labor out of office. They advocated discussions with the National Party as well as the FSA. Supporters of the Country Party idea argued that apart from the poor performance of both Nationalist governments, there was little chance that the Association would be able to significantly influence the choice of Nationalist candidates or to control Nationalist members of parliament. Because of the new voting systems, they asserted, there was no danger in splitting the non-Labor vote, and a Country Party would be likely to attract farmers who, because of their dislike for the National Party, would otherwise vote for Labor. Eventually, the Conference rejected a proposal to confer with the National Party, and instead voted to co-operate with the FSA and other bodies 'with the view to securing, if possible, candidates suitable to all these parties in the producers' interest, e.g. a Producers' Party'.²

1

From a speech by W.T. Munro (Verbatim report, Annual Conference records, 1919). A detailed report of the Conference, entitled 'Graziers in Politics: Annual Conference Debate: How the Decisions were made', was published in The Sydney Stock and Station Journal on 17 October 1919 and later as a booklet.

2

Annual Conference minutes, 1919.

To raise finance for the venture, the Conference authorised a compulsory levy on members at the rate of £1 per 1,000 sheep (or the equivalent in cattle or horses) and provided for a special committee to administer the Special Purposes Fund into which receipts from the levy would be paid.¹

Graham has argued that in 'New South Wales...it was the influence of small graziers and mixed farmers within the GA which caused it to link up with the Country Party'.² While many smaller landowners within the GA were undoubtedly in favour of a Country Party, support for the idea was not confined to smaller landowners. Indeed, some of the most enthusiastic supporters were wealthy graziers such as Colin Sinclair and F.B.S. Faulkner (owner of the famous pastoral property 'Haddon Rig'). Moreover, there is little evidence to support Graham's contention that at the time newly enrolled smaller landowners were exerting a significant direct influence on policy decisions within the Association.³

Negotiations with the FSA and other groups commenced soon after the 1919 Conference. On 14 October

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Graham, Formation of the Australian Country Parties, p.120, wrongly states that this was a voluntary levy.

2

'Graziers in Politics, 1917-29', p.597.

3

Graham uses this argument, both in the paper cited immediately above (see pp.596-7) and in the Formation of the Australian Country Parties, pp.102 and 120, to explain not only the GA's participation in the formation of the Country Party, but also its support for retention of the war-time wool scheme in 1919. (See Chapter 12).

it was announced that the GA, the FSA and the People's Party of Soldiers and Citizens were combining to form a 'Progressive Party' and that a Central Electoral Council had already been established to contest seats in the next State election.¹ The task of organising soon commenced. The GA supplied most of the finance,² and GA and FSA branches provided most of the electoral organisation in country areas. The result was that in the elections on 20 March 1920 fifteen Progressive candidates were returned. Meanwhile, in the federal elections in December 1919 a few FSA and GA branches endorsed candidates, and early in 1920 two of them who were successful joined with others to form a separate Country Party in the Commonwealth parliament.³

When the decision was made by the Annual Conference in 1919 to participate in forming a separate party, few delegates foresaw some of the problems that were soon to emerge. The first was a serious division within the Association. Many members objected to the idea of a third party in competition with the National

1

Sydney Morning Herald, 14 October 1919. A full report was also carried in The Stock and Station Journal on 17 October.

2

In October 1919 the GA made £3,500 available to the Electoral Council for organising, and during the State election campaign supplied more finance and a paid organiser.

3

The two members were Earle Page and Alexander Hay. See Graham, Formation of the Australian Country Parties, pp.130-1; Ellis, Australian Country Party, pp.50-1; and Harman, pp.351-5.

Party. In some areas feelings within the Association ran high during the State election campaign of 1920,¹ and opponents of the Country Party idea were even more annoyed when the Progressive Party won seats from the National Party and contributed to the defeat of the Holman Government. Moreover, many members including some major wool firms objected to the principle of a compulsory levy to finance the Progressive Party.² Many refused to pay the levy;³ others resigned from the Association in protest. In May 1920 at the Annual Conference a motion to negotiate a reconciliation between the Progressives and Nationalists was defeated by only thirty-nine votes to thirty-three.⁴ Opposition to the policy of supporting the Progressive Party (which adopted the name of Country Party in 1925) continued for a number of years, and declined only after the Association adopted the practice of supporting National Party candidates (and later those of the United Australia Party and the Liberal Party)

1 Verbatim report, Annual Conference records, 1920.

2 Graham (Formation of the Australian Country Parties, pp.172-3) records that in March 1920 the General Manager of Goldsbrough, Mort and Co., wrote saying that his firm would not contribute to the Special Purposes Fund on the ground that it was necessary for forces opposed to the Labor Party to avoid fighting among themselves.

3 In May 1920 only 2,200 out of 5,400 members had paid the levy. In 1922 1,339 had still not paid.

4 Annual Conference minutes, 1920.

in seats not contested by the Progressives, and after the two non-Labor parties were brought into close alliance.

The other problems related to the new party's electoral and parliamentary strategies, its relations with the National Party (and that party's successors), its detailed policies, its means of financial support, and its performance when in office. In view of the differing outlooks and interests of the GA and the FSA - the Party's sole supporting outside groups after 1920 - it was almost inevitable that friction should occur. On the other hand, it was a remarkable achievement that the two groups co-operated so long and so effectively within the Country Party.

The first disagreements were over parliamentary and electoral strategies. The GA favoured close alliance with the Nationalists and was opposed to any attempt to defeat a National government if it meant Labor rule. Moreover, because of dissension within the Association, leaders recognised the need for a close alliance to be achieved as quickly as possible. On the other hand, the FSA expected the new party to use its power to the limit to secure concessions for farmers, and at all costs to retain its separate identity and its autonomy.

In the N.S.W. parliament the Progressives adopted a conditional support strategy. A major crisis occurred in December 1921 when the Labor Government was defeated on a censure motion. Rather than form a minority government from his own party, the Nationalist

leader invited the Progressives to form a coalition government.¹ The Progressives divided on what action to take. One group of city and older country members favoured the idea of a coalition, while a group of younger members from the country feared that in a coalition with Nationalists their party would lose its independence and identity. On 16 December the parliamentary Progressive Party decided by seven votes to six to join a coalition, but the same day the Party's Central Council divided eight votes to eight on the question. Four days later, without the authority of the Central Council, the Progressives joined the Nationalists to form a government which was defeated the same day. And even more serious, the Progressive Party split on the issue. Almost immediately the FSA came out in support of the group who left the party because they opposed the coalition. In the GA opinion was divided. Of the Association's five delegates on the Central Council, four had supported formation of the coalition.² On 16 January 1922 from 9.30 a.m. to 6.15 p.m. the GA Council discussed the question of whether the Association should support the coalitionists or the 'True Blues' (as those who opposed the coalition called themselves). In the end, it was decided to

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For detailed accounts of this crisis, see Graham, Formation of the Australian Country Parties, pp.168-74; Ellis, The Country Party, pp.60-6; and Don Aitkin, The Colonel: A Political Biography of Sir Michael Bruxner, Canberra (forthcoming).

support the 'True Blues'.¹ However, the Council made it clear that in the forthcoming State elections differences between non-Labor forces were to be sunk, that it expected an electoral arrangement with the National Party, and that

Progressive Party candidates be urged...
to refrain from attacking Anti-Labor
candidates from the platform and elsewhere
and to advocate giving next preferences
to Anti-Labor candidates.²

The GA's decision to support the 'True Blues' was motivated by its concern to keep Labor out of office, rather than by a desire to keep going a concern in which it had invested time and money. Its aim was simply to avoid a breach in the anti-Labor front. Moreover, leaders of the GA believed, as the Secretary later explained in his annual report for 1922,

that a larger number of votes would be secured to the Progressive Party if it maintained its separate entity than would be the case if it coalesced with the National Party, more especially as the Progressives have throughout stood against machine politics, and in favour of more sympathetic legislation and administration in respect of country needs.³

The outcome of the crisis was that while the Progressive Party retained its conditional support strategy, its

1

Council minutes, 16 January 1922.

2

Ibid.

3

N.S.W. Graziers' Annual 1922, p.51.

leaders were made well aware that the GA expected closer co-operation with the Nationalists. In the 1922 State elections both parties fought separate campaigns, but there was little friction or conflict.

Later the same year the GA made it clear to the leader of the Progressive Party that it would not tolerate any attempt to defeat the Nationalist Government which took office after the 1922 elections. In August the Progressives threatened to bring down the Government on the issue of compensation to wheatfarmers for losses incurred in the operation of the war-time wheat pool. The GA secretary wrote to the leader of the party stating that the Association considered the matter of compensation to be

...purely a legal one ... [and] it is not only unseemly but is a waste of public time to debate it on the floor of the House. Moreover to threaten to overthrow a Government on a question which should be settled by the ordinary Courts ... is likely to discredit the Progressive Party, and will certainly cause discontent to many of the members of this Association.

My Executive do not claim the right to dictate to you what your political actions are to be, but it considers that it has the right to criticise such actions.¹

Fortunately for the Progressives, the Government gave way and promised a full inquiry. Soon after the Progressives reached an understanding with the Government for the remainder of the session.

1

Aitkin, The Colonel.

In 1926 and 1927 the Country Party in N.S.W. finally gave way to GA pressure for electoral and parliamentary alliances with the Nationalists. By then many members of the parliamentary party recognised that the strategy of conditional support was not only dividing the party but was unsatisfactory. In 1926 an electoral agreement was negotiated between the two parties for the 1927 State election, and in 1927 a coalition government was formed in N.S.W. Despite occasional disagreements within the Country Party and some friction with the other non-Labor party, the policy of alliance was continued and is still in operation today. Much of the credit for this, at least until 1945, must go to the GA. The GA also encouraged an alliance of the parties at the federal level. When friction occurred between the two parties in N.S.W. it acted as a mediator, and in 1931 th GA President led a United Advisory Council which brought together disparate anti-Labor groups and the Country Party to fight the federal elections of that year.¹

1

This Council consisted of some prominent Sydney businessmen, F.H. Tout from the GA, A.K. Trethowan from the FSA, and a few leading State and federal non-Labor politicians. The Council decided which party should contest each seat, and raised almost £16,000 in election funds from business interests, wool firms and a few wealthy graziers. Over £5,000 was used by the Council itself on publicity. M.H. Ellis and U.R. Ellis were employed to direct the publicity campaign; they arranged for advertising agencies to prepare posters and press advertisements, for material to be prepared for speakers, for journalists to write articles on inflation, banking and returned soldiers, for picture-show advertising, and for the distribution of press

(continued on p.334)

The other problems that participation in the Country Party raised were less serious but by no means insignificant. The matters of financial and electoral support and influence on the party's policies were sources of friction and misunderstanding between the GA and the FSA. The GA was smaller and less electorally useful (in 1919 it had 5,173 members and ninety-three branches, while the FSA had 7,000 members and 326 branches)¹ but much more wealthy. Consequently, it was able to contribute more than the FSA in financial support, but less in electoral organisation. The compulsory levy imposed on members in 1919 raised over £17,000,² and from the early 1920s the Association encouraged members to make an annual voluntary contribution for political purposes equal to their ordinary membership contribution. Between 1922 and 1945 generally over half the members made such a contribution, and the Association's Special Purposes Fund had an annual income which varied between £2,000 and £8,000. The bulk of this money went to the Country Party.³ Even as late as the end of the 1930s, the GA

1 (continued from p.333) releases. Almost £7,500 was distributed to the non-Labor parties and groups. The GA provided the office accommodation for the Council and its staff. The whole operation is carefully documented in the records of the Council held by the GA.

1

Graham, Formation of the Australian Country Parties, p.123.

2

Statement by GA Secretary to 1922 and 1923 Conferences.

3

Some money however, from this fund went to other organisations in which the Association had an interest.

was supplying between one-third and half the party's regular income and almost all of its special elections funds.¹ At times the GA was resentful that the FSA did not contribute more in financial support. On the other hand, it recognised that without its funds the Country Party would probably fail and that its financial support was a source of power. Without doubt, the GA used its wealth to secure the most influence it could. Its donations were ear-marked for specific purposes: head office expenditure, election expenses, employment of organisers, salary for a Federal publicity officer, allowances for party whips, and special grants to party leaders for election campaigns.² Since it contributed up to £8,000 or £9,000 for single election campaigns it was able to influence election strategy, and from 1926 to insist on co-operation with the National Party and its successors. In the late 1930s the GA developed the practice of providing funds for election campaigns only after the Country Party General Secretary furnished a detailed budget.³ Through its financial dominance the Association was also able to influence policy and the performance of the party when in office. In 1937 Earle Page, the party's federal leader, attended a meeting of the Special Purposes Committee

1

Country Party balance sheets held by GA.

2

Detailed accounts of expenditure were given to delegates at Annual Conferences. See also the minutes of the Special Purposes Committee.

3

Minutes of Special Purposes Committee, 23 February 1938.

and, after being allocated funds for special publicity, gave an assurance that the Association's representations on shipping freights would, in future, receive adequate consideration.¹

But despite the influence that its financial power gave the Association, its members often considered that the FSA had far greater influence on policy and, particularly in the late 1930s and early 1940s, were frequently dissatisfied with the performance of both State and federal coalitions. Conflict on policy was almost inevitable since the objectives of the GA and FSA differed in a number of respects. The GA was primarily concerned with keeping Labor out of office; it also wanted 'sound government', maintenance of law and order, a minimum of government intervention and certain forms of legislation to benefit graziers. In contrast, the FSA sought wheat and wool marketing reform, closer settlement schemes, and measures to benefit smaller producers. In 1936 the FSA tried to get the Country Party to make closer settlement the foremost plank of its policy,² and in 1937 the two farm groups quarrelled over the constitutional referendum on marketing.³ At the Association's 1943 Conference one delegate aptly summed up the dissatisfaction of many

1

Ibid., 1 April 1937.

2

Report of Special Purposes Committee to GA General Council, 26 November 1936. (Special Purposes Committee minute-book).

3

Sydney Morning Herald, 6 September 1937 and The Land, 6 August 1937.

members about the FSA's influence on the Country Party: 'It is wheat that dominates them', he claimed, 'and I think that they should have at their conference one grain of wheat hung up (Laughter).'¹ Dissatisfaction with the performance of the Country Party in coalition governments was also inevitable. Tensions usually arise between parties and the groups which support them, especially when they are in office. Moreover, in both parliaments the Country Party not only had to face the conflicting pressures of the GA and the FSA, but was limited by the policies of the coalition partner. Thus in the late 1930s and early 1940s the GA complained, among other things, of the failure of the State Government to introduce a stock agents bill and a stock foods bill, and to amend the Stamp Duty Act. It also complained about the Commonwealth's tariff policies.²

While the link with the Country Party provided problems and did not always achieve as much as expected, at the same time the GA considered that it was well worthwhile. By providing a non-Labor alternative for country people who disliked the National Party (and its successors), the Country Party provided a means of increasing the non-Labor vote. It also provided the Association with access to parliamentary spokesmen, with a means of securing the

1

Verbatim report, Annual Conference records, 1943.

2

Sydney Morning Herald, 23 July 1937; General Council minutes, 6 July 1939, 21 November 1939, and 21 March 1941; and verbatim report, Annual Conference records, 1939, 1940, 1941.

implementation of goals, and the election of a number of GA leaders and members to parliament.¹ While GA members often thought that the Country Party was influenced too much by the FSA, the GA clearly had a definite influence on policy as well as on strategy. And while members complained about the performance of coalition governments, they also praised many of the actions of Country Party ministers. Consequently, the GA was keen to retain its link with the party, and it disaffiliated in 1945 reluctantly, for the sake of the party's futures.²

Despite the end of the formal link the GA's relationship with the Country Party did not change greatly. While the Association no longer had its own representatives on the Country Party's Central Council, it continued to supply the party with a large amount

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Between 1920 and 1945 three GA Presidents and ex-presidents secured seats in the N.S.W. Legislative Council, one ex-president was elected to the House of Representatives and one ex-vice-president to the Legislative Assembly. At least another eight activists were also elected to parliamentary office.

2

In 1944 the FSA withdrew from the party because of dissatisfaction, particularly over wheat policy, and to secure greater freedom in approaching Labor governments. Moreover, its affiliation with the Country Party was seen as the main stumbling block to unity with the Wheatgrowers' Union. The GA's withdrawal was recommended by the Association's leaders after discussions with the Country Party. The GA Secretary reported to members in 1946 that the Association withdrew 'to relieve the Country Party from any charge, however ill-founded, that it was the political representative of one section of the community only, and to leave the party free to establish itself as representative of country people in the broadest possible sense', (The Graziers' Annual 1946, p.92).

of finance and to have a real influence on strategy and policy. Likewise it continued to keep the Country Party in close alliance with the Liberal Party. Since 1945 the Association has often been dissatisfied with the party's performance while in office. In 1950 it reacted angrily to the Menzies Government's wool sales deduction acts,¹ and more recently it has expressed strong dissatisfaction with the tariff policies followed under John McEwen.² In the last decade the GA has also complained frequently that the Country Party pays too much attention to the demands of wheat-sheep farmers and dairyfarmers. But at the same time, the GA still sees a value in its close association with and support of the Country Party, and should Labor return to office in either parliament its enthusiasm for the Country Party will inevitably be quickly rekindled.

Since 1945 the GA has also continued its policy of supporting individual Liberal Party candidates in country electorates not contested by the Country Party. In the 1950s, it also provided support for Liberal candidates running against the federal Labor leader,

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See Chapter 11.

2

Annual Conference minutes, 1962, 1966, 1967. In 1967 a new organisation opposed to the Country Party's policies, particularly on tariffs, attracted considerable attention. At the time it was rumoured that this organisation, called the Basic Industries Group, was being supported by many prominent graziers. However, there is no evidence that any leaders of the GA were connected with this organisations, and it is doubtful whether it was any more than a front for a few wealthy Country Party defectors.

Dr H.V. Evatt, in the Sydney electorate of Barton.¹
 In 1951 Evatt held his seat by a majority of 243 votes, in 1954 by 993, and in 1955 by 226. The GA sees its support for the Liberal Party as a contribution to the battle to keep Labor out of office, and only secondarily as a means of achieving specific policies in the interests of graziers.

Members of Parliament

In the early years of its career in politics the GA relied extensively on appeals to individual members of parliament. This was mainly because its chief concern was to block the passage of legislation detrimental to the interests of graziers, rather than to initiate changes or secure government assistance. Moreover, until the second decade of this century the party situation was more fluid and party discipline was less strict. Thus, in 1907 the Association lobbied members of the State parliament to secure amendments to a shearers' accommodation bill;² in 1908 it wrote to all N.S.W. members of the Senate asking them to press for the removal of duties on shearing machines;³

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In 1957 the GA President told delegates at the Annual Conference: 'I assure the Conference that Nancy Wake [who opposed Evatt in 1951] would never have opposed Dr Evatt, and I do not think Dr Evatt would have been opposed in the last elections, if it had not been for the support of the Special Purposes Fund'. (Verbatim report, Annual Conference records, 1957).

2

Council minutes, 29 November 1907.

3

Ibid., 29 January 1908.

and in 1910 representations were made to members of both houses of the State parliament to secure the defeat of a closer settlement bill.¹

Today appeals to individual members of parliament are relatively much less important in the Association's overall political strategy. With a much greater interest in initiating changes and securing new forms of government assistance, and with the increased dominance of the Executive over parliament, the Association now relies mainly on direct approaches to Ministers and departments. In addition, the GA now has appreciably fewer of its members and ex-leaders in parliament than in the period from 1920 to 1945.² Nevertheless, members of parliament still constitute a useful intermediate political target, and sometimes a secondary target,

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Annual Report, 1910. Matthews ('The Political Activities of the Australian Employers' Federation') has shown that in this period lobbying members of parliament was one of the main tactics used by employers' groups.

2

In the period 1920-45, members and ex-leaders who held parliamentary seats included: C.L.A. Abbott (M.H.R., 1925-9 and 1931-7), J.P. Abbott (M.H.R., 1940-9); James Ashton (M.L.C., 1907-34), A.E. Hunt (M.L.C., 1916-30), Sir Norman Kater (M.L.C., 1923-54), W.W. Killen (M.H.R., 1922-31), A.G. Manning (M.L.A., 1917-20 and M.H.R., 1922-8), H.C. Moulder (M.L.C., 1934-46), W.F.M. Ross (M.L.A., 1932-41), C.A. Sinclair (M.L.A., 1932-41), Sir Frederick Tout (M.L.C., 1932-46), Sir Graham Waddell (M.L.C., 1937-49), and J.C. White (M.L.C., 1908-27). In 1941 the Association made efforts to have its General Secretary nominated for election to the Legislative Council, but the coalition Government was defeated before this was achieved.

to block unfavourable legislation, to publicise the Association's policies, and to bring pressure to bear on governments.

The GA makes the most frequent use of appeals to members of parliament when Labor is in office. It regularly supplies leaders of both non-Labor parties with statements of its policies, detailed information and arguments to use in debates and public statements, possible amendments to bills, and suggestions for items to be included in policy speeches during election campaigns. In 1963, for instance, the Association kept in close touch with the leaders of both opposition parties in the N.S.W. parliament when the Labor Government introduced the Crown Lands (Amendment) Bill which provided for increased rentals on future Crown leases.¹ The following year the GA supplied leaders of both parties with a detailed statement of its policy on tuberculosis testing of cattle, and suggested that reference to this subject might be included in the Liberal leader's policy speech.² On major matters the GA also appeals to all non-Labor members (in the case of the Commonwealth parliament to members from N.S.W.) as well as the party leaders. Because Labor Governments have often lacked effective majorities in the N.S.W. upper house, on a number of occasions the Association has been able to block or amend legislative

1 Report of Proceedings 1963, p.44.

2 Report of Proceedings 1964, p.15.

proposals of Labor governments by appeals to non-Labor members of the Legislative Council.¹ On rare occasions the GA has appealed to Labor members, as well as non-Labor members, in an effort to block legislation introduced by a Labor Government. One example was in 1947 when the Association requested its members and local branches to write letters and send telegrams to their local federal members protesting against the Government's plans to nationalise banks.²

But at times the GA also appeals to non-Labor back-benchers and even to Labor members to veto proposals of non-Labor governments. In 1960 the GA wrote to all N.S.W. Country Party members of the House of Representatives in an effort to bring pressure to bear on the Government to provide additional finance for the construction of wheat storage facilities.³ A decade earlier the Association lobbied all non-Labor members of the federal parliament from N.S.W. to veto the wool sales deduction proposals of the Government. It also encouraged branches to protest to their local members, both non-Labor and Labor.⁴ Approaches to

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For instance, in 1962 the Association secured an amendment to the Government's Factories, Shops and Industries Bill by appealing to members of the Legislative Council. The amendment excluded rural holdings from the definition of 'factory'.

2

Mustert, 15 September 1947.

3

Report of Proceedings 1960, p.34; Council minutes, 22-23 June 1960.

4

See chapter 11.

Labor members to help block the proposals of a non-Labor government however, are rarely made since the Association is reluctant to give Labor any assistance whatsoever and to take any action which could jeopardise a non-Labor government's future. And when such approaches are made, they come from individual members and from local branches rather than from the Association's leaders or staff.

The Judiciary

In Australia the judiciary is generally considered to be apart from politics, and political scientists have done little to dispel this notion.¹ Yet the judiciary is clearly involved in the political process. Judges and magistrates constitute another set of actors in the political system, and the law courts are another arena of government in which conflict is resolved and in which authoritative decisions are made on public policy. Consequently, the judiciary and the courts provide another means by which groups can achieve political objectives.

1

Political scientists have neglected almost completely study of the Australian judiciary. Two exceptions however, are John Playford, 'Judges and Politics in Australia', A.P.S.A. News, Vol. 6, No.1 (August 1961); and Glendon Schubert, 'Political Ideology on the High Court', Politics, Vol. III, No.1 (May 1968). Schubert considers that if Australian political scientists 'aspire to a comprehensive analysis, understanding, and explanation of the Australian polity, then [they] ... must pay greater attention in the future, than they have in the past, to the study of the politics of the judiciary'.

For well over half a century the GA and its federal bodies have channelled demands to the judiciary. But while the judiciary has been an important political target, it has always been of secondary importance, compared to direct appeals to Ministers and departments, for a number of reasons. Like most economic pressure groups, the Association generally appeals to the courts only when it is denied access to its primary targets, or when other action fails. Litigation involves more work and effort than direct approaches to government. It is often a lengthy process, and the costs can be heavy. In the early 1950s joint participation with a number of other farm groups in one case which involved an appeal to the Judicial Committee of the Privy Council cost the Association almost £7,000.¹ The judiciary is also a secondary rather than primary target because the range of objectives and demands that a group can achieve by litigation is extremely limited. Generally there is only limited scope to use appeals to the judiciary as a means of initiating new government action, and groups can successfully veto the implementation of regulations or legislation only if it can be shown that they are legally invalid. Moreover, sometimes when the validity of regulations is questioned by pressure groups, departments make changes without litigation being commenced;² frequently the

1

Annual Report 1954, p.8. This case concerned taxation of profits to woolgrowers from the sale of the war-time stockpile of wool. The total cost of the action was £18,105.

2

This apparently happened in 1962 with regulations issued to rangers by the Department of Agriculture. See Report of Proceedings 1963, p.19.

threat of litigation is sufficient to secure changes. In Australia the scope for pressure groups to employ litigation to achieve their goals is more limited than in the United States where groups can influence the appointment of judges and have the advantages of the amicus curiae brief.¹ Apart from all these factors, the extent to which the GA employs legal action is also limited by the natural reluctance of its leaders and staff to embark on action that could prove costly, unless they think there is a good chance of achieving success. On many occasions the GA has secured legal advice on an act or regulation considered to be against the interests of graziers, but then, on the basis of the advice, has decided against instituting legal proceedings.²

In Australia the High Court, which exercises the power of judicial review, is the main target for pressure groups within the judicial system.³ The High Court can declare legislation or regulations of both Commonwealth and State governments void if they are found to be inconsistent with the constitution of

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See Zeigler, pp.308-17; Holtzman, pp.134-7; and Clement E. Vose, 'Litigation as a Form of Pressure Group Activity', The Annals of the American Academy of Political and Social Science, Vol. 319 (September 1958). In many courts including the United States Supreme Court pressure groups can file an amicus curiae brief which enables them, even though they may not be a direct party to a dispute, to file briefs and/or present oral arguments to the court.

2

One example was over the wool sales deduction acts. (See chapter 11).

3

On the powers of the High Court, see Crisp, chapter 3.

the Commonwealth. It has power to interpret the constitution. But although it is the main target within the judicial system, the High Court is not, as Matthews implies,¹ the sole target. Certainly it is not the sole target for the GA, as will be shown later. Moreover, although the GA uses litigation mainly to veto legislation and regulations when direct action fails, in a sense it sometimes employs litigation to initiate changes or as a stop-gap measure until it can secure changes by other means. In 1965, for example, following a ruling of the Commonwealth Industrial Court in 1964 that shearing employees could quit sheds without forfeiture of wages, graziers were troubled by shearers leaving during shearing.² As a protective move, the Association prosecuted a group of shearers who walked out at one station in the Armidale district. In the Armidale court five of the offenders were fined £5 each, with costs varying from £8.7.0 to £18.17.10. The Association reported to members:

The case received some publicity and it is considered that this action by the Association had a salutary effect until more adequate disciplinary provisions were obtained in the 1965 Pastoral Industry Award.¹

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Matthews, 'Pressure Groups in Australia', pp.215-17.

2

Report of Proceedings 1965, p.5.

3

Ibid.

The structure of the judicial system, as well as the Australian political culture, limits the kind of relations that groups can establish with judges, and also the channels that they can use to convey demands. Relationships can only be formal, and demands can only be conveyed through formal judicial procedures. Judges are insulated from most of the outside political pressures to which Ministers and bureaucrats are subjected, and the 'rules of the game' stamp as improper any attempts by groups to work outside these bounds.

The Association participates in legal action in three different ways. Occasionally it initiates proceedings in its own name. The case already cited concerning the prosecution of shearers is one example. Another occurred in 1953-4 when, with five other employers' organisations, the GA challenged in the High Court the validity of the N.S.W. Labor Government's Industrial Arbitration (Amendment) Act which introduced compulsory unionism.¹ This action was initiated because the Association's legal advisers were of the opinion that the Act could not be applied to employers whose business consisted mainly of interstate trade or commerce (i.e. because of section 92 of the Commonwealth constitution) or to members of a

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Annual Report, 1953, p.18; Annual Report, 1954, p.10; and Sydney Morning Herald, 24 December 1953. The other employers' organisations were the Chamber of Manufactures of N.S.W., the Sydney Chamber of Commerce, the Employers' Federation of N.S.W., the Metal Trades Employers' Association, and the Retail Traders' Association.

State branch of a union registered under the Commonwealth Conciliation and Arbitration Act.

The extent to which pressure groups can initiate litigation in their own name is very limited since as a rule in Australia only direct parties to a dispute can initiate and participate in legal action. Thus, the GA relies mainly on test cases, and on giving financial support to other groups and to non-members involved in litigation. With a test case, a member of the Association who can claim to be a direct party to a dispute becomes the nominal litigant, and the Association bears the financial responsibility of litigation in order to establish some general principle. The GA has often employed this procedure. For example, in 1923 the Executive Committee decided to initiate a test case in the name of a member to test the validity of the basis on which taxation authorities were assessing income derived from the liquidation of the war-time stock-pile of wool.¹ In 1927 the GFC successfully challenged in the High Court, by means of a test case, the validity of the methods adopted by the Federal Taxation Commissioner in assessing the value of Crown leaseholds for taxation under the Commonwealth Taxation Act.² More recently in the 1960s the GA made plans to challenge

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Minutes of Council, 25 May 1923.

2

N.S.W. Graziers' Annual 1927, pp.49-50. The matter was dealt with by the Graziers' Vigilance Committee, a sub-committee of the GFC.

the validity of the practice of the Commissioner of Taxation in assessing gift duty on the purchase of property by instalments, free of interest. To escape liability for gift duty, many graziers had adopted the practice of transferring property to their children by sale at market price, but with payment spread over a number of years and with no interest being charged. The Commissioner of Taxation then began assessing gift duty on the amount of interest that might have been payable, and calculating this at 7 per cent per annum. In 1962 the Association invited members who had met this problem to contact the secretariat. Many did so, and the Association advised them how to protect their interests until a test case could be initiated.¹ In the end, the Association did not proceed with its plans for a test case, but instead supported financially an appellant from another State who had already initiated litigation.² In 1965 in this case (McGain v. the Commissioner for Taxation) the High Court found in favour of the Commissioner.³ These examples of test cases relate to the initiation of litigation. In addition, on occasions the GA also defends members in prosecutions in order to establish general principles. For instance, in 1960 the Association successfully defended two members before the Commonwealth Arbitration Court, one in a

1

Report of Proceedings 1962, pp.34-5.

2

Report of Proceedings 1965, p.36.

3

Ibid.

prosecution for breach of the Federal Pastoral Industry Award, and the other for breach of the Commonwealth Conciliation and Arbitration Act for alleged victimisation of station hands when they joined the AWU.¹ In 1961 it successfully defended a member against prosecution by the Wade Shire Council for failure to eradicate Bathurst Burr.² In this case the Executive Committee considered that the member had consistently used approved methods to eradicate weeds. Subsequently the Shire Council withdrew similar prosecutions against other landowners in the area. The following year the Association defended a member in the Young district in a prosecution for alleged assault on a union organiser. At the first hearing the charge was found proved, but the summons was dismissed. On appeal by the Association the magistrate's finding was upset, the judge holding that the evidence did not support the finding.³

Less frequently the Association gives financial support to other groups and non-members who have initiated litigation that has a direct bearing on the interests of its members. One example has already been given. Another case was in 1953 when the Association supported the Australian Hauliers' Federation which, through the firm of Hughes and Vale Pty. Ltd., sought from the High

1

Report of Proceedings 1960, p.8.

2

Report of Proceedings 1961, p.67.

3

Report of Proceedings 1962, p.5.

Court a declaration that the N.S.W. State Transport (Co-ordination) Act 1931-1950 was beyond the powers of the State Government in that it infringed section 92 of the Commonwealth constitution.¹ When the High Court upheld the validity of the Act, Hughes and Vale successfully appealed to the Judicial Committee of the Privy Council which subsequently declared the legislation invalid.² As a rule, most cases in which the Association participates through giving financial support are cases initiated by business pressure groups or commercial firms. However, at least on one occasion, the Association has supported wheat-sheep farmers' organisations in a test case. In the late 1940s wheat-sheep farmers' organisations, led by the FSA, formed the Australian Wheat Industry Defence Council³ to initiate a test case, in the name of Nelungaloo Pty. Ltd., to challenge the validity of regulations and orders under which wheat was compulsorily acquired during the war by the Commonwealth. The contention was that section 51 of the constitution required wheatgrowers to be paid prices equal to the 'export parity' prices that they would have received if the pool had not operated, whereas under the pool they had received lower prices since the Australian Wheat Board had sold about half the war-time crops in Australia at prices less than

1 Report of Proceedings 1953.

2 Matthews, 'Pressure Groups in Australia', p.216.

3 Sydney Morning Herald, 7 August 1948.

those obtained overseas.¹ Under pressure from its wheatgrowing members,² the GA subscribed £500 to assist the case but, in order to limit its financial responsibility to this amount, it refused membership of the Council.³ The High Court found in favour of the Commonwealth, and appeals to both the High Court and the Privy Council failed.⁴

The GA tends to use appeals to the judiciary more often when the Labor Party is in power because Labor administrations often pass legislation and make regulations that graziers consider to be a threat to their interests. The GA also has less effective access to Labor governments. Nevertheless, as our examples show, the GA has often challenged regulations, and sometimes legislation, of non-Labor governments.

Committees of Inquiry and Royal Commissions

Governments in Australia frequently appoint official committees, consisting of parliamentarians, public servants or persons outside government, and Royal Commissions to make investigations on specific questions and to draw up recommendations for action. But with both official committees and Royal Commissions,

1

Geoffrey Sawer, Australian Federal Politics and Law 1929-1949, Melbourne, 1963, p.214.

2

Minutes of Annual Conference, 1948.

3

Minutes of General Council, 14-15 July 1948.

4

Sawer, p.214, and Sydney Morning Herald, 15 March 1952.

governments are under no legal compulsion to adopt whatever recommendations are made. Often they do adopt them, but at other times they implement only those recommendations that suit, or virtually reject them entirely by failing to take any action whatsoever.

Since committees and Royal Commissions are advisory rather than decision-making bodies, they provide pressure groups with a potential intermediate target. By persuading a committee or Commission to its point of view, a group can possibly influence Ministers and departments.

For many years the GA has utilised every possible opportunity to influence governments through committees and Commissions. As early as 1913 it presented evidence to a Commonwealth Royal Commission on industrial arbitration and in 1920 to a Commonwealth Royal Commission on taxation.¹ Even earlier, it submitted evidence to a number of official committees of inquiry appointed by N.S.W. governments.

The GA uses four distinct strategies with regard to committees and Commissions. In the first place, when it considers that an official inquiry on some specific matter could work to its advantage, it presses the appropriate government for a committee or Commission to be appointed. For a number of years the Association pressed, principally through the AWGC,

¹

Minutes of Council, 30 July 1913, 12 March 1919, and 24 November 1920.

for the Commonwealth Government to appoint an expert committee to undertake a general enquiry into the Australian economy and economic policies.¹ When such a committee was eventually appointed in 1962, the Association claimed part of the credit for its appointment, and noted with satisfaction that the terms of reference given to the committee included all the main items which it had sought.²

Second, the Association tries to influence the terms of reference given to committees and Commissions and, in the case of committees, the appointment of their personnel. In 1960 the GFC unsuccessfully tried to persuade the Federal Treasurer to widen the terms of reference given to an official committee appointed to investigate income tax laws.³ Influencing the appointment of committee personnel is even more difficult. However, at times the GA appears to have exerted some influence on appointments, and sometimes its leaders or members have been appointed to committees, though as a rule they have been appointed as individuals and not as representatives of the Association. With regard to securing representation on official committees, the GA was in a stronger position before the wheat-sheep farmers' organisations emerged as a legitimate voice of woolgrower opinion.

1

Report of Proceedings 1962, pp.40-1; and Annual Conference minutes, 1962.

2

Ibid., p.41.

3

Report of Proceedings 1960, pp.47-8.

It secured its most advantageous position on a committee in the late 1920s when Dr Norman Kater was appointed by the Commonwealth Government as chairman of a committee of five to inquire into the pastoral industry with special reference to drought, and J.W. Allen, the Association's Secretary, was appointed as secretary to the committee.¹

Third, once committees and Commissions are appointed, the GA prepares submissions and then at public hearings submits oral evidence. In recent years the GA has presented submissions and evidence to many inquiries including a N.S.W. Royal Commission on Local Government Finance and Valuation,² select committees on the timber industry³ and on drought relief,⁴ the Commonwealth Wool Marketing Committee of Enquiry,⁵ and (through the AWGC) the Committee of Economic Enquiry.⁶ The Association's submissions are

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N.S.W. Graziers' Annual 1928, p.45; and N.S.W. Graziers' Annual, pp.39, 59.

2

Report of Proceedings 1966, pp.51-2.

3

Report to General Council, 19-20 July 1967.

4

'Drought Control and Drought Relief', submission by the Association to the Select Committee of the Legislative Assembly upon Drought Relief, 15 March 1966.

5

Report of Proceedings 1961, pp.80-5.

6

See, The Australian Grazing Industry: A Case for Economic Independence, a booklet published by the AWGC in 1963 based on its submission to the Committee of Economic Enquiry.

always carefully prepared and well-documented;¹ usually specialist sub-committees and outside experts assist the staff in their preparation. Oral evidence is usually presented by staff members of the Association or the AWGC, or by outside experts. For example, the Association's case to the Royal Commission Local Government Finance and Valuation was presented by the AWGC's Economist, the Association's consulting valuer, and the Association's Research Officer.² The Research Officer appeared twice, the first time to present the Association's submission, and the second time at the request of the Commission to comment on the likely effects of a change from the unimproved capital value system of rating to a system of assessed annual value rating. At times local branches also submit evidence to enquiries.³ Relations with members of Royal Commissions, like those with the judiciary, can only be formal, and only formal channels of communication can be used. On the other hand, members of committees can sometimes be lobbied individually, and on occasions they seek advice and information individually from interested pressure groups. On one occasion in recent years the chairman of a select committee

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For example, the Association's submission to the Select Committee on Drought Control ran to twenty-nine pages. It was divided into twelve chapters, and included two appendices.

2

Report of Proceedings 1966, pp.51-2.

3

A number of local branches submitted evidence to an inquiry in 1965-6 on drought relief. See, Second Progress Report from the Select Committee of the Legislative Assembly upon Drought Relief, Sydney, 1966.

discussed technical details in his draft report with the Association's staff.

Finally, once a committee or Royal Commission has submitted its report, the Association presses for it to be publicly released and, if the recommendations are favourable, for their implementation.

Other Pressure Groups

The Association uses other pressure groups to communicate its demands to government in two distinct ways: peak organisations and commodity federations with which it is institutionally linked, it will be remembered, are used to communicate demands on the Association's behalf, while a wide range of other groups are used as intermediate targets.

As a rule, other groups are used as intermediate targets only when the Association feels that it needs additional support on some particular issue. On such issues it lobbies other farm groups, business groups and even non-economic pressure groups in order to get them to voice support for its demands, and/or to make separate representations. Sometimes other groups have to be convinced that their interests are affected. For instance, in 1956 the N.S.W. Government announced that it planned to introduce a land tax on the unimproved capital value of land. As well as making direct representations to the Government and waging a public campaign, the Association lobbied all municipalities and shires, after discussions with the Local Government Association, 'drawing

attention to the serious encroachment into a field of taxation traditionally left to Local Government'.¹ Even rival pressure groups sometimes have a gentlemen's agreement to give support to each other on certain non-controversial issues. Such an arrangement appears to operate on occasions between the GA and the UFWA.

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Report of Proceedings 1956.

V. EFFECTIVENESS

CHAPTER 10

Political Effectiveness

As a pressure group, the GA's main aim is to influence the content and administration of public policy in order to promote and protect the interests of its members. Consequently, its effectiveness in politics must be judged primarily on the basis of the political influence or power that it commands. At the same time, there are other criteria for assessing the political effectiveness of a group. Two criteria that we will use are the Association's impact on other political actors and on the political system, and its own assessment of its success in achieving its political goals.

Political Influence

Briefly, a pressure group can be said to have achieved political influence or power when it induces a government, government department, or statutory or local government authority to act in a specified direction in relation to a particular policy or its administration, and despite some degree of resistance or reluctance. As we have seen, the GA is constantly involved in efforts to initiate changes in public policy and administration, and to veto changes proposed by governments and governmental authorities, and by other pressure groups.

According to our model, the Association's political effectiveness is dependent on environmental factors, group characteristics and the way the Association behaves in politics. As well as having a direct influence on effectiveness, environmental factors also have an indirect influence through their influence on group characteristics and behaviour. The Association's group characteristics likewise affect its effectiveness indirectly through their influence on its behaviour. We must now examine the factors within each of our three categories that are of major importance in determining the GA's political influence, and assess in which direction they operate (i.e. whether they increase or limit its influence).¹

The influence that any economic pressure group commands is closely related to many different economic factors including the importance of the industry or industries represented in terms of production, employment and export earnings, and the state of the economy. Because of the declining relative importance of primary industries compared to secondary industries, and the much greater importance of secondary industries as employers of labour, all primary producers' bodies are at a clear political disadvantage when competing

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Some useful suggestions about factors which affect the political influence of pressure groups are to be found in Zeigler, pp.iv-vi; Finer (second edition, 1966), pp.74-82; Lawrence D. Longley, 'Interest Group Interaction in a Legislative System', The Journal of Politics, Vol. 29, No.3 (August 1967); and Eckstein, pp.92-112.

for influence against manufacturers. On the other hand, all governments are well aware of the economic importance to the nation of rural industries, and in particular the three major rural export industries, wool, wheat and meat. Governments, as well as producers, have a vested interest in these industries; a bad wheat season, or a fall of a few cents per pound for wool can mean a loss to the nation of millions of dollars in export income. Consequently, it is not difficult for farm organisations to persuade governments to adopt policies which promise to increase the efficiency and productivity of these industries - provided, of course, the policies are economically sound and not too costly, and have the wide support of producers. Many forms of assistance such as bounties on fertilizer, and government grants to match growers' levies for research and promotion programmes, have been secured by the GA in conjunction with other groups without the use of any real 'pressure'. Then, too, economic conditions are particularly important when groups seek financial assistance or concessions. Frequently governments are prevented from adopting proposals put forward by responsible groups simply because money is unavailable at the time. At other times governments are unable to reduce taxation or charges because they need the revenue such measures provide. As we have noted, the Askin Government in its first term of office refused GA demands for abolition of land tax on rural properties largely because it needed the income the tax provided.

Similarly, as the case-study on the wool sales deduction acts shows,¹ the Menzies Government in 1950 persisted with the pre-payment plan, despite angry protests from woolgrowers, because it faced a serious problem of inflation, caused partly by high wool prices, and because it needed to balance its budget.

Cultural factors also play an important part in determining success in politics. Any pressure group is more likely to succeed when its goals are not in conflict with the values of society. Moreover, its chances of success are improved when its demands are supported or favoured by a large section of the population, and when it can convince the public that what it seeks is in the public interest. Thus, when the GA and other groups have campaigned for government measures to control tuberculosis and other contagious diseases among cattle, they have had no difficulty in arguing that their demand is in the interest of public health as well as to the advantage of graziers and farmers. At the same time, lack of sympathy for graziers because of their wealth and high social status has often worked to the Association's disadvantage over issues like closer settlement and taxation concessions for owners of larger holdings. Groups can often capitalise on deep-seated community prejudices and beliefs. In 1951 and 1965, for instance, the GA and other groups played effectively on woolgrowers' fears of socialism, bureaucracy and government intervention

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See chapter 11.

in their campaigns to defeat proposals for reserve price marketing schemes.

Political factors are perhaps of even greater importance. Whether the GA or any other pressure group succeeds or fails with any demand depends above all on the official actors in government. GA leaders and staff are well aware of this fact; they do not subscribe to the view that governments are mere pawns to be pushed around at the whims and fancies of powerful groups. Admittedly, governments frequently give the major economic pressure groups what they demand, or at least make some concessions to their demands. But the important point is that governments can and do refuse the demands of powerful groups, even those which contribute financial support to keep them in office. And in the short term, there is little that an individual pressure group can do to change the unfavourable decision of a government. As we have noted, while the GA secures preference from non-Labor governments, such governments often refuse its demands and on occasions introduce legislation which GA members strongly oppose. Then too, whether the Association succeeds or fails with any demand it makes, depends largely on the amount of support it receives and opposition it faces from other pressure groups. Its chances of success are at a minimum when it is opposed by its rivals in the wool, wheat and meat industries. Similarly the GA's probability of success is reduced when there is strong opposition from both business interests and trade unions, particularly if the GA is trying to initiate rather than veto changes. The powerful opposition of manufacturers and labour is

perhaps the most important reason why farm groups have been so ineffective in securing changes in tariff policy. On the other hand, the GA has often done particularly well on matters such as cattle compensation, pest control, storage facilities for wheat, drought relief, and rail facilities for stock on which it has been able to work harmoniously with other farm groups and on which it has faced no opposition from the other major economic sections.

We have already seen that the GA has many useful political resources but some serious disabilities. Its advice on technical matters concerning wool policy carries weight because it speaks for a high proportion of larger growers. Because it has a large and constant membership and because it has the financial and staff resources to fight effective campaigns, governments are loath to antagonise the GA unnecessarily on issues about which its members feel strongly. As a result of the successful campaign the GA fought in 1965 over the reserve price referendum,¹ it seems unlikely that any government in the near future would attempt to alter the wool marketing system without taking into account the possible implications of opposition from the GA. On the other hand, the GA's inability to speak for all wool, wheat and meat producers and its smaller size in comparison to the UFWA limits its influence. GA leaders recognise this fact. On occasions non-Labor Ministers have admitted to them privately that they prefer a

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See Chapter 12.

policy proposed by the graziers' associations rather than one sought by the wheat-sheep farmers' organisations, but that for electoral reasons they are unable to adopt the graziers' proposal.

Finally, the Association's political effectiveness depends on its behaviour in politics - in other words, the mobilisation of its political resources for political ends and to achieve specific objectives, its skill in doing this, and the tactics it employs. Particularly on non-controversial issues the GA's influence with governments is enhanced by the quality of its submissions. Frequently the Association has succeeded in influencing a government simply because it has put forward an economically sound and well-argued case. The GA has also been able to influence governments because of its reputation for giving accurate information and sound advice. Government departments know which of their clientele groups can be relied upon for information and advice. The GA's chances of success are also improved by its persistence, by its realistic approach to economic policy matters, by its wide interests in government of three different levels, by its concentration as far as possible on direct approaches to decision-makers, and by its alliances with other influential pressure groups to secure certain of its goals. On the other hand, its influence is limited with Labor governments because of its ideological position and inability to establish close relations with Ministers. Similarly its influence at the national level is limited by organisational problems and the fact that the AWGC does not have an office in Canberra.

Assessment of Political Influence

Power and influence are key concepts in political science, and ones that in the last decade have been subject to rigorous analysis.¹ But the techniques that have been developed for detecting, measuring and comparing political influence and power are relatively crude instruments and not well-suited to the analysis of the political influence of a pressure group. Indeed, little has yet been done to develop techniques specifically for analysing pressure group influence.²

There are many difficulties in analysing the political influence of a pressure group even in relation to individual policy-areas and demands. Influence is difficult to detect. The fact that a pressure group is

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See Robert A. Dahl, Modern Political Analysis, Englewood Cliffs, 1963, Who Governs?, and 'The Concept of Power', Behavioral Science, Vol. 2 (1957); Nelson W. Polsby, Community and Political Theory, New Haven, 1963; Robert Presthus, Men at the Top: a Study of Community Power, New York, 1964; Arnold M. Rose, The Power Structure: Political Process in American Society, New York, 1967; Parker, 'Power in Australia'; and S. Encel, 'Power', in Peter Coleman (ed.), Australian Civilization, Melbourne 1962.

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There are three main methods that have been developed to study power relations in a society. These are the positional method (as used by C. Wright Mills in The Power Elite), the reputational method (developed by Floyd Hunter and used in his Community Power Structure, Chapel Hill, 1953) and Robert Dahl's method (as used in Who Governs?) of studying participation in decision-making within key issue areas. Of the three methods, the latter would appear to hold the most promise for the development of suitable techniques to study the power and influence of pressure groups.

consulted by governments and represented on official advisory committees is not proof of influence. Moreover, a government can change a policy in a direction sought by a pressure group yet without being influenced by the group. And even when a group is influential in securing the modification of a policy or retention of the status quo, it is often extremely difficult to secure conclusive evidence that this was the case. In most cases such evidence could not be obtained without interviewing all the major actors and without access to the records of the groups concerned as well as all official documents. Such a procedure is time consuming and often impossible. It is also difficult to measure the relative influence of different groups and of a single group on different demands. One reason is that in a power situation we do not always know the real positions of different actors at the outset, nor how much they have actually changed. Generally economic pressure groups ask for more than they expect to receive. In bargaining situations both groups and governments usually begin by taking up extreme positions, hoping to eventually arrive at a position close to their real or expected goal. Another problem in assessing influence on particular demands is that groups frequently achieve success only after a number of initial refusals. Thus, the influence of a pressure group needs to be studied on a long-term basis.

The task of assessing the overall influence of a pressure group is even more difficult, particularly in the case of complex organisations (like the GA) which are constantly communicating a large range and volume of demands to many different primary targets

at three different levels of government. With the GA, the task of assessing political influence is made more difficult by the fact that frequently other pressure groups as well are involved in attempting to influence governments on the same issues as the GA.

While no wholly satisfactory solution is available to overcome these problems, it is still possible to make an assessment of some value. There is no doubt that the GA is relatively influential as a pressure group. With representation on many different boards and committees,¹ and having opportunities to participate in negotiations, the GA is often in a position to influence policy and administration. Moreover, not only its rivals but also Ministers and public servants consider that the Association is influential. Sometimes governments even admit that they are making changes in response to requests from the GA.

The GA can point to many notable successes. With other groups it has successfully vetoed many attempts of wheat-sheep farmers to secure stabilised marketing for the wool industry. The Association's greatest achievements have probably been the defeat of the two reserve price schemes in the wool referenda of 1951 and 1965. The GA can justly claim much of the credit for the establishment and development of the extensive wool promotion and research programmes, for the initiation of similar programmes for the meat industry,

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See chapter 8.

for the development and modification of the N.S.W. cattle compensation scheme, and for the many taxation advantages and concessions enjoyed by graziers and farmers.¹ It played an important part in securing a subsidy on superphosphate and later a bounty on the manufacture of nitrogenous fertilisers in Australia.² It has always been influential on industrial matters. Apart from its more notable and publicised successes, over the years the GA has secured numerous minor policy and administrative changes in many different fields. The case-study on cattle compensation shows some of the numerous minor changes it has secured in this field. Similar changes have been achieved in many other areas, particularly with State and local government authorities. Some observers would probably regard many of the minor successes claimed by the Association as trivial. For instance, the successes claimed by the Association in its annual report for 1966 included: agreement by the ABC to a request to make occasional reference to 'red meats' in its programme 'To Market To Market'; the repair and alteration by the Railways Department of the trucking yards at Bourke in response to a request by the Association; and a promise from the Postmaster-General's Department that the question of increasing the number of after-hours telephone connections in the

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For claims of successes see various issues of the Report of Proceedings and Muster, 7 July 1965.

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On this see Sydney Morning Herald, 5 April 1966 and The Land, 27 October 1966.

Tilpa district would be investigated by the District Telephone Manager who would visit the area personally and discuss the matter with subscribers.¹ But in the case of the GA, as with any economic pressure group, such trivial successes are valued by members and considered to be definite achievements.

While the GA has undoubtedly secured as many successes as, if not more than, its rivals, it has had its fair share of failures. Indeed, because it explores so many different possible avenues for securing concessions to benefit its members, the Association probably has a higher ratio of failures to total demands than most other farm organisations. Each year, of the total number of demands it makes, comparatively few result in clear successes. Many are refused outright; others secure from departments or Ministers promises of further consideration at a later date or when funds are available, or they drag on without any final decision being made.² Moreover, the Association has had many notable failures such as its attempt to veto the introduction and passage through parliament of the wool sales deduction acts. When Labor governments have adopted harsh measures affecting larger graziers,

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Report of Proceedings 1966, pp.71, 76.

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Of the political demands made by the Association in 1965 and reported in the Report of Proceedings 1965, approximately 9 per cent were successful, another 19 per cent were partly successful, 30 per cent were unsuccessful, while the outcome of the remainder was still not known when the report was compiled.

the GA has often been unable to take any effective veto action, other than to work to defeat the government and secure the return of a more sympathetic administration.¹

The GA's political influence naturally varies from time to time, depending on whether Labor or non-Labor governments are in power, on economic conditions, on the specific goals that the Association seeks to achieve, and on the actions of other pressure groups. Its influence also varies between different departments and authorities, between different areas of policy, and between different types of demands. Generally the GA is more influential with those departments with which it has frequent dealings and which need its co-operation and assistance. It probably commands greater influence with the N.S.W. Department of Agriculture than with any other department of authority. Its influence on different policy areas varies considerably. On wool, meat, livestock and arbitration matters it is much more influential than on wheat, tariffs, and economic policy. This is because on the former it has a high status with the appropriate authorities, and is recognised as a responsible and representative spokesman. Moreover, in these areas it is particularly well-experienced and it has employed its staff resources extensively. On wheat matters, the GA still has to secure full status as a spokesman, and on general

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Issues of the Graziers' Annual and Report of Proceedings record many examples of unfavourable legislation and regulations which the GA was unable to do anything about.

factors that Ministers and bureaucrats must take into account. As we have noted, the GA also has a marked impact on the behaviour of its rivals, especially the UFWA. Particularly on wool policy, but also on many other matters, UFWA leaders take the GA into account when they are planning their tactics and approaches. Thus, the GA's impact can be said to be far greater than the actual influence it commands. And because of this impact on individual political actors it can be said to have an impact on the operation of the political system.

Another criterion of effectiveness is the assessment of members, leaders, and staff concerning the group's success in achieving its goals. Without a survey it is impossible to know precisely what the Association's members think about its effectiveness in politics. There is however, considerable evidence to suggest that most members are well satisfied with the Association's work. As we have noted, the turnover in membership and the number of members who fall into arrears with their annual contributions are small, and no splinter groups have ever broken away from the Association. Admittedly, members sometimes complain about certain policy decisions, and about the Association's tactics and performance in certain issue-areas. Indeed, GA members probably complain more than members of rivals organisations, mainly because dissent and criticism are freely permitted as being in keeping with democratic principles. During controversial campaigns the GA has also lost some members through resignation. But on the whole, members

have been well satisfied with the work of the Association. They are always impressed most by major successes such as in the reserve price referendum campaign, and by Association's work as an ombudsman.

Leaders and staff too, believe that the Association is effective in achieving its goals, although they are probably more critical than members of certain aspects of its work. Staff members see many ways in which the Association's effectiveness could be increased with a larger staff, and many leaders would concede their point. On the other hand, both leaders and staff have a better appreciation of the difficulties facing the Association, and take a more realistic view of the amount of success that they can expect in different fields. They recognise that governments are often swayed more by votes and considerations of political expediency, than by rational appeals based on argument or by considerations of justice to all sections of the community. They judge effectiveness, not in terms of notable successes so much, as on the basis of performance in relation to resources and potential, and particular political circumstances.

To sum up, the Association's effectiveness in politics is determined by environmental factors, its internal characteristics, and the way it behaves in politics. On the basis of its political influence, its impact on other political actors and the political system, and the assessment of its members, leaders and staff, the GA must be regarded as a relatively effective pressure group.

VI. CASE-STUDIES

CHAPTER II

The Wool Sales Deduction Acts

The wool sales deduction acts of 1950 placed the GA in the kind of situation in which partisan political pressure groups sometimes find themselves when a favoured political party secures office and introduces legislation that is extremely unpopular with members. These acts which appeared to discriminate directly against woolgrowers were introduced by a Liberal-Country Party Government that the GA supported and had helped put into office. Moreover, they were introduced less than twelve months after the Government assumed office, and the Minister who conceived and introduced the legislation was the leader of the Country Party, the party which the GA had helped found and which it supported financially. Under pressure from its members, the Association sought to veto the introduction of the legislation, and later worked to secure its repeal. But because of the Association's anti-Labor orientation and ties with the Country Party, it found that its scope for influence and manouevre was severely limited. Consequently, its representations were largely unsuccessful, though it secured some concessions. Throughout the crisis the Association's behaviour was erratic, and conflicting pressures and loyalties subjected the Association to all kinds of strains and tensions. Relations with the Country Party were damaged, and these took time to repair.

In addition, the incident illustrates many other aspects of the GA's pressure group behaviour. It shows the role of the Association's leaders and staff in a crisis situation. It illustrates the GA's decision-making processes and the difficulty facing federal commodity organisations in making rapid and well-informed decisions in a crisis at the national level of government. It provides a good example of how the GA's tactical decisions are often influenced by the behaviour of its rivals. It also illustrates the types of problems that pressure groups sometimes encounter in confidential negotiations with governments.

Background

Throughout the 1940s the GA made no secret of its close relations with and preference for the non-Labor parties, and of its strong desire to see the Labor Government defeated. It will be remembered that although the Association disaffiliated from the Country Party in 1945 its close ties were not severed, and it continued to provide a large proportion of the party's finance. In the hope of seeing Labor defeated, it contributed generously to the Country Party's federal election campaigns in 1946 and 1949. In the post-war period its antipathy towards the Government greatly increased; in particular, it opposed Labor's attempts to nationalise airlines and banks. The Association saw the 1949 general election as a clear choice between socialism and bureaucratic control on the one hand, and free enterprise on the other. Its newspaper explained:

This election is the most vital of all. Australians are now at the cross-roads. That to the left leads to Socialism, full and complete with all its attendant controls and dictatorship; that to the right the road of free enterprise on which Australia has risen to whatever greatness that has been achieved.¹

With a sense of relief the GA witnessed Labor's defeat in the election and the formation of a Liberal-Country Party Government under Menzies in December 1949.

The new Government inherited a problem of serious inflation which was aggravated in 1950 by the outbreak of the Korean war and the consequent rapid increases in commodity prices, particularly in wool. From 1946, when wool auctions resumed, prices rose steadily and by the end of the 1949/50 season they were roughly three times as high as at the beginning of the 1946/7 season. In the 1950/1 season, all-time record prices were reached, with the peak prices in February 1951 being almost seven times greater than those at the opening of the 1946/7 season.²

Inflation and the prospect of record wool prices presented the Government with a difficult problem as it prepared its 1950/1 budget, particularly as increased revenue was needed to meet the cost of war gratuities, commitments in Korea and new expenditures on health and social services.

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Editorial in Muster, 15 November 1949, p.1.

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L.J. Hume, 'Wool in the Australian Economy, 1946-58', in Barnard, pp.616-8, and Statistical Handbook of the Sheep and Wool Industry, 1961.

Graziers regarded the high wool prices as their due reward after years of low wool prices, droughts and labour shortages. They also saw the increased prices as means to reduce their indebtedness and improve their properties. The GA and its federal bodies were well aware however, of the economic problems facing the Government. Early in 1950 a GFC sub-committee studied the situation and recommended that the best means of overcoming inflation was to increase production by means of taxation and wage incentives, to lift restrictions on imports, to reduce government expenditure and, as a last resort, exchange appreciation.¹ At the 1950 Annual Conference the GA President expressed a similar view, except that he came out strongly against currency appreciation.²

While the GA applauded many of the new Government's measures, such as the Communist Party Dissolution Bill and the decision to commit forces in Korea, it was less satisfied with developments over wool marketing. The new Country Party Minister for Commerce and Agriculture, John McEwen, continued negotiations commenced by the Labor Government for a stabilised marketing scheme for wool. In April 1950 he intimated to woolgrower organisations that the Government was unwilling to participate further in inter-government negotiations for a wool scheme unless woolgrowers accepted the

¹ Annual Conference records, 1950.

² Muster, 1 April 1950, pp.5-7.

principle that they would be responsible for financing the scheme.¹ The AWMPF and the APPU readily agreed; the AWC was hesitant, but in the end gave its approval. Legislation was then passed providing for a levy on wool sold at auction to raise the necessary capital for the scheme. In July 1950, when the Government fixed the rate of the levy for the 1950/1 wool season at $7\frac{1}{2}$ per cent, the GA was highly critical and accused the Government of using the levy as an anti-inflationary device.² McEwen replied to this criticism in the press, needling the GA with his comment that:

As each of the main woolgrowers' organisations was a Federal body, it would be preferable if the Federal body alone spoke, as contradictory opinion expressed by constituent bodies would be confusing to growers and the public.³

This exchange provoked the release of pent-up feeling within the GA against any form of wool stabilisation and, even before the crisis on the wool sales deduction legislation developed, relations between the Government and the GA were somewhat strained, and the section of the GA strongly opposed to government intervention was alerted.

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For a detailed account of negotiations on the principle of grower finance, see Hitchens, pp.129-32, and a report published in Muster, 15 August 1950, pp.141-9.

2

Muster, 15 August 1950, p.143.

3

Sydney Morning Herald, 12 July 1950, p.3.

The Copland Plan and Woolgrower Reaction

The Government recognised the dangers of inflation, but was slow to take action because opinion in Cabinet was divided on what measures to adopt. A powerful section in Cabinet pressed for appreciation of Australian currency to bring it into parity with sterling (at the time £A125=£S100). Country Party Ministers opposed this proposal as it would have meant reduced export prices for primary products. They also opposed an export tax on wool because of the likely unfavourable reaction from woolgrowers.¹

On 1 September 1950 the press announced details of a plan to control inflation formulated by Sir Douglas Copland, Vice-Chancellor of the Australian National University. Copland's main proposal was a 33 1/3 per cent export tax on wool, a suggestion which brought forth an immediate and hostile response from woolgrowers. Some prominent woolgrowers in N.S.W., including J.P. Abbott (a former President of the GA and Country Party member for New England 1940-9), used the Copland plan as an opportunity to launch a strong attack on the power of bureaucrats and economists (Copland had been an economic adviser to governments and Commonwealth Prices Commissioner) and on the extension of government control. Abbott, himself a university graduate, portrayed Copland as a university theorist without experience of real life. 'Detached from the realities of life in his eyrie at Canberra',

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Ellis, Australian Country Party, p.286.

he wrote, 'the Professor surveys the whole Commonwealth.... Distinguished with the degrees and Doctorates of many learned Universities, the Professor suffers from the fact that he is not a graduate of...'"The University of Experience"'.¹

The GA soon was under pressure to take action from members who assumed that Copland was speaking for the Government. 'If the Graziers' Association don't fight those political hypercrits [sic] at Canberra to the last ditch', wrote one angry member to the Association's Secretary, 'they can wipe my name off the Association register.... I have always voted Country Party, no more, Commo next time for me'.² But the GA was hesitant on what action to take, and it felt bound to wait until the federal bodies of the graziers' associations could formulate policy. On 2 September the AWC Secretary had requested constituent associations by telegram to give their views on the Copland plan.³ The GA General Secretary (Ick-Hewins) immediately sent telegrams to all members of the GA Executive Committee asking for their views. He suggested:

POSSIBLE ANSWERS INCLUDE AGREE OR DISAGREE
 COPLAND PREFER REVALUATION OR, PROVISION INCOME
 DEPOSITS TAXED ON WITHDRAWAL.⁴

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Muster, 1 October 1950, p.197. See also Abbott's letter in the Sydney Morning Herald, 14 September 1950, p.2.

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GA file CF142 Wool Tax Vol. No.2 (1950).

3

GA file CF142 Wool Tax Vol. No.1 (1950).

4

Ibid.

All members of the Executive Committee expressed opposition to the Copland plan, but they were equally divided on the question of revaluation and the proposal for voluntary income deposits to be taxed on withdrawal. Their replies were communicated to the GA President who by then was attending a meeting of the AWC Executive Committee in Melbourne. The AWC Executive Committee decided to issue a press statement rejecting the notion that wool prices were the basic cause of inflation and expressing opposition to any export tax on wool.¹ It also decided to press the Government to consult with woolgrowers' organisations before any decision was made.²

Once the AWC had decided on a course of action the GA and the other graziers' associations launched their own public campaigns. The GA President immediately issued a press release in which he stressed that an export tax would fall heavily on small growers, especially ex-servicemen. Throughout the crisis the GA wisely played on the plight of small growers since it realised that it could count on little public sympathy for large graziers. On 14 September the GA wrote to N.S.W. Liberal and Country Party members of the Federal Parliament expressing opposition to an

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This was published on 13 September.

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An urgent telegram was sent to the Federal Treasurer on 13 September. It read: 'AUSTRALIAN WOOLGROWERS' COUNCIL URGES YOUR GOVERNMENT MAKE NO DECISIONS ON PLANS TO COMBAT INFLATION WHICH DIRECTLY AFFECT THE WOOL INDUSTRY WITHOUT PRIOR CONSULTATION WITH WOOLGROWER ORGANISATIONS'.

export tax on wool and urging consultations between the Government and industry organisations. The letter concluded:

If the government does not seek to establish the woolgrowers' support for this proposal by an adequate discussion with the growers' organisations, it can blame no one but itself if that support is lost at the polls.¹

Four days later the GA sent telegrams to each of its 110 branch chairmen asking them to convene protest meetings to urge the Government to consult with woolgrower organisations, and to communicate their demands directly to the Federal Treasurer and to local members of Parliament.² Seventy GA branches held protest meetings. At some centres local non-Labor members of the Federal Parliament addressed the meetings and supported woolgrowers' opposition to the Copland plan. Many of these meetings telegraphed their anger to Canberra. Typical was the following telegram sent by the Goulburn branch on 22 September to Fadden (the Treasurer) and to the local Federal member.

GROWERS THIS DISTRICT STRONGLY AGAINST
PROPOSED WOOL TAX WITHOUT CONSULTATION
STOP SECTIONAL NATURE OF PROPOSED TAX
CONSIDERED MOST UNFAIR TO PRODUCERS OF
WOOL AND TO AUSTRALIA

SECRETARY
GRAZIERS, GOULBURN³

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Muster, 15 November 1950, p.269.

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GA file CF142 Wool Tax Vol. No.1 (1950).

3

Ibid.

In Sydney a public protest meeting of nearly 500 graziers was held in early October under the joint sponsorship of the GA and other farm organisations. J.P. Abbott and some (but not all) leading figures behind the organisation of this meeting hoped to use the meeting to attack the proposed wool marketing scheme as well as the Copland plan. Advertisements in the press announced the meeting's objects were to 'register a combined protest against any proposals to levy a sectional tax on wool' and to 'insist upon the holding of a referendum of qualified producers before any wool scheme is imposed on the industry'.¹ But as a result of pressure from the GA Executive Committee,² the protest meeting was confined almost exclusively to the wool tax.

While continuing to press for consultations, the member organisations of the AWC discussed alternative schemes which they could put to the Government. The Victorian, South Australian and Tasmanian associations favoured a system of compulsory tax-free deposits of part of woolgrowers' incomes. The GA and the associations in Western Australia and Queensland opposed the principle of compulsion. The GA had no

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Copy in GA file CF142 Wool Tax Vol. No.2 (1950). See also Country Life, 22 September 1950.

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The GA Executive Committee felt the GA should not be in any way committed to a policy until the wool plan was discussed by the Annual Conference. See note from Assistant General Secretary to General Secretary, GA file CF142 Wool Tax Vol. No.2 (1950).

serious objections to a voluntary system of deposits, but it explained to the AWC Secretary that it considered 'that even this proposal should not be sponsored by your Council, but might be raised at the stage of consultation with the Government'.¹ During this time the AWC Executive Committee did not meet, and the AWC President had to decide policy himself. He consulted with the GFC President (P.A. Wright, an ex-President of the GA) and with him issued a joint statement suggesting a voluntary deposit scheme.²

Pre-Budget Consultations

On 22 September the AWC Senior Vice-President, D.T. Boyd, secured an interview with the Prime Minister (R.G. Menzies) in Melbourne. According to the report³ sent to affiliated associations, Boyd explained to Menzies that the AWC opposed an export tax on wool as it would be unfair to woolgrowers and could damage the wool trade. Menzies replied: 'I am aware it is a bad thing, and if there is a tax it will not be an export tax'.⁴ Menzies then said that he would like to speak off the record. Boyd replied that this would be in order, but that he wished to receive an official reply for the AWC. Menzies agreed to make a reply to the AWC

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GA file CF142 Wool Tax Vol. No.1 (1950).

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Ibid. This decision was in line with a previous policy decision by the GFC. The statement was published in the Sydney press on 23 September.

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GA file CF142 Wool Tax Vol. No.1 (1950).

4

Ibid.

executive but explained that 'it was not for publication because the matter is one of great crisis at this moment'. Menzies then went on:

I say to you officially that this wool tax question has been considered by Cabinet and is being considered by Cabinet simply because Cabinet has been unable to agree on any other measures. That is official. I would further repeat to your President and your Council that this is a time of great crisis in the Government of this country and I would ask for tolerance and that nothing be done in regard to my reply to this for a time.¹

Two days later the AWC Secretary wrote to the Prime Minister reiterating the Council's objection to the Copland plan and to any sectional tax on woolgrowers, and warning that protest meetings were being arranged by woolgrowers.² Copies of this letter were sent to all members of the Federal Cabinet. The AWC President, R.D. Bakewell, then had second thoughts about the tone of this letter, and the next day had the AWC Secretary write again to Menzies, expressing his personal thanks for granting Boyd an interview and his appreciation of the assurance that no export tax would be levied. This letter went on:

The confidential nature of your talk with Mr Boyd is fully appreciated, and no announcement thereof will be made other than to Executive Committees of the Affiliated Associations.³

1

Ibid.

2

Ibid.

3

Ibid.

In early October Bakewell, Wright and Williams (the GA President) were invited to take part in confidential discussions with the Prime Minister and senior Cabinet members. The most significant discussion was between Bakewell and the Prime Minister on 5 October. According to a confidential report¹ sent to affiliated associations on 10 October, Menzies explained that, because of inflation and the need for additional revenue, the Government planned to withhold part of woolgrowers' incomes. He told Bakewell that the Copland plan was not made at the request of the Government. 'In fact', he said, 'it had seriously embarrassed the Cabinet which had completely rejected the idea of an export tax'.² Menzies convinced Bakewell that woolgrowers would not be treated differently from salary and wage earners who paid their tax progressively. He pandered to Bakewell's sense of importance, telling him not to make it widely known that he had seen Bakewell as he had not consulted any other farm organisation. Bakewell reported to affiliated associations:

He paid A.W.C. a compliment when he said that he regarded us as responsible sensible people and that he had great respect for our views. I gathered that he did not have the same opinion of some other organisations.³

this

After/discussion with Menzies and senior Ministers the AWC Secretary informed member organisations by telegram:

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Ibid.

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Ibid.

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Ibid.

FOLLOWING TALKS WITH PRIME MINISTER AND OTHER MINISTERS BAKEWELL HAS DECIDED REFRAIN FROM ISSUING FURTHER PRESS STATEMENT UNTIL BUDGET PROPOSALS KNOWN STOP MEETING WITH MINISTERS MUST REMAIN CONFIDENTIAL STOP REPORT BEING FORWARDED.¹

In November Ick-Hewins explained to members in the Association's newspaper:

These discussions were confidential because nothing relating to the budget could be released in advance of the Budget speech. I was not present at those discussions but I gained certain impressions from reports of them which I received. Now that the budget has been presented I feel that I may say that our leaders made firm statements about the attitude of the industry towards proposals based on those put forward by Professor Copland or anything like them. It was put to our representatives that the Government had large and inescapable commitments, including the payment of £67m. war gratuities, for which ready funds were not available. Unless funds could be derived from some prepayment of taxation, these commitments would have to be financed by the issue of treasury bills, which would inject another large dose of inflation into our economy. It was proposed to impose on gross wool proceeds a provisional tax of 20 per cent....This was not a scheme of additional taxation but one only for tax prepayment.²

Participants in the discussions gained the impression that the deductions would be limited to meet specific

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Ibid. This telegram was sent on 9 October.

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Muster, 15 November 1950, pp.273-5.

difficulties for the year 1950/1, that adequate provisions would be made to deal with hardship cases, and that other industries would share the burden through excess profits taxation or other means.¹

After these discussions, the GA and its federal bodies issued no further press statements until the Government announced its plans. As Ick-Hewins later explained, the GA refrained from commenting on a widely publicised statement that a taxation pre-payment plan with a sliding scale up to 75 per cent of wool receipts would be imposed because it knew 'it was wrong in fact and the knowledge possessed by the Association of its inaccuracy proceeded from information which had been received in confidence'.² This silence was misinterpreted by many GA members to mean that their leaders were inactive. The GA's leaders and senior staff members were well aware of what members would think, but they could see no alternative. Ick-Hewins later explained:

It might have been possible to wreck the Government through uncompromising opposition to the tax prepayment proposal but this was a Government most of our members had fought to put into office. There was no alternative anti-inflationary programme to be anticipated from the Labour side of the House, except the reimposition of controls which members had urged should be lifted. Reimposition of controls would inevitably mean the tightening

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Ibid., p.275.

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Ibid.

of the Socialist regimen with consequences which could be much more disastrous to the wool industry than any scheme of tax prepayments, however, unattractive.¹

Having accepted the Government's plan as inevitable, the GA sought to ensure that the arrangements to deal with hardship cases were adequate. Detailed proposals for the creation of special hardship tribunals in each State were presented personally to the Prime Minister in Canberra by J.P. Abbott.

The 1950/1 Budget

A week before the budget was introduced the Prime Minister outlined the Government's budgetary programme in a broadcast speech.² He announced that the Government had decided against currency revaluation and planned to control inflation by reducing spending power and by offering incentives to stimulate production. He forecast an excess profits tax, increased taxation on luxury goods, various controls on use of resources and measures 'to prevent the present almost fantastic prices for wool from having too violent an inflationary effect particularly during the current financial year'.³ He added that the budget would be 'perfectly fair to woolgrowers but will give some protection to the rest of us'.

1

Ibid.

2

Sydney Morning Herald, 7 October 1950, p.1.

3

Quoted by Ellis, Australian Country Party, p.287.

On 12 October full details of the budget were announced to Parliament by the Treasurer who explained that the Government proposed to make a 20 per cent deduction from income from wool to be held in credit for woolgrowers against future taxation commitments. Many woolgrower organisations immediately launched bitter attacks, but the GA and its federal bodies voiced no criticism. Immediately after Fadden's speech to Parliament, Bakewell released a statement to the ABC expressing satisfaction with the budget and commenting: 'It does not appear to impose any additional taxation on woolgrowers'.¹ The GA President issued a non-committal statement saying that sufficient detail had not been provided to make a proper assessment of the plan, but stressing the need for adequate provision to deal with hardship cases.² On 13 October Bakewell telegraphed Fadden:

RESPECTFULLY REQUEST YOU INSERT PROVISION IN WOOL TAX PREPAYMENT LEGISLATION TO ENABLE PROMPT CONSIDERATION CASES INDIVIDUAL HARDSHIP OR IN EVENT SUDDEN DECLINE WOOL PRICES DURING SEASON.³

Fadden replied:

HAVE YOUR TELEGRAM STOP NO REASON CONCERN AS AMPLE AND APPROPRIATE PROVISION IN PROPOSED LEGISLATION.⁴

1

GA file CF142 Wool Tax Vol. No.1 (1950).

2

Report in Muster, 1 November 1950, p.275.

3

GA file CF142 Wool Tax Vol. No:1 (1950)

4

Ibid.

At Bakewell's direction the AWC Secretary replied:

BAKEWELL APPRECIATES YOUR TELEGRAM STOP
CAN YOU GIVE ASSURANCE TAX WILL OPERATE
FOR ONE YEAR ONLY STOP ANXIOUS OBTAIN
COPY BILL SOON AS POSSIBLE.¹

In the following week the AWC and affiliated associations privately made it clear to Fadden that their support of the plan was conditional upon certain features being incorporated in the legislation. In a letter dated 18 October, the AWC clearly stated its objection to the retrospective operation of the scheme and requested that the scheme's operation be limited to the current wool selling season.² It also requested proper machinery to deal with hardship cases. The following day it requested that the 20 per cent deduction be made before deduction of the 7½ per cent levy. But during this period neither the AWC nor its members made open attacks on the Government or its policy.³

The Wool Sales Deduction Acts

On 19 October Fadden introduced the Wool Sales Deduction (Administration) Bill in Parliament. The graziers' associations were dismayed to discover that many of the provisions they had been led to expect were not included.⁴ The duration of the scheme's operation

1

Ibid.

2

Ibid.

3

Ibid.

4

Muster, 15 November 1950, p.281.

was not limited to one season, the deductions were to be retrospective to 28 August 1950, and the hardship clause was unsatisfactory. Applications for exemption for hardship would be considered only after taxation returns for the current year had been lodged and no special hardship boards were to be set up.

Before the graziers' associations could take action the Sydney Morning Herald carried a press statement by Bakewell and Wright, prepared some days before, under the caption 'Wool Tax Scheme Approved by Growers'.¹ This statement gave clear support to the Government's policy. Bakewell and Wright immediately issued another statement clarifying the position and explaining that the previous statement

was made before the introduction of the Wool Sales Deduction (Administration) Bill, in the belief that assurances given to the Australian Woolgrowers' Council would be carried out. These assurances were that proper provision would be made to deal promptly with hardship cases and with the situation that will arise if wool prices suddenly fall during the season. The council had reason to anticipate also that the measure would have a duration of only one year. None of these expectations has been fulfilled. The council has accordingly requested the Government to hold up the passage of the bill until its provisions have been discussed with representatives

1

Sydney Morning Herald, 21 October 1950, p.9.

of woolgrowers. The council has made no suggestion to the Government or to the public that the measure, in the form in which it has been introduced, has the support of the woolgrowing industry.¹

Incensed at the Government's apparent betrayal, the GA President also issued a separate statement sharply attacking the Bill.² Other action followed quickly. The AWC telegraphed Fadden asking for postponement of the debate on the Bill until consultation with woolgrowers' organisations. On 24 October, while on his way to Canberra, P.A. Wright interviewed Fadden at Mascot aerodrome,³ and in Canberra he had discussions with the Chief Taxation Commissioner and the Prime Minister.⁴ Wright explained to the Chief Taxation Commissioner that graziers wanted hardship cases dealt with before the 20 per cent deduction was made. The Commissioner claimed this was administratively impossible and that machinery for review of hardship cases was adequate. However, when Wright questioned whether snowballing of applications might cause delays, the Commissioner agreed to check that adequate staff was available. Wright asserted that it was unreasonable for a grower to wait until his income tax return for the year was lodged before he could make a claim on grounds of hardship. On this the Commissioner agreed

1 Ibid., 23 October 1950, p.3.

2 Muster, 15 November 1950, p.281.

3 Ibid.

4 Ibid.

to recommend that applications for hardship relief should be allowed immediately after the issue of deduction certificates by wool sellers. In his interview with Menzies, Wright was assured that any amendments with regard to hardship which the Taxation Department recommended as practicable would probably receive the support of the Government. Subsequently Wright saw Fadden who agreed to some concessions. Fadden conceded that growers with less than thirty bales should be given first consideration in the hearing of hardship applications, and agreed to see whether it would be possible for the 20 per cent deduction to be made after transport costs had been deducted from wool receipts.

Before the GA Executive Committee met on 24 October, a telegram suggesting further action by member organisations was received from the AWC. It read:

BAKEWELL SUGGESTS BRANCHES TELEGRAPH FEDERAL REPRESENTATIVES PRESSING FOR ASSURANCES LIMITING DURATION OF THE WOOL TAX BILL AND AMPLE PROVISIONS FOR PROMPT RELIEF IN CASES OF HARDSHIP.¹

The GA Executive Committee felt this procedure could lead to confusion and instead sent a letter to all members of the Cabinet and to N.S.W. Federal Liberal and Country Party members stating:

This is to inform you that this Association is receiving a large correspondence in connection with [the Wool Sales Deduction

1

GA file CF142 Wool Tax Vol. No.1 (1950). (Cited in a letter from the AWC Secretary to affiliated associations, 24 October 1950).

(Administration) Bill]...and the general tenure [sic] of it is not favourable and that we see little chance of modifying the outlook of woolgrowers towards what the Government is doing unless the measure is amended to deal adequately with three items, namely -

- (1) hardship;
- (2) the duration of the legislation;
- (3) the incidence of the $17\frac{1}{2}$ per cent contributory charge.

The letter went on to spell out in detail the amendments required: machinery for hardship cases to be examined as soon as deductions are made, and for immediate exemptions to be granted; limitation of the legislation to the 1950/1 season; and calculation of the 20 per cent deduction after deduction of the $17\frac{1}{2}$ per cent levy.

On 26 October the Sydney press carried a statement by the General Secretary of the GA to the effect that indignation was growing against the Government's wool deduction plan and that the GA could not accept without strong protest the situation in which its members would be placed if the Bill became law.² That evening the following telegram was received from Fadden:

HAVE SEEN YOUR STATEMENT ON WOOL SALES DEDUCTION BILL AS REPORTED TODAY'S "HERALD". WOULD POINT OUT THAT PROPOSED AMENDMENT TO HARDSHIP CLAUSE WILL PROVIDE DIRECT ACCESS LAND VALUATION BOARD IF COMMISSIONER FAILS TO GIVE DECISION ON APPLICATION WITHIN THIRTY

1

Muster, 15 November 1950, p.283.

2

Sydney Morning Herald, 26 October 1950, p.17.

DAYS FROM DATE OF APPLICATION. WOULD ESPECIALLY DRAW ATTENTION TO FACT THAT APPEALS ARE REFERRED TO LAND VALUATION BOARDS, OF WHICH TWO ARE SPECIALLY PROVIDED FOR N.S.W. AND WHICH HAVE NO CURRENT WORK TO IMPEDE EXPEDITIOUS HANDLING OF APPLICATIONS RELATIVE WOOL DEDUCTION. I HAVE SATISFACTORY ASSURANCES FROM COMMISSIONER AND THE BOARDS THAT UNDUE DELAY WILL NOT OCCUR AND HEREBY GIVE MY ASSURANCE THAT IF THEY DO OCCUR STEPS WILL BE TAKEN TO REMEDY THE POSITION. LIFE OF ACT CANNOT POSSIBLY, OWING TO VERY NATURE OF IT AND REASON FOR IT, BE RESTRICTED TO ONE FULL YEARS SELLING SEASON....THE INDUSTRY CAN BE WELL ASSURED THAT THIS MEASURE WILL NOT CONTINUE ONE MINUTE LONGER THAN THE OVERALL ECONOMIC POSITION OF THE COUNTRY DEMANDS OF A RESPONSIBLE GOVERNMENT. A CLAIRVOYANT CANNOT FORSEE THE FUTURE HAVING REGARD TO NOT ONLY OUR NATIONAL RESPONSIBILITIES BUT TO OUR INTERNATIONAL OBLIGATIONS ALSO. RESPECTFULLY SUGGEST YOU GIVE EARNEST CONSIDERATION MERITS OF PROPOSED SCHEME AS COMPARED WITH ALTERNATIVES FROM WHICH THE WOOL INDUSTRY HAS BEEN SAVED. WOULD CONSEL [sic] TEMPERING CRITICISMS, SUSPICIONS AND DOUBTS SO THAT THIS SCHEME, WHICH IN ALL CIRCUMSTANCES MOST ADVANTAGEOUS TO INDUSTRY, WILL BE ACCEPTED EVEN WITH ANY ANTICIPATED IMPERFECTIONS AS BEST POSSIBLE ALTERNATIVE. REGARDS.¹

On 26 October the GA had an independent research organisation make an examination of the relationship between the actual amounts of deductions proposed by the Bill and the projected taxation liability of woolgrowers.² It revealed that for a grower with 1,300 sheep and no other source of income, the 20 per cent

1

Muster, 15 November 1950, p.284. The GA released details of this telegram to the press immediately it was received.

2

Ibid.

deduction would equal his taxation commitment for 1950/1, but for growers with less than 1,300 the deduction would be greater than the actual tax payable. Copies of these findings were forwarded to Fadden and presented by a deputation to the Commissioner of Taxation.¹ The Commissioner cast doubt on the accuracy of the figures and queried whether anyone without access to taxation records could produce adequate figures. A statistical expert in the Department was then interviewed by the members of the deputation and, from information he supplied on departmental methods of calculation, an appendix to the report was prepared and sent to Fadden and the Commissioner. While in Canberra the deputation also interviewed Fadden who promised to consider amending the Bill to allow for the percentage deducted to be fixed annually.

Shortly afterwards Ick-Hewins arranged for Stewart Howard of Research Services to interview Fadden. By this time Fadden was willing to yield more ground and informed Howard that some of the GA's objections would be met in amendments he planned to introduce.²

The November GA General Council Meetings

Many members of the GA General Council came to the November Council meeting with serious misgivings about the GA's strategy. Its qualified support for the

1

Ibid., pp.284-5.

2

GA file CF142 Vol. No.1 (1950). (Letter from Ick-Hewins to the AWC Secretary).

Government's plan until the Bill was introduced had discredited the GA in the eyes of many smaller woolgrowers. Other organisations (particularly the APPU) and the Labor Party had capitalised on this, and had told smaller woolgrowers that they had been 'sold out' by the graziers. 'I am amazed', the N.S.W. Labor Minister for Lands told a reporter for a Sunday newspaper, 'that Mr Bakewell and Mr Wright are so steeped in political loyalty that they are prepared to disregard completely the views and interests of their less fortunate rank-and-file members'.¹ Ick-Hewins also had doubts. 'I cannot help wondering', he wrote on 2 November in a letter to the AWC Secretary, 'whether we are letting political considerations outweigh our better judgment'.² The GA had received many protests from members (over sixty from 11 September to the end of December) and threats of resignation. There was little to show for the harder line adopted by the Association since late October. Its letter to members of Parliament, its public statements and its direct approaches had brought little apparent success. In the debate on the Bill (which was still proceeding when the Council met) Country Party and Liberal members from N.S.W. grazing seats who had taken part in protest meetings a month earlier came out in support of the Government's policy. One of them (D.H. Drummond) had told a protest meeting in Armidale a few weeks earlier

1

The Sunday Herald, 22 October 1950, p.8.

2

GA file CF142 Wool Tax Vol. No.1 (1950).

that he was 'one hundred per cent' opposed to any tax on wool. In the debate no Government members referred to the representations of the GA, and the interests of woolgrowers (especially small producers) were defended by Labor members - a novelty which Menzies aptly described as one of the 'most delightful things in the history of politics'.¹ Labor speakers referred to the GA's protests and even quoted from press statements by Ick-Hewins, Wright and Bakewell.²

The debate in the GA General Council on the Wool Sales Deduction Bill began on a motion, moved by one of the Vice-Presidents on behalf of the Executive Committee, to the effect that the Association 'come out in the open and use every means in its power to oppose the wool tax pre-payment system and expose in their true light the provisions of the Wool Sales Deduction Acts'.³ P.A. Wright and other Country Party stalwarts anticipated this move and had arranged for Sir Earle Page (Minister for Health and former Country Party Federal leader) to be available to address the meeting. They persuaded the meeting to allow Page and a Liberal member of the Cabinet to speak before any decision was taken. The debate was then adjourned. Page attended at 5 p.m. the same day and addressed the Council and answered questions until 6.25 p.m. The following

1

C.P.D., Vol. 210, p.1275.

2

e.g. Ibid., pp.1613 and 2331.

3

General Council minutes, 15-16 November 1950.

morning P.A. McBride, the Minister for the Interior (and a grazier from South Australia), explained the reasons for the Government's policy. What was said by Page and McBride is unknown, but their arguments were apparently convincing. Once the debate was resumed the motion was withdrawn and substituted by another which read:

That this Association use every means in its power to place before its members the true facts of the Wool Sales Deduction Bills and the circumstances that led to their introduction.¹

This was carried without debate. Wright then moved:

That this Association reaffirm its loyalty to the Federal Government and its desire to assist in any equitable way possible to overcome the difficulties brought about by the legacies left by the ineptitude of the Chifley Government together with the necessity to safeguard the defence of the Nation in consequence of recent international developments.²

This was carried unanimously. A further motion resolved that the Association press for the burden of inflation control to be spread over the whole community, for limitation of the levy to a specific period, for efficient machinery to handle hardship cases, and for a downward graduation of the levy on smaller clips.

The same night in Federal Parliament, when the debate on the Wool Sales Deduction (Administration) Bill

1

Ibid.

2

Ibid.

entered the committee stage, Fadden introduced a number of amendments, the most important being the removal of any reference to a specific rate of levy for 1950/1, the insertion of a clause requiring the deduction rate to be determined annually by Parliament and provisions to show greater leniency in cases of hardship.¹ This Bill, together with two machinery bills² to implement the scheme, then passed through all stages in the House before midnight. From these events it seems reasonable to conclude that members of the GA General Council had been told of the planned amendments.

Repercussions on the GA

The GA came out of the crisis better than many of its leaders anticipated. Some concessions had been secured, and the GA had reverted to a policy of support for the Government.

But this was not the end of the incident. In the months which followed members debated the pros and cons of the Government's policy and the Association's actions. In the Association's newspaper Country Party supporters applauded both the Government's policy and the GA's performance. Others complained of the scheme's injustice and of 'lost confidence in politicians and our own representatives in particular'.³ Events of late 1950 and early 1951 gave support to the arguments of those

1

C.P.D., Vol. 210, pp.2630-2636.

2

These were the Wool Sales Deduction Bills, No. 1 and No. 2.

3

Letter in Muster, 1 February 1951, p.387.

defending the Government's policy and the GA's action. Wool prices continued to rise rapidly until February 1951 (between November 1950 and February 1951 prices rose over 40 per cent) and measures adopted by the New Zealand Government in December 1950 to counteract the rise in wool prices were more drastic than those implemented by Fadden.¹ Events also showed the wisdom of advice secured by the GA from legal counsel not to challenge the legality of the wool sales deduction legislation. The APPU gained useful publicity by its decision to take legal action, but in the long run lost face by failing to secure an injunction to stop the Taxation Commissioner collecting the levy, and in its appeal to the High Court on the legality of the legislation.²

The GA Executive Committee continued to have doubts about its strategy. Perhaps it should have taken legal action to satisfy the demands of members? Many individual members and branches were unhappy about the decisions of the November meeting of General Council. 'Your Mr P.A. Wright', wrote one member on 5 December 1950, 'is Without Doubt the Giddy Limit ... to him the Socialistic octopus [sic] ceases to be what it is if it is Labelled Nazi - instead of Commo. He would lick the Boot that is kicking him'.³

1.

Ellis, Australian Country Party, p.288.

2

Sydney Morning Herald, 3 November 1950, p.3, 8 December 1950, p.5, and 24 March 1951, p.4.

3

GA file CF142 Wool Tax Vol. No.2 (1950).

Then followed the problem of what tactics to follow to secure repeal of the legislation. The graziers' associations of Victoria, South Australia and Western Australia favoured pressing for the discontinuation of deductions from the end of 1950 and the immediate repeal of the legislation.¹ But the GA Executive Committee felt bound by the decisions of its General Council. On the other hand, it realised the necessity for action to satisfy members that it was working for the removal of the legislation. Eventually the Executive Committee decided to press for repeal of the legislation at the end of the financial year (i.e. from 30 June 1951). On 21 December it sent a circular to branch chairmen explaining this decision and suggesting that branches contact local members of Parliament and submit motions to the 1951 Annual Conference calling for the repeal of the legislation at the end of the financial year. 'It appeared to us then, rightly or wrongly', Ick-Hewins later explained to an irate member, 'that unless some hope of positive action were held out, there would be a mighty swing away from this Association to the A.P.P.U.'²

Almost all GA branches discussed the matter and over half of them submitted resolutions to the 1951 Conference calling for repeal of the wool sales deduction acts.³ A number submitted motions expressing annoyance

¹ GA file CF142 Wool Tax (1951).

² Ibid.

³ Annual Conference records, 1951.

at or disagreement with the resolution of the General Council reaffirming loyalty to the Government, but others submitted motions supporting government policy and expressing confidence in GA leaders. However, before the Conference met the whole political situation changed.

On 9 March 1951 the High Court ruled that the Communist Party Dissolution Act was invalid and a week later both houses of Parliament were dissolved. In the election campaign which followed communism was the primary issue, but the wool sales deduction legislation played a prominent role. The Government promised repeal of the deduction acts as soon as circumstances would permit. The Labor Party went further and promised their immediate repeal and refund of amounts collected. Before the Annual Conference of the GA met in mid-April, the GA's newspaper carried editorials urging support for the Government.¹ These editorials admitted that the Government's performance was open to criticism, but argued that any criticism that could be brought against the Menzies administration could be brought even more strongly against the Chifley regime.

The 1951 Annual Conference opened on 16 April. In his presidential address, C.M. Williams played down the importance of the wool sales deduction acts and warned delegates not to be taken in by the promises of the Labor Party.² The debate on the wool sales deduction

1

e.g. Muster, 15 March and 16 April 1951.

2

Annual Conference records, 1951.

acts began on a motion aiming to rule out of order any resolution supporting or criticising a political party. Its mover (G.G. Ashton) explained that, while he agreed with the sentiments of the General Council's motion reaffirming loyalty to the Country Party, he considered the actual motion 'was unnecessarily political in character, and that it was in the nature of a whitewashing motion'.¹ This motion was defeated,² and the real debate came on a motion expressing support for the Government's actions. Delegates were sharply divided, but no speaker advocated action which would embarrass the Government in the election campaign.³ In the end a compromise was reached which read:

That in view of the Prime Minister's assurance that the Wool Sales Deduction Acts will be repealed as soon as provisional tax reasonably provides for the taxation obligations of the woolgrower, the Commonwealth Treasurer be requested to investigate this to ascertain whether the position will be reached this year and, if not, that the Acts be repealed as soon as it occurs.⁴

Later the section of the agenda paper dealing with 'political' matters was debated in committee. One motion called for the Conference to express the opinion that 'great harm has been done to the Country

1

Ibid. (verbatim report).

2

Annual Conference minutes, 1951.

3

Verbatim report, Annual Conference records, 1951.

4

Annual Conference minutes, 1951.

Party by the lack of co-operation of the Federal Government' with the GA's federal bodies, and to inform the party that 'a strong feeling exists within the Association advocating withdrawal of financial assistance unless the position is soon rectified'.¹ Its mover explained that, because of the wool sales deduction acts and secrecy over the proposed wool marketing plan,² many members of the Association planned to withdraw support from the Special Purposes Fund.³ The debate again showed up different attitudes to the Country Party. Country Party men loyally defended the Government. P.A. Wright explained that the difficulty between the GA and the Government arose solely because of lack of co-ordination and communication. Opponents of the Country Party produced their usual line of arguments - that the Country Party was not properly representing the interests of graziers, and that there were practically no graziers among Country Party members of Parliament. The debate also touched on whether it was right and prudent to threaten the Country Party with withdrawal of financial support. G.G. Ashton thought it undesirable to aim a 'political gun' at the head of members of Parliament; others warned against 'pressure politics', and cautioned that any public rebuke could injure the party in the elections. Some

1

Ibid.

2

See Chapter 12.

3

Verbatim report, Annual Conference records, 1951.

speakers however, thought the Country Party should be taught a lesson, or at least be made clearly aware of feelings in the GA. D.W. Bucknell suggested that the party should be told: 'look here we are trying to play the game with you, come on and play the game with us'.¹ In the end an amendment suggested by Ashton was carried. This stated:

That the Country Party be informed that this Conference is of the opinion that great harm has been done to the Country Party by the lack of cooperation of the Federal Government with our federal bodies.²

Aftermath

In the general elections which followed, the GA gave greater financial support to the Country Party than it had in the 1949 election. The Government was returned to power with a loss of six seats in the House of Representatives - three from the Country Party and three from the Liberal Party. The only seat lost by the Government in New South Wales was Hume on the south-west slopes. In Hume Country Party activists and the defeated member, Col. C.G.W. Anderson, all blamed the GA for loss of the seat. Anderson, a grazier, resigned from the GA. In a letter to the General Secretary a fortnight after the election he wrote:

1

Ibid.

2

Annual Conference minutes, 1951.

I feel that the Graziers' Association approach to the problem was hasty and ill conceived, and further, there has been unquestionably a selfish attitude of placing self-interest before that of the nation.¹

Ick-Hewins replied to this letter and to others from Country Party activists. 'We sincerely regret the loss of the Hume Seat', he told one activist, 'and we did contribute very heavily to the Country Party campaign'.²

It has often been asserted that as a protest against the wool sales deduction acts many graziers and woolgrowers voted against the Government in 1951 thus causing the loss of up to five grazing seats.³ An analysis of polling figures for both the 1949 and 1951 elections casts doubt on this assertion, at least for N.S.W. While in each grazing seat government candidates secured a smaller proportion of votes in 1951 than in 1949, the reduction was small - between one and three per cent of the total valid votes. Hume was lost by a loss of 1.3 per cent of votes. Moreover, the actual loss of support by the Government was as great in many urban seats as it was in the grazing

¹ GA file CF142 Wool Tax (1951).

² Ibid.

³ For example, in a paper written for an international conference in 1957, W.A. Townsley asserted that 'graziers caused the Menzies-Fadden coalition government to lose two seats in the 1951 election because of resentment against the government's action in holding back 20 per cent of wool cheques under the tax-pre-payment plan'. ('Pressure Groups in Australia', p.14).

seats. Webb suggested that the decline in Liberal-Country Party strength in 1951 could be regarded partly as 'the sort of electoral reaction which usually happens after a Government has been in office for a short time'.¹ But had not communism been the main issue of the 1951 election, a much larger proportion of woolgrowers, though probably not GA members, might well have voted against the Government as a protest against the wool sales deduction acts.

At the end of the 1950/1 wool selling season the controversial acts were repealed. By then wool prices had fallen considerably. But the Government's actions were not quickly forgotten and harmonious relations between the GA and the Country Party took time to restore. Ill-feeling against the Country Party was displayed in motions placed before Annual Conferences calling for the cessation of financial support for the party. One unsuccessful motion debated by the 1952 Conference called on the GA to withhold all financial aid to the Country Party 'until Sir Arthur Fadden resigns the leadership or is expelled from the Country Party'.² Even today some GA members still feel bitter about the whole incident.

1

Leicester Webb, Communism and Democracy in Australia: A Survey of the 1951 Referendum, Melbourne, 1954, p.42.

2

Annual Conference minutes, 1952.

Review

The GA reacted more strongly to the wool sales deduction acts than to any other legislation passed by a non-Labor government. There were two main reasons for this. First, members of the Association considered that it was grossly unfair that woolgrowers should be singled out to bear the main burden of the Government's policy to counter inflation. Second, as a consequence of the long period of Labor rule in both the Commonwealth and N.S.W. parliaments for most of the 1940s, both members and leaders had forgotten past dissatisfactions with non-Labor governments and the Country Party, and had unrealistically high expectations.

Moreover, the impact of the wool sales deductions acts on the Association was greater than any other single act of any Commonwealth or N.S.W. government. In May 1950 Ick-Hewins wrote to a GA member:

The legislation had a most definite impact upon this Association in loss of members, vitriolic criticism of our capacity to protect the interests of the industry and withdrawal of support from our Special Purposes Fund.¹

The legislation also caused a serious division of opinion in the Association, and led some to question the competence of leaders. This was the price the GA had to pay for its links with the Country Party; but it was also the price of its anti-Labor orientation.

¹

GA file CF142 Wool Tax (1951).

Quite apart from its links with the Country Party, the GA would have been in some kind of political difficulty. Indeed, its scope for manouevre was restricted more by its unwillingness to take action which could assist Labor to return to office than by any ties of loyalty and friendship with the Country Party. But had the Association still been formally linked to the Party, the crisis could have called the future of this relationship into question.

In the confidential discussions the graziers' associations were obviously out-manouevred by the Government. Admittedly, the leaders of the graziers' associations were naive, but more important was the fact that the government held the upper hand. In the circumstances it is doubtful whether even the most capable and experienced pressure group leaders would have done better.

As the study illustrates, decision-making by the AWC was slow and difficult. Since 1951 better communications have admittedly brought some improvements, but most of the same problems exist today with the AWGC. Commodity federations are distinctly unsuited to rapid and complex decision-making in a crisis situation.

CHAPTER 12

The Reserve Price Referendum

The reserve price referendum was a compulsory ballot of Australian woolgrowers conducted in late 1965 by the Chief Electoral Officer under terms laid down in the Wool Prices Plan Referendum Act 1965. Woolgrowers were asked to express their approval or disapproval of a plan to incorporate a reserve price mechanism within the traditional auction system of wool marketing.

The actual referendum was preceded by a prolonged and heated campaign - probably the most bitter and intense in the history of any rural industry. It was a climax to the long history of dispute over wool marketing and promotion - a history with which many of the leading participants were particularly familiar. Many participants, in fact, saw the referendum not in terms of a simple ballot to decide on a specific plan of wool marketing, but as a direct confrontation between two different philosophies concerning marketing and government intervention, and as a further episode in the struggle to see who should determine policy for the wool industry.

The GA's role in the referendum campaign and its influence on the referendum result provide a useful case-study of the Association's behaviour in a crisis situation involving a matter of high policy and relations with wheat-sheep farmers' organisations, and

an example of the use of veto power by the means of a public campaign directed to the electorate of woolgrowers. This campaign also illustrates many other aspects of the GA's behaviour, including its decision-making processes on a matter of importance, its ability to mobilise resources for a public campaign, its relations with the AWGC and the AWIC, and the kinds of internal conflicts generated by participation in a controversial public campaign.

Historical Perspective

The reserve price referendum cannot be properly understood without some detailed knowledge of the history of the dispute over marketing and promotion.

Wheat-sheep farmers and small woolgrowers first thought seriously about stabilised wool marketing during the first world war. From 1916 to the end of the 1919/20 wool season, the British Government purchased the entire Australian wool clip and wool auctions were replaced by an appraisement system. This war-time scheme worked to the advantage of small woolgrowers, providing them with a steady market, with returns twice as great as pre-war levels for lower value crossbred wools, and with payment of 90 per cent of the appraised value of wool within fourteen days of appraisement.¹ Because of these advantages, wheat-sheep farmers and small woolgrowers wanted the scheme (as well

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Graham, Formation of the Australian Country Parties, pp.101-2.

as the war-time wheat stabilisation scheme) to be continued after the war. Large graziers were less enthusiastic, and justifiably looked forward to higher prices (especially for fine merino wool) when auctions resumed. But when the end of the war came many graziers feared that an immediate return to the auction system could lead to price instability, particularly in view of the huge stockpile of $2\frac{1}{2}$ m. bales of unsold wool. Thus they favoured a temporary extension of the appraisal system and gradual transition back to the free auction system. The 1919 GA Annual Conference resolved to request the Commonwealth to ask the British Government to continue the war-time scheme until 1923,¹ and the following year most GA members supported an unsuccessful effort to control wool marketing by a joint council of woolgrowers and brokers.² Because of the

1

Annual Conference minutes, 1919. Graham (Formation of the Australian Country Parties, p.102) sees this decision as an indication of pressure from smaller woolgrowers within the GA for a stabilised marketing system. However, the conference records do not support this view. The verbatim report shows that large graziers such as Dr N.W. Kater spoke in support of the motion. Most supporters expressed a preference for return to the free auction system, but considered that because of the stockpile of wool and shipping difficulties the transition should be gradual. The mover of the motion (K.S. Clift) stated: 'Although I believe in an open market...times are not normal, and I think if we could possibly get an arrangement to carry us over until shipping is normal it would be a great thing'.

2

This scheme did not eventuate when in a ballot the approval of only 74.88 per cent of woolgrowers was secured. Before the ballot was taken, it had been agreed that the scheme would not be introduced unless 75 per cent were in favour.

economic importance of the wool export industry, the Australian Government was well aware of the dangers of an immediate return to the auction system. It managed to secure retention of the appraisal scheme until June 1920, and in January 1921 participated in the formation of BAWRA,³ an organisation to supervise the orderly liquidation of war-time wool stocks.

During and immediately after the war, wheat-sheep farmers and small woolgrowers made little real effort to secure retention of the appraisal system or a permanent form of stabilised wool marketing. But in 1921, shortly after the return to the auction system, when wool prices fell sharply, they soon demanded revival of the war-time scheme or extension of the functions of BAWRA to include marketing of the whole Australian wool clip. Largely as a result of the demands of wheat-sheep farmers, the Chairman of BAWRA, Sir John Higgins, unsuccessfully tried to persuade brokers to allow BAWRA to market all crossbred wools,² and then set about to convert BAWRA into a permanent organisation to market all rural products. In October 1922 he announced his plan to achieve this goal and convened a meeting of BAWRA shareholders for 6 December in Melbourne. Wheat-sheep farmers, particularly in

1

Its full title was the British Australian Wool Realisation Association Ltd. For an account of BAWRA, see E.C. Dyason, 'BAWRA', The Economic Record, February 1928; and W. Millar Smith, The Marketing of Australian and New Zealand Primary Products, London, 1936.

2

Graham, 'Pools and Politics'.

Victoria, supported Higgins's plan while graziers and brokers expressed their opposition. The GA Council met on 22 November and came out strongly against the plan. Armed with an amendment drafted by a firm of solicitors,¹ the Association's President, Dr N.W. Kater, went to the BAWRA shareholders' meeting. The moment Higgins's plan was seconded, Kater moved his amendment, which called for BAWRA's dissolution once the wool stockpile was liquidated. This was carried by 600 votes to twenty,² and so the first real attempt to abandon the auction system was defeated.

From that time on wheat-sheep farmers saw the GA as the real enemy of marketing reform. On each of the succeeding occasions when the Association played a leading part in frustrating their attempts to secure stabilised marketing, wheat-sheep farmers' antipathy towards the GA increased, and it was made even more intense by the fact that the GA and the wool brokers were always found together on the same side in any dispute over marketing. Wheat-sheep farmers noted that some GA members held directorships on wool broking firms and that some employees of wool firms were co-opted members of the GA General Council. Thus they developed the notion of a GA-woolbroker conspiracy. In the 1951 wool marketing referendum campaign, the idea of such a conspiracy featured prominently in wheat-sheep

1

Letter Kater to Ick-Hewins dated 14 April 1964 in GA biographical file.

2

Graham, 'Pools and Politics'.

farmers' propaganda. AWMPF spokesmen claimed that seven of the leading members of the 'No Committee' led by J.P. Abbott (an ex-president of the GA) held twenty-five directorships in wool broking firms and other allied businesses. They repeatedly asked in the press and over the radio: 'In whose interests do these gentlemen offer advice - to woolgrowers, or the financial and commercial institutions they represent?'¹

Although after 1922 the GA was a consistent opponent of marketing reform, its policy on marketing was never as rigid as that of most wheat-sheep farmers' organisations. From the 1920s there was always a minority (which often included some very influential members) within the Association in favour of stabilised marketing, and discussion of marketing schemes occupied many hours of GA conferences and committees. The GA made a number of genuine attempts to find a suitable alternative to the auction system. The first of these attempts was made almost immediately after the defeat of Higgins's scheme in 1922. At the 1923 Annual Conference it was decided that Higgins should be asked to formulate a more suitable scheme.² By 1925 the GA had persuaded a majority of the other member organisations of the GFC to agree. An approach was made to Higgins³ who produced

1

Hitchins, p.157. See also Sydney Morning Herald, 2 August 1951, p.2.

2

Annual Conference minutes, 1923.

3

Annual Conference minutes, 1924; Council minutes, 4 October 1923 and 26 March 1924; and N.S.W. Graziers' Annual 1925, p.101-2.

another scheme, but it was rejected by the GA and other member organisations of the GFC on the grounds that it would necessitate some degree of government control. Over the years the GA examined many other schemes, and rejected each one. But in each case the decision was not made by the GA Executive Committee alone. In 1925 the decision to reject Higgins's second scheme was made by a special conference.¹ Copies of the scheme were circulated and discussed by branches well before the conference met. Thirty-eight branches submitted resolutions against the proposal, while only nine were in favour of it.² The conference rejected the scheme by a clear majority.

During the 1930s the graziers' associations developed the idea that the problems of the wool industry could be better solved by wool promotion and research rather than by marketing reform. The GA's enthusiasm for promotion and marketing went back to the 1920s, and from 1930 on it pressed for a compulsory levy on woolgrowers for research and promotion.³ In 1936 the AWC and the GFC agreed to approach the Government,⁴ and as a result of their approach federal legislation was passed providing for a levy of 6d a bale and the establishment of a Wool Board to control

1

Special conference minutes, 29 July 1925.

2

Special Conference records, 29 July 1925.

3

Annual Conference minutes, 1930.

4

The Graziers' Annual 1936, p.28.

expenditure of the levy fund. Wheat-sheep farmers found graziers' enthusiasm for promotion and research hard to understand. Some saw it as a diversionary tactic, others as misguided optimism, and to most of them it seemed strange that graziers should support government intervention to provide for a compulsory levy (and later government subsidies for research and promotion),¹ yet oppose government intervention to secure marketing reform.

Continued low wool prices in the early 1930s provided wheat-sheep farmers with the stimulus to make determined efforts to secure marketing reform. In these depression years struggling wheat-sheep farmers developed the notion that a reserve price system of marketing would provide the ideal solution to all their economic problems. The more graziers and wool brokers frustrated their efforts to secure this goal, the firmer and more emotionally they became committed to the reserve price concept. Throughout the 1930s graziers and brokers successfully blocked numerous attempts by wheat-sheep farmers to secure marketing changes. An Empire Wool Conference arranged by the AWC and held in Melbourne in June 1931 quickly rejected three different proposals put forward by wheat-sheep farmers on the grounds that they involved price fixing,² and another scheme presented by Higgins was conveniently shelved. The AWC opposed

1

In 1945 the Commonwealth Government first contributed to research and in 1964 to wool promotion.

2

Sydney Morning Herald, 24 June 1931, p.9, and 25 June 1931, p.7. These were from organisations in Western Australia, Tasmania and Queensland.

wheat-sheep farmers' demands for a Royal Commission on the wool industry, then changed its mind and secured an Official Committee of Inquiry which it tried to dominate.¹ This Committee in the end recommended that the export of wool be prohibited unless it reached a fixed price,² but this was not implemented because of graziers' opposition. This pattern was repeated many times. Out of frustration wheat-sheep farmers formed many new radical organisations with the aim of securing stabilised marketing (one such organisation was the Australian Farmers and Graziers' Stabilisation Association, formed at Moree in 1933),³ and in 1939 the wheat-sheep farmers' organisations formed their own federation. The graziers' associations strongly resented the attempts of wheat-sheep farmers' organisations to gain recognition as spokesmen for the wool industry. Consequently, the conflict over marketing became a struggle over power in the wool industry - a struggle to see whether wheat-sheep farmers' organisations should be recognised as a legitimate voice of woolgrowers' opinion, and later whether wheat-sheep farmers or graziers should determine policy for the industry.

During the second world war the British Government again purchased the entire clip and the auction system

1
Hitchins, p.42.

2
Sydney Morning Herald, 16 November 1932, p.15.

3
Ibid., 14 March 1933, p.7. See also Sydney Morning Herald, and 10 May 1933, p.11.

was replaced by an appraisal system. The debate on marketing was temporarily pushed to the background but after the war, largely on the initiative of the AWMPF, a scheme was developed for a reserve price marketing system to take over from the 'Joint Organisation' (JO)¹ formed to liquidate war-time wool stocks. The AWC participated in the negotiations which developed this 'Post-JO plan', but in the end the graziers' associations came out strongly against it. The referendum campaign of 1951 was prolonged and bitter. The GA actively campaigned against the scheme, and publicised its viewpoint by means of public meetings, and press and radio advertising. And for months before the GA came out officially against the scheme, individual members led by J.P. Abbott waged their own campaigns. The GA and other opponents of the scheme successfully played on woolgrowers' conservatism and fears of government intervention and bureaucracy, and to the disappointment of wheat-sheep farmers' organisations the 'Post-JO scheme' was overwhelmingly rejected by woolgrowers.² While fear of government intervention and bureaucracy played a major part in determining the outcome, a number of other factors operated. Wool prices were

1

The Joint Organisation was set up by the United Kingdom, Australian, New Zealand and South African governments to dispose of stocks of dominion wool accumulated by the United Kingdom Government under the war-time purchase arrangements. The full name of the Joint Organisation was the U.K.-Dominion Wool Disposals Ltd.

2

Of the 80,380 valid votes cast, 63,740 were against the scheme.

abnormally high, woolgrowers were still incensed about the wool sales deduction acts of 1950, and some wool woolgrowers undoubtedly rejected the scheme in order to secure the return of the $7\frac{1}{2}$ per cent levy imposed by the Government in 1950 in order to build up a capital fund for the scheme.

Falling Wool Prices and Conflict

After the 1951 referendum, under the influence of high wool prices, the wool industry enjoyed a brief period of calm. But once wool prices began to fall, wheat-sheep farmers renewed their demands for marketing reform while graziers sought increased expenditure on promotion and research.

At first however, both wheat-sheep farmers' organisations and the graziers' associations showed some desire for compromise. In 1960 the AWMPF agreed to an increase in the wool promotion levy from 4/- to 5/- a bale. While the graziers' associations were not prepared to agree to a reserve price scheme, they were not opposed to the investigation of marketing systems. The AWC and some of its constituent associations (including the GA) made their own investigations, and in late 1960 the newly established AWGC supported a request by the AWMPF for an independent committee of inquiry into wool marketing.¹ The Commonwealth Government readily agreed to appoint such a committee, and in January 1961 the names of the three members of

1

Report of Proceedings 1960, p.9.

the committee headed by Sir Roslyn Philp (a judge of the Queensland Supreme Court) were announced.¹

A few days earlier the Australian Wool Bureau announced plans for a greatly expanded wool promotion campaign, and requested woolgrower organisations to agree to an increase in the promotion levy from 5/- to 10/- a bale for 1961/2 and 1962/3, and then to a series of increases to bring the levy up to 18/- by 1966/7.² The AWGC readily agreed, but the AWMPF stated that it was opposed to any increase until implementation of a reserve price scheme. This marked the real beginning of the conflict which continued up to the reserve price referendum and after. The AWMPF refused to give in. In the press wheat-sheep farmers expressed their doubts about the value of promotion - some suggested the promotion levy was being wasted on cocktail parties and easy jobs for bureaucrats - and insisted that marketing reform should come first. The AWMPF's leaders had an additional reason for opposing the increase - one not perceived by many rank and file members of wheat-sheep farmers' organisations. They reasoned that, since a reserve price scheme would necessitate a large capital fund which would have to be raised at least partly by

1

Sydney Morning Herald, 26 January 1961. The other two members were M.C. Buttfield (former General Manager of the AMP Society) and D.H. Merry (Chief Economist of the ANZ Bank).

2

Sydney Morning Herald, 19 January 1961. This refers to the promotion levy and does not include the 2/- research levy.

a levy on woolgrowers, a heavy promotion levy would make it more difficult to persuade woolgrowers to accept an additional levy to raise the capital fund. In the end under government pressure (in March 1961 John McEwen, Minister for Trade, warned woolgrowers that if they failed to reach agreement on the promotion levy 'they need not be surprised or offended if they have aid to reach agreement'),¹ and in the hope that the Philp Committee would come out strongly for a reserve price scheme, the AWMPF in July 1961 agreed to an increase of the levy to 10/- a bale for 1961/2. According to press reports, the President of AWMPF used his casting vote in favour of the increase.² But to the disappointment of wheat-sheep farmers the Philp Committee in March 1962 reported against any change in the marketing system and came out in favour of increased expenditure on promotion and research.³

Soon after, the newly re-constituted Australian Wool Board (which replaced the Wool Bureau) asked for further increases in the promotion levy.⁴ Wheat-sheep farmers reacted angrily, and at Hamilton (in western Victoria) they pelted the Chairman of the Wool Board,

1

Sydney Morning Herald, 25 March 1961.

2

Ibid., 6 July 1961.

3

Commonwealth of Australia: Report of the Wool Marketing Committee of Enquiry. The report was dated February 1962, but was not released until March.

4

Report of Proceedings 1963, pp.6-7.

Sir William Gunn, with eggs and flour bombs when he tried to explain the case for the increased levy to a meeting of 1,400 woolgrowers. Eventually, the AWMPF again gave in after the Wool Board had appointed a marketing committee to make a further examination of possible alternatives to the auction system, and after the Government had promised during the 1963 election campaign to match £1 for £1 any increases in growers' contributions to wool promotion.¹ In January 1964 the AWIC agreed by forty votes to ten to the increases proposed by the Wool Board. Many wheat-sheep farmers were disappointed with this decision which had the effect of increasing their determination to secure marketing reform.

The Plan and the Ballot

The Wool Board appointed a marketing committee on 20 June 1963, just over six weeks after its first meeting. In July 1964, after receiving the marketing committee's report, the Board recommended to the AWIC in favour of a reserve price scheme.²

This recommendation did not come as a surprise. From the time the Wool Board set up its marketing committee, it had been rumoured that the Board would come out for marketing reform so as to secure the

1

Ibid., and Wool and Politics, p.186.

2

Australian Wool Board: Report and Recommendations on Wool Marketing Presented to the Australian Wool Industry Conference Canberra, July, 1964.

continued support of wheat-sheep farmers' organisations for its promotion campaign. Some people also predicted that the Wool Board would support a reserve price marketing scheme as a means of expanding its own role and power.

The Wool Board's report to the AWIC gave support to the substance of these rumours and suspicions. The report recommended a scheme which had been rejected by the Philp Committee just two years before, yet provided little detailed argument and evidence to support its recommendation. It even failed to provide a detailed plan for the scheme.¹ The Minister for Primary Industry later explained that the Board 'did not put forward a detailed plan for such a scheme because it considered that this was a matter for consultation between the Wool Industry Conference and the Government'.² This may well have been the case, but in July 1964 there were good reasons for believing that the Wool Board had made its decision on political rather than economic grounds.

The AWIC discussed the Wool Board's report and recommendation at its meeting in July, and decided that its Executive should negotiate with the Government concerning details of the scheme and provision of a capital fund.³ By voting as a bloc, the AWGC's

1

On this, see R.M. Parish, 'The Wool Board's Report on Marketing', The Australian Quarterly, Vol. XXXVI, No.3 (September 1964).

2

C.P.D., Vol. H. of R. 47, p.175.

3

Sydney Morning Herald, 17 and 22 July 1964.

representatives could have defeated the plan at this point. However, they were loath to provoke the wheat-sheep farmers' organisations unnecessarily, and they probably felt some sense of obligation to support the Wool Board Chairman, Sir William Gunn (an ex-president of the GFC), after his vigorous personal efforts to persuade woolgrowers of the need to increase expenditure on promotion. But by supporting this decision, the AWGC's representatives to some extent committed the graziers' associations to support the plan, or at least made it more difficult for them to come out against it.

Negotiations with the Government began on 27 August 1964 when the AWIC Executive presented a submission to the Minister for Primary Industry.¹ This submission was considered by Cabinet and referred to an inter-departmental committee. Differences of opinion between departments and in Cabinet on both the merits of the scheme and possible methods of financing it caused considerable delay. Eventually the Government agreed to the scheme in principle, and then negotiated with the AWIC Executive Committee on details and financial arrangements. On 1 April 1965 the Minister for Primary Industry announced that agreement had been reached on a 'conservative reserve price scheme'.² Of the £80m. required, the Government would provide £50m. (not £60m. as the AWIC requested) and the remainder would be raised by a levy on woolgrowers over seven years.

1

Wool and Politics, p.187.

2

Sydney Morning Herald, 2 April 1965, p.1.

The Minister however, made it clear that the Government's participation was conditional upon approval by the AWIC and woolgrowers at a referendum.

The revised plan was submitted to the AWIC on 22 April.¹ To give woolgrower organisations the opportunity to discuss the plan and make their decisions, the AWIC decided to defer making a decision until June. It agreed however, to recommend to the Government that in the referendum voting be compulsory, that the decision be determined by a simple majority, and that the minimum voting qualification be the production of ten bales of wool.² The last two of these decisions brought forth strong criticism from the GA which favoured a minimum qualification of more than ten bales, and a weighted vote based on production.

In May before the AWIC met, the Wool Board issued a new document describing the revised scheme.³ This document, which had been prepared by the Board in conjunction with the AWIC Executive Committee, was more cautious than the Board's 1964 report, and acknowledged that the scheme involved some risks. On 23 June the AWIC discussed this report, and resolved by forty-five votes to five in favour of the scheme and to give its support to the introduction of a reserve price plan.⁴

1
Muster, 28 April 1965, p.1.

2
Ibid.

3
The Reserve Price Plan for Wool Marketing, Australian Wool Board, 1965.

4
The Bulletin, 24 July 1965, p.41.

This was a surprising decision in view of the previous opposition from graziers, and also in view of later events. We can only assume that most of the AWGC's delegates had either decided in favour of the plan, or voted for the plan in order that it should be submitted to growers to make the decision, or felt some sense of obligation to support the AWIC Executive Committee. Whatever the case, the fact that the AWIC approved of the scheme by such an overwhelming majority and that twenty of the AWGC's twenty-five delegates voted for it had an important impact on the conduct of the referendum campaign.

Once the AWIC had approved the plan, the Government began to organise the postal ballot of woolgrowers which was held between early November and early December. All woolgrowers who produced ten or more bales of wool in the 1964/5 season or owned 300 or more sheep were eligible to vote. Each member of a partnership was entitled to a vote (provided he met the minimum production or stock requirements) but pastoral companies received only one vote each. With their ballot paper voters received three booklets, one setting out details of the scheme and the other two providing summaries of the arguments for and against the plan. The booklet explaining the scheme stated that the aim was to

encourage a more stable and stronger
overall demand for wool in world markets
by reducing price fluctuations and

particularly by giving wool users the assurance that wool prices would not fall below a certain level.¹

It explained that floor prices would be set for each type of wool at the beginning of the season by the wool marketing authority to be set up. Each lot of wool offered would be appraised and if it failed to realise the appropriate reserve price it would be 'bought-in' by the authority at the reserve price and later resold when the market improved. The booklet setting out the case in favour of the plan was prepared by the AWIC Executive Committee. It argued that a reserve price system would reduce price instability for wool, thus assuring growers of better returns and greater security, and enabling wool 'to hold its own in the textile trade'.² The booklet providing the case against the plan was prepared by the GA, the Committee for the Retention and Improvement of the Free Wool Market, the two other graziers' associations in N.S.W. and the graziers' associations in Victoria and South Australia. It argued that the costs of the scheme would be enormous, but that there was no guarantee that it would achieve price stability or secure better overall returns to growers. It also

1

Reserve Prices Plan for Wool 1965, published with the authority of the Minister for Primary Industry, October 1965, p.3.

2

Arguments in Favour of the Reserve Prices Plan for Wool, prepared in accordance with Section 6 of the Wool Reserve Prices Plan Referendum Act 1965, p.3.

3

Although the five organisations authorised the case presented, the GA prepared the document.

warned that through stock-piling a reserve price scheme could undermine confidence, and thus depress prices and dislocate the world wool market.¹

The Actors in the Campaign

To understand the GA's behaviour and role during the campaign, and in order to make an assessment of its influence on the referendum results, it is necessary to know who the other actors in the campaign were, whether they supported or opposed the plan, what kinds of resources they had available, and to what extent they mobilised these resources in the campaign. It is also necessary to know generally the kind of campaigns waged by supporters and opponents.

On paper the supporters of the plan were in a far stronger position.² They included all the State wheat-sheep farmers' organisations as well as the AWMPF, the Executive of the AWIC and (at least in name) the AWIC itself, the Wool Board, the APPU, three of the member organisations of AWGC and prominent individual members of other graziers' associations (including the President of AWGC and three members of the GA Executive Committee), and special organisations formed to support the plan in

1

Arguments Against the Reserve Prices Plan for Wool, prepared in accordance with Section 6 of the Wool Reserve Prices Plan Referendum Act 1965.

2

The information in this section is from press reports, personal interviews, and E.D. Daw, 'Woolgrowers and Wool Marketing', The Australian Quarterly, Vol. XXXVII, No.3 (September 1965).

the referendum.¹ In addition, two leading agricultural economists (Professor F.H. Gruen and Mr A.G. Lloyd) and leading rural newspapers such as The Land (in N.S.W.) gave their support. Although the Government remained neutral, some senior members of the Cabinet (in particular, the leader and the deputy-leader of the Country Party) announced their personal support for the plan. The plan was also supported by many Government backbenchers and by the Labor Party. The support of wheat-sheep farmers' organisations, the APPU, politicians of all parties, and the rural press was not unexpected. Indeed, it would have been extremely strange if wheat-sheep farmers had not come out strongly for this plan which followed the model they had advocated for so long. What was surprising was the support of the Wool Board (a statutory authority), the three graziers' associations and individual members of other graziers' associations. The Wool Board justified its entry into the campaign on the grounds that it was merely explaining details of the plan to growers. The three AWGC member organisations (the United Graziers' Association of Queensland, the Pastoralists and Graziers' Association of Western Australia, and the Tasmanian Farmers, Stockowners and Orchardists' Association) had always shown some enthusiasm for a reserve price scheme. Moreover, in Tasmania and Western Australia the stronger wheat-sheep farmers' organisations had built up such a

1

These were the Vote 'Yes' Committees and the Australian Growers' Wool Marketing Committee. The Vote 'Yes' Committees were organised in N.S.W. by a GA member.

strong climate of opinion among woolgrowers in favour of a reserve price scheme that declared opponents of stabilisation schemes in the graziers' association found themselves outvoted. The individual members of other graziers' associations who gave their support included traditional enthusiasts for marketing reform (such as B.R. Bremner and A.W. Scott of the GA) and recent converts (such as T.L. Bull, President of AWGC to June 1965, and his successor, T.B.C. Walker).

Apart from their numerical strength, supporters of the plan had superior political resources - at least on paper. The wheat-sheep farmers' organisations claimed a total membership of almost double that of the graziers' associations. They were deeply committed to the reserve price idea and after years of frustration were prepared to mobilise their secretariats, their publicity vehicles, and their branch structures as fully as possible. Unlike the graziers' associations, they were untroubled by internal dissension over the plan. In addition, they were campaigning for the principle of stabilised marketing that had been successfully applied to many other rural industries and which was well accepted in the Australian community. The Wool Board's own political resources were considerable. Its financial strength enabled it to undertake extensive radio and press publicity campaigns far more expensive than any woolgrower organisation could afford. Its Chairman, Sir William Gunn, was well known to woolgrowers and to a large section of the Australian public. At the opening of the campaign his reputation was high. Each of his campaigns since 1960 to increase the promotion levy had

succeeded, and even his opponents agreed that he was probably the most forceful and successful leader the Australian wool industry had ever produced.

Some of the individual members of graziers' associations who supported the plan were influential figures in their own organisations and were prepared to mobilise their own personal resources in the campaign. Bryce Killen, for example, was a member of the GA's Executive Committee and a former Vice-President of the Association. A member of a wealthy pastoral family with extensive business interests, Killen had travelled extensively overseas and had made his own investigations of opinion within the British textile industry on wool marketing methods. He also was an experienced speaker, and had the reputation of being a creative thinker. During the campaign he addressed many public meetings, and flew the Managing Director of the International Wool Secretariat (who made a special trip from London to undertake a brief campaign in support of the plan) around N.S.W. to meetings in his own private plane.¹

Opponents of the plan were in a much weaker position. They entered the campaign late, when supporters of the plan had their campaigns well under way. Some of the graziers' associations were undecided for a long period and came out against the plan only shortly before the ballot commenced. The GA was the first graziers' association to decide against the plan, and its decision

¹

The Land, 4 November 1965.

undoubtedly influenced other graziers' associations. When it made its decision, on 11 June 1965, the only other opposition had come from individual members of graziers' associations, the daily press and some academic agricultural economists (particularly Professor R.M. Parish of the University of New England). Although the press had announced¹ in May that an organisation was being formed in N.S.W. to fight the plan, the actual formation of this organisation, which took the name of the Committee for the Retention and Improvement of the Free Wool Market (but became known as the Retention Committee), did not take place until the second week in June.² Just before the GA made its decision, three wool broking firms in N.S.W. also announced their own opposition.³ Once the GA had announced its opposition other support came gradually. The four other graziers' associations which eventually came out against the plan were slow to decide their policy. The Graziers' Association of Riverina, the Pastoralists' Association of West Darling, and the Graziers' Association of Victoria waited until August,⁴ and the Stockowners' Association of South Australia did not make its decision until 7 September.⁵ Other opposition to the plan came

¹ Ibid., 6 May 1965.

² See report in The Land, 24 June 1965.

³ The Land, 10 June 1965.

⁴ Muster, 4 August, 25 August, 1 September 1965.

⁵ Ibid., 15 September 1965.

from wives of members of the Retention Committee (who formed the Women's Anti-Reserve Price Group),¹ the N.S.W. Sheepbreeders' Association,² and some Liberal backbenchers. It was also rumoured that one Commonwealth Liberal Cabinet Minister from N.S.W. had expressed the hope in a letter to constituents that the plan would be rejected.³

Apart from being numerically weaker than the supporters of the plan, the opponents had serious political disabilities. They were embarrassed by the defection of individual graziers and the three graziers' associations, and by the failure of the AWGC to come out against the plan. On 22 June 1965 the AWGC decided 'in view of the need to allow individual organisations to declare and present their own policy...that no policy on the proposed marketing scheme be determined...'.⁴ However, the AWGC agreed to press for multiple voting rights for large graziers and for voting rights for individual members of family companies.⁵ Although three wool broking firms in N.S.W. declared their opposition to the scheme (these were the Australian Mercantile Land

1 Ibid., 4 August 1965.

2 Ibid., 28 July 1965

3 e.g., see The Bulletin, 25 September 1965, p.17.

4 The Land, 24 June 1965.

5 Neither of these concessions were secured. Because of the provision of only one vote to each pastoral company, many larger graziers were, in fact, disadvantaged.

and Finance Co. Ltd.; Pitt, Son and Badgery; and Winchcombe Carson Ltd.), the two largest Australian wool broking firms, and the National Council of Wool Selling Brokers all remained neutral. Admittedly, the graziers' associations had considerable political resources - financial strength, skill in campaigning and well-developed secretariats - but because of internal dissension they were limited in the extent to which they could mobilise them in the campaign. The graziers' associations and the Retention Committee headed by R.W. Macarthur-Onslow (a descendant of John Macarthur) and G.G. Ashton (Treasurer of the GA) also had the political disability of being closely linked with the wool broking firms. Macarthur-Onslow admitted that he and another member of the Committee were directors of the Australian Mercantile Land and Finance Company,¹ and the General Manager of this wool firm, G.S. Le Couteur, had assumed the role of principal spokesman for opponents of the plan in N.S.W.

The Campaign

In view of the long history of dispute over marketing, the rivalry between woolgrower organisations, and the deep emotions associated with the question of marketing reform, it was not surprising that the campaign was intense, sustained and characterised by angry exchanges. Journalists saw in the campaign all the elements of a first-rate political drama, and

¹

The Land, 24 June 1965.

reports of day-to-day developments filled columns of the city dailies for weeks. Both sides used the same vehicles for their propaganda - press releases, newspaper advertisements, letters to the press, public meetings, pamphlets, and radio and television interviews. There were also personal encounters between leading opponents on television and in a number of public debates.

Despite the numerical superiority of supporters of the plan and their superior political resources, the campaign clearly went better for their opponents. In the early stages most observers were confident that woolgrowers would accept the plan by a clear majority. But as the campaign proceeded they became less certain, and by the close of polling it was predicted that the vote would be close, though most prophets still predicted that the plan would be accepted.

Opponents of the plan had one tactical advantage which they exploited fully. Supporters had to convince growers not only that change from the traditional auction system was necessary, but that the proposed reserve price plan was a safe, well-designed scheme which could guarantee to reduce fluctuations and give overall better long-term returns. Their opponents had only to show that the case for the plan was not proved - that the scheme might fail to produce the promised results and, in fact, might cost woolgrowers enormous sums without yielding worthwhile returns. Opponents of the scheme also were able to capitalise on woolgrowers' deep-seated fears of government intervention and bureaucracy.

The main opponents of the scheme in N.S.W. (the GA, the Retention Committee, and the Daily Telegraph) produced well thought-out, rational arguments which cast doubts on the validity of the scheme and the claims of its supporters. They warned of the danger of a stockpile of wool if the authority 'bought in' too much (as, in fact, happened in New Zealand two years later). They produced detailed figures to show how costly the scheme might be. The Retention Committee asserted that the Wool Board had kept information back from woolgrowers, that it was 'treating the woolgrowers like sheep', and that the scheme was 'the "thin edge of the wedge" to ultimate socialisation of the industry'.¹

Moreover, the actual course the campaign took worked to the advantage of the opponents of the plan. In the early stages the campaign was more a debate on general principles - a debate in which neither side scored a significant advantage. But from late September the campaign was concerned primarily with details, particularly of how the scheme would operate, what the costs would be,² and whether European and British textile manufacturers favoured retention of the auction system. The resulting confusion and lack of agreement

1

Advertisement in Muster, 25 August 1965. The Committee also published a fourteen-page booklet entitled What Every Woolgrower Should Know about the Dangers of the Reserve Price Wool Marketing Scheme.

2

e.g., see debate on costs in Sydney Morning Herald, 23 November 1965, and The Land, 18 and 25 November 1965.

on these details tended to build up doubt in the minds of the uncommitted woolgrowers.

Supporters of the plan fought an extremely active campaign justifying the need for marketing change and explaining the projected benefits of the proposed plan. They also queried whether those woolgrowers opposing the plan were speaking as woolgrowers, or on behalf of brokers and other financial interests. The campaign in support of the plan was dominated by the Wool Board and by Sir William Gunn - and by the end of the campaign this proved to be a disability. Opponents of the plan questioned the legality of the use of promotion money by the Wool Board for a political campaign, and even appealed to the Attorney General to take action. They also asked whether it was proper for the 'impartial' Chairman of the AWIC (Dr J. Melville) and the Managing Director of the International Wool Secretariat (Mr W.J. Vines) to participate in the campaign. Gunn's forceful campaigning undoubtedly won much publicity and support for the plan, but it also created the impression among woolgrowers that he was applying undue pressure. In 1966 the writer talked to many woolgrowers who claimed they voted against the scheme because they objected to dictation by Gunn. Gunn's failure during the campaign to win Country Party pre-selection for the seat of Maranoa (in Queensland) may have seriously damaged his reputation. 'Gunn's crash in Maranoa', one observer wrote in October 1965, 'is just the sort of thing that is likely to lead the non-member grower...

into the "no" camp. Was not Sir William Gunn the man who was supposed to be getting the wool industry organised?'¹

Although overshadowed by Gunn and the Wool Board, the wheat-sheep farmers' organisations fought an active campaign. Undoubtedly their enthusiasm for the plan and accusations about grazier-broker-business conspiracies influenced many woolgrowers in favour of the scheme. But their personal attacks on leaders of the opposing side, their accusations about numerous conspiracies, and their lack of rational argument cast doubts in the minds of other growers. The leaders of wheat-sheep farmers' organisations resented careful economic analysis of the scheme as being malevolently inspired and bordering on sabotage. Many of them saw the campaign in terms of struggle between different social classes. The General Secretary of UFWA accused the Womens' Anti-Reserve Price Group of being 'a group of leading society women' who 'probably gained their inspiration to oppose the reserve price scheme over a meal at one of Sydney's plush restaurants'.²

The GA's Role and Behaviour

Despite the fact that the GA was more seriously divided over the reserve price scheme than any other issue in its history, its behaviour followed a predictable pattern.

1

The Bulletin, 23 October 1965, p.62.

2

Quoted by Janet Ashton in letter to Muster, 1 September 1965.

Unlike the wheat-sheep farmers' organisations, the GA characteristically delayed making a decision until the full details of the plan were known, and this decision was made according to a thoroughly democratic procedure. But in the meantime, the GA Executive Committee waged a clever pseudo-campaign aimed to satisfy members that the Association was active without committing it to a definite policy. This pseudo-campaign consisted of a constant flow of comments on each new development or official statement, reiteration of the fact that the Association had not made a decision on the plan, and repeated demands for more information on the plan. In January 1965 the Chairman of the AWIC asked woolgrower organisations to refrain from comment until negotiations with the Government were concluded.¹ The GA refused to keep silence since supporters of the plan were having their viewpoint put forward by the AWIC Executive and the Wool Board. It also considered that the request was unwise since any proposal needed to be thoroughly discussed by growers. 'Notwithstanding our refusal to be tied to a pledge of silence', the GA President explained to the 1965 Annual Conference in March, 'we have endeavoured to avoid unnecessary speculative discussion'.²

1

The Australian, 12 January 1965.

2

Annual Conference records, 1965.

Once the final details of the plan were announced, the Association's Executive Committee, as directed by Council and Conference,¹ called a special conference for 11 June. It also arranged for a series of country meetings where members of the Executive Committee could explain to members the details of the plan, and present arguments for and against its adoption. Between 10 May and 25 May the President (T.B.C. Walker) and four other members of the Executive Committee addressed over 2,000 woolgrowers at twenty-four different meetings.² From press reports, it appears that as a group, but not always individually, they conscientiously put forward arguments for and against the plan.³ Local branches and district councils then met to determine policy. By the time the conference met, eleven branches had decided for the plan and fifty-seven against it, while many others were still undecided.⁴ The debate at the conference on the reserve price plan lasted eight hours. A motion in favour of the plan was discussed at length. Various amendments were moved and lost, and finally the motion was lost by ninety-six votes to fifty, with fifty delegates abstaining from voting.⁵ A resolution directing the GA

1

General Council minutes, 29-30 July 1964; and Annual Conference minutes, 1965.

2

Report of Proceedings 1965, p.6, and press reports.

3

e.g. The Land, 3 June 1965.

4

Agenda paper in Special Conference records, 11 June 1965.

5

Special Conference minutes, 11 June 1965.

to reject the reserve price plan as outlined by the AWIC was then carried. The conference also decided that 'the Association's opposition to the scheme and the reasons for it be published as widely as possible' with special emphasis being given to the weaknesses in the scheme.¹ A surprise move at the conference came in the debate on the motion to support the plan when the President, T.B.C. Walker, (who at the time was a member of the AWIC Executive Committee) vacated the chair and supported an amendment favouring the scheme, subject to certain conditions. Walker explained that he had always been opposed to any change in the auction system, but that after serious consideration he was prepared to support the revised scheme. A number of other prominent members of General Council also announced that they too had changed their minds and now supported the idea of a reserve price plan. The decision of the conference to oppose the plan and to campaign to secure its defeat placed Walker in a difficult position. Fortunately for him he was elected President of the AWGC a fortnight later, and at the July meeting of General Council he had a suitable excuse to retire from the presidency.² He was followed as President of the Association by B.A. Wright, a declared opponent of the scheme.

1

Ibid. See also report in The Land, 17 June 1965.

2

General Council minutes, 8-9 July 1965.

Following the special conference the Executive Committee had the responsibility of directing the Association's campaign. Its first action was to authorise the preparation and publication of a booklet setting out the reasons why the Association opposed the scheme.¹ Approximately 30,000 copies were printed and circulated. During the campaign, on the Executive Committee's instructions, the Association issued numerous press releases, inserted advertisements in newspapers (country and city) and used radio and television media to publicise its views. The Association's case against the scheme was presented in a characteristic rational, logical way, with the possible exception of its one line of argument that the scheme could lead to increased government control and perhaps nationalisation of the wool industry. Its main argument in the campaign was that insufficient information was available to make a proper judgment, but that with any reserve price scheme there was the possibility that the heavy costs involved could outweigh any advantages.² It also warned of the dangers of wool stock-piles, and cast doubt on whether the scheme would significantly reduce price fluctuations and protect growers against long-term price declines. This

1
e.g. The Land, 4 November 1965.

2
The GA's case was set out in greatest detail in the booklet it published entitled The Wool Marketing Referendum: Vote No.

rational, academic approach was one that well suited the GA's style of political campaigning, and one that made good use of the expertise of its senior staff members. In all, the GA spent almost £7,000 on the campaign.¹

During the campaign individual members of the GA campaigned for the plan, and many GA branches held meetings addressed by speakers for and against it. Some GA supporters of the plan objected to the Executive Committee's active campaign and asserted that it had exceeded the instructions given to it by the special conference in June. A censure motion against the Executive at the November GA General Council meeting nevertheless failed, and the Council carried a vote of confidence in the Executive and commended 'the dignified, logical and equitable statements issued by the President...and his executives'.² In a press statement issued with the authority of the Executive Committee soon after this meeting of the Council, Ick-Hewins explained that:

The executive at no time lost sight of the fact that there was a minority vote of 50 on the main issue or of the fact that negative inferences are capable of being drawn from lost motions. Its attitude on these matters had, of necessity, to be conditioned by the express will of the majority and by the terms of the resolutions actually carried....The executive

1

Report of Proceedings 1965, p.7. The main items of expenditure were advertising and printing.

2

General Council minutes, 10-11 November 1965.

examined the position in the light of the verbatim report of the Special Conference and determined that its obligation to both majority and minority would be fulfilled if it placed no limit of time upon its statement, remained free to deal with matters arising after the June Conference, used all available media of publicity to reach growers in N.S.W. and other States, accepted the position vis-a-vis the Wool Board that the question was a controversial one but that this controversy should be carried out in a dignified way, and (by way of further negative inference) avoided disputation with other woolgrower organisations.¹

From the Association's records and press reports it is clear that this in fact was the policy that the Executive Committee followed.

In the referendum campaign the GA clearly played a crucial role. At the time this was acknowledged by both impartial observers and by the Association's opponents. But how important the GA's role in N.S.W. was compared to that of the Retention Committee and the Daily Telegraph is difficult to assess. Because of the overlap in membership between the GA and the Retention Committee, it was difficult at the time to distinguish between their separate campaigns, and in fact the Retention Committee was often thought of as the conservative wing of the GA. Practically all members of the Retention Committee's Central Committee

1

Muster, 24 November 1965.

and local branches in N.S.W. were GA members. G.G. Ashton, the Committee's Deputy-Chairman, was Treasurer of the GA, and G.S. Le Couteur (of the Australian Mercantile Land and Finance Company), who became the Committee's principal spokesman in public debates, was Chairman of the GA's Cumberland (i.e. Sydney) local branch.¹ The GA's influence in the campaign extended well beyond New South Wales. If the GA had not come out against the plan in June 1965, it seems unlikely that the other four graziers' associations would have done so. In other States (particularly Victoria) the activities of the GA during the campaign were well publicised and through this publicity the GA undoubtedly had some influence on woolgrower opinion.

Results and Aftermath

The results of the referendum announced on 10 December 1965 were a severe blow to the hopes of wheat-sheep farmers - and a pleasant, though somewhat unexpected surprise to the GA. The scheme was rejected with 53.55 per cent of valid votes cast against its adoption. However, majorities in favour of it were secured in four out of six States. Details of voting are shown in Table 16. In each of the three States where the graziers' associations came out in support of the plan (Queensland, Western Australia and Tasmania) affirmative majorities were secured. In Victoria there was a majority in favour of the scheme despite the campaign of the Graziers'

¹

See The Graziers' Annual 1965-1966 edition, p.13.

TABLE 16

Voting in the Reserve Price Plan Referendum 1965¹

States	Yes		No		Informal	Total
	No.	%	No.	%		
New South Wales	15,033	35.56	27,238	64.44	79	42,350
Victoria	15,361	56.05	12,040	43.95	89	27,490
Queensland	3,235	52.32	2,947	47.68	20	6,202
South Australia	5,946	35.03	11,026	64.97	78	17,050
Western Australia	10,764	68.06	5,052	31.94	34	15,850
Tasmania	1,049	52.95	932	47.05	3	1,984
Total	51,388	46.45	59,235	53.55	303	110,926

¹ Figures supplied by the Chief Electoral Officer, Canberra.

Association of Victoria, but this was not surprising. The Graziers' Association of Victoria was numerically much weaker than both the Victorian Wheat and Wool Growers' Association and the wool section of the APPU. Moreover, Victorian wheat-sheep farmers for years had been almost fanatical in their enthusiasm for the reserve price idea. The N.S.W. results were particularly surprising and indicated that many wheat-sheep farmers as well as graziers must have rejected the scheme. The N.S.W. vote, because of its sheer size, was crucial. Even if N.S.W. woolgrowers had been evenly divided, there would have been an overall majority of over 2,000 votes for the scheme. In sum, it is highly probable that the GA had a vital influence on the outcome of the referendum. For our purposes it seems valid to consider this as a case of the successful use of veto power.

The announcement of the results did not mean that the campaign was immediately over and forgotten. For months both sides indulged in recriminatory attacks until the Wool Board released a further report¹ on 31 October 1967 and a new debate began. For a time the AWIC's future seemed somewhat in doubt. The result of the referendum damaged its reputation as the responsible voice of woolgrower opinion. Some advocated its abolition, while others suggested different methods of electing its members. But in the end no change was made.

1

Australian Wool Board: Report on Wool Marketing, Melbourne, October 31st, 1967.

Within the GA the campaign had far reaching repercussions. The day before the results were announced P.A. Wright, the father of the President (and a past-President of both the Association and the GFC), called for an end to 'the unfortunate and deplorable controversy that has marred the progress of the campaign...and has caused so much ill-feeling that...a great deal of harm has been done which will take much time to repair'.¹ This appeal had little effect, and as Wright prophesied, the damage took time to repair. Through its vigorous campaign against the plan the Association lost a number of members, including some chairmen of local branches. On the other hand, it gained some new members, and its members who opposed the plan probably felt a greater sense of satisfaction with the GA. The real aftermath of the campaign was at the 1966 Annual Conference when both opponents and supporters of the reserve price plan submitted a great number of motions which were debated at length. The main debate centred on the AWIC, with opponents of the wool plan calling for its abolition and supporters wishing to give it additional powers and functions.² In the end a compromise decision was agreed to: the Conference refused either to pass a vote of confidence in the AWIC or to call for its abolition, but decided to work for its reconstitution and to secure nine instead of the five AWGC seats. Some members of the

1

The Land, 9 December 1965.

2

Annual Conference minutes, 1966.

Conference questioned whether the three members of the Executive Committee who campaigned for the plan acted properly. It was suggested that the Executive Committee was like a Cabinet, with each member being bound to follow official policy. Others questioned whether delegates from branches to Conference, or from the Association to federal bodies, had the right to make up their own minds, after hearing new evidence and listening to the debate, on how they should vote or whether they were strictly bound to carry out instructions of branches or Conference.

The Association's active campaign had a marked effect on its relations with other organisations. It widened the rift between the Association and the UFWA, making co-operation even at branch level more difficult and the possibility of amalgamation more remote. In the eyes of wheat-sheep farmers' organisations throughout Australia the GA, more than ever before, was seen as the arch-enemy of marketing reform.

The campaign did not seriously affect the Association's relations with the Commonwealth Government, though it did not improve relations with Country Party Ministers. Moreover, because members of the Federal Parliamentary Country Party supported the plan, the GA had an added cause for being dissatisfied with the Country Party. To GA rank and file activists and leaders the Country Party's support for the plan was seen as a further example of the Party's practice of following the demands of wheat-sheep farmers rather than of graziers. On the other hand, the referendum result added considerably to the GA's status and

reputation with the Government. With any future wool marketing plan, it seems unlikely that the Commonwealth will follow a recommendation of the AWIC or the Wool Board unless the GA and other graziers' associations give their support. Without doubt the GA today has considerable power on wool policy as a veto group.

Despite the aftermath and bitterness, the GA came out of the reserve price referendum far better than many members anticipated. The over-all loss in membership was slight, there were no protest resignations from the Executive Committee or Council, and the successful campaign certainly acquired additional status for the Association. But if the referendum had been carried, the story might have been very different.

CHAPTER 13

Cattle Compensation

Cattle compensation is an example of one of the many non-controversial and non-partisan matters with which the GA is concerned. This case-study of the Association's representation to the N.S.W. Government on this matter illustrates its role as an initiator of policy and as an ombudsman on behalf of its members, the persistence with which it pursues its objectives, and the character of its relations with Labor administrations on non-controversial and non-partisan matters.

Development of the N.S.W. Cattle Compensation Scheme

The N.S.W. cattle compensation scheme is operated by the Department of Agriculture. When beef and dairy cattle are condemned because of disease and subsequently destroyed, owners are paid compensation from a cattle compensation fund.

The idea of a cattle compensation scheme for N.S.W. was borrowed from Victoria, and the actual system eventually put into operation was closely modelled on the Victorian scheme, which had been established in the mid-1920s. When the latter began to operate, cattle owners in southern N.S.W. had to pay stamp duty on stock sold in Victoria and thus developed an interest in a similar scheme for N.S.W. The 1929 GA Annual Conference discussed the matter and instructed its Meat Committee

to make a detailed investigation of the Victorian scheme.¹ The following year the Committee reported that it favoured the Victorian example in principle, but considered that other farm organisations and Queensland interests should be consulted before a decision was made.² The Association referred the matter to the Producers' Associations' Central Council, but by then farmers and graziers were too pre-occupied with the economic problems of the depression.

For more than a decade little further thought was given to cattle compensation. In 1934 the GA established its Cattle Council but it was not until 1943 that the Cattle Council gave consideration to a cattle compensation scheme. In July 1944 it reported to the General Council in favour of the establishment of a government controlled scheme financed by a compulsory levy on cattle owners with a matching government subsidy.³ The GA then approached the FSA and the Primary Producers' Union (representing dairy farmers). Both agreed to support the GA's proposal, and in 1946 the three organisations made a formal approach to the Minister for Agriculture.⁴

1 N.S.W. Graziers' Annual 1929, p.43.

2 N.S.W. Graziers' Annual 1930, p.53.

3 General Council minutes, 11-12 July 1944.

4 The Graziers' Annual 1946 edition, p.65.

The response of the Minister and senior officers of his department was encouraging, but negotiations proceeded extremely slowly. The Department of Agriculture was still under-staffed because of the war and during discussions with spokesmen of the three organisations, officers of the department became aware of the differing views on how a scheme should be financed.

While negotiations were still proceeding the GA, the FSA and the Primary Producers' Union, together with the Wheatgrowers' Union, developed a more ambitious plan to control the whole meat industry by a board consisting of primary producers.¹ This board would control cattle sales and stock prices, trade in meat and meat products, and run a cattle compensation scheme. This plan was submitted to the Minister for Agriculture who, after considerable delay, replied that he and his officers thought the scheme was impractical. The four organisations then decided to press for a cattle compensation scheme divorced from the other proposals. In January 1948 representatives of the GA, the FSA and the Primary Producers' Union, meeting as the Primary Producers' Consultative Council, agreed on the broad principles for a scheme and appointed a committee to prepare a draft bill.² The GA Cattle Council also appointed

1

Muster, 15 March 1948, pp.19-20.

2

Ibid., 2 February 1948, p.3.

its own sub-committee to make recommendations to the inter-organisation committee.¹

Before the organisations reached agreement on a draft bill, an unexpected move came from a senior officer of the Department of Agriculture.² In August 1948 the Association sponsored an animal genetics conference which was attended by academics, officers of the Department of Agriculture and primary producers. In an informal conversation with the GA President (P.A. Wright), the Chief of the Division of Animal Industry (W.L. Hindmarsh) expressed the wish to talk to some primary producers about proposals for a cattle compensation scheme. He explained that the Government intended to have a bill drafted as soon as possible. Wright discussed this request with members of the Executive Committee and with the General Secretary. They all recognised that if a bill was about to be drafted it would be advantageous for representatives of the Association to put their views to Hindmarsh who, no doubt, would draw up proposals for the scheme. On the other hand, Wright was loath for the Association to take independent action (he felt this would be a breach of faith, especially at a time when the GA was seeking to develop an effective State peak organisation to speak for farmers) or to participate in negotiations without definite guidance from the Cattle Council. In the end, Wright agreed to take part in preliminary

1

Ibid., 1 December 1948, p.9.

2

Ibid., pp.9-10.

talks with Hindmarsh that week; these took place in Hindmarsh's office. Wright took with him a leading member of the Cattle Council. Also present were two representatives of the relatively unimportant United Purebred Cattle Association. Why Hindmarsh should not have invited representatives of the other interested organisations is puzzling, although he may have looked on the discussion as nothing more than an opportunity to sound out some individual leaders on proposals he had in mind.

Hindmarsh took notes of the discussion and later forwarded copies to the participants. According to these notes¹ agreement was reached on the basic features of a compensation scheme, which included: (i) funds be obtained by a levy made by Pastures Protection Boards on all owners of cattle in each Pastures Protection District and by a matching government contribution; (ii) reciprocal arrangements be made with adjoining States to provide for the payment of compensation for cattle coming from other States; (iii) compensation payments be related to the market price of stock; (iv) full value be paid for cattle condemned and found free of disease on slaughter, and three-quarters of the value in other cases; (v) consideration be given for adequate compensation for stud animals; and (vi) compensation be paid for cattle from Queensland after being in N.S.W. for six months.

¹

Ibid., 15 February 1949, pp.8-9.

In the discussions the GA representatives argued that, since more compensation would probably be paid in respect of dairy than beef cattle, dairy farmers should pay an additional levy based on cream or milk production. This was rejected by Hindmarsh. The GA representatives also stressed the need for realistic compensation for stud stock (most beef cattle stud-owners were members of the GA) and for reciprocal agreements with other States (beef cattle producers often bought Queensland stock and graziers in southern N.S.W. sent stock to Victorian markets). The proposal to limit compensation for cattle from Queensland to those in N.S.W. for six months or more was insisted on by Hindmarsh.¹

Wright emphasised in the discussion that the views he and his colleague expressed were not to be taken as an expression of official GA policy.

Hindmarsh's notes recorded:

Mr. Wright pointed out that the Graziers' Association had appointed a sub-committee to go into the matter of cattle compensation, and whilst the views expressed would, he thought, represent the views of this sub-committee, he could not commit the Association to them in entirety at the present time.²

On receipt of these notes Ick-Hewins wrote to Hindmarsh to clarify the position.³ He explained that the

¹ Ibid., 1 December 1948, p.9.

² Ibid., 15 February 1949, p.9.

³ Ibid.

recently constituted Primary Producers' Consultative Council (consisting at the time of the GA, FSA, the Primary Producers' Union and the Wheatgrowers' Union) had discussed cattle compensation and planned to bring the Graziers' Association of Riverina and the Pastoralists' Association of West Darling into their discussions. He suggested to Hindmarsh that instead of consulting these organisations separately he should approach the Primary Producers' Consultative Council. But by this time it was clear to Hindmarsh that the Government was in rather less hurry to implement a cattle compensation scheme, and negotiations between Hindmarsh and industry representatives proceeded no further.

During 1949 the sub-committee of the Association's Cattle Council drew up its proposals. These were identical with the points agreed to in the discussions with Hindmarsh, except for the addition of a proposal for state assistance for tuberculin testing of cattle.¹ No doubt in drawing up its proposals the sub-committee considered not only the interests of members, but what proposals were likely to be accepted by Hindmarsh, by the Minister and by other organisations. The idea of an additional levy on dairy cattle was dropped as being politically unrealistic. The six month qualification period for Queensland cattle as favoured by Hindmarsh was accepted, even though it was thought to be unfair to some beef cattle producers.

1

Ibid., 15 August 1949, p.11.

Discussions with other interested organisations were delayed for some time because of the dissolution of the Primary Producers' Consultative Council and the formation of a new body, the Primary Producers' Council. Once discussions commenced within the new Council, the GA found itself in agreement with other interested organisations on all significant points, except the method of raising the fund.¹ It favoured a per capita levy, based on cattle numbers, and collected by Pastures Protection Boards, while the others favoured a stamp duty on sales as used in Victoria. The GA's ostensible argument for the per capita levy was ease of operation, but its real reason for favouring this method was that it would place less financial burden on beef cattle producers.

In January 1950 the interested organisations finally reached agreement on a submission to be presented to the Department of Agriculture.² At the decisive meeting of the Primary Producers' Council representatives of the five organisations that had been participating in the discussions were present as well as representatives of the Agricultural Bureau, the Royal Agricultural Society, the Australian Poll Hereford Society, the Poll Shorthorn Society and the United Stud Beef Cattle Breeders' Association. Except for the method of raising finance, all the main points in the GA's proposal were included in the submission.

1

Ibid.

2

Ibid., 1 February 1950, p.10.

The submission however, suggested a qualifying period of ninety days for Queensland cattle (instead of six months) and requested the Government to bear all compensation payable in respect of tubercular infected cattle.

By the time this submission was presented to Hindmarsh¹ the parliamentary session was drawing to a close. Parliament was dissolved on 22 May 1950, and general elections were held on 17 June. In his rural policy speech the Labor Premier, James McGirr, promised the establishment of a cattle compensation scheme. Before the new parliamentary session opened in July, the Association's Cattle Council tried to re-open negotiations with the other organisations on the question of the method of raising finance for the compensation fund.² Two members of the Cattle Council were appointed to approach the FSA and the Primary Producers' Union. Neither organisation showed any inclination to re-open discussions and the matter lapsed.

Establishment and Implementation of the Scheme

On 25 September 1951 a Bill providing for the establishment of a cattle compensation scheme was introduced by the Minister for Agriculture, the Hon. E.H. Graham.³ Graham told the Legislative Assembly

1

Ibid., 15 July 1950, p.113

2

Ibid.

3

N.S.W.P.D. (Second Series), Vol. 196, p.3178.

that there was a pressing need for a compensation scheme so as to encourage cattle owners to report outbreaks of disease and to deal with the public health hazard of tuberculosis infection from cattle. The Bill provided for payment of compensation to owners of both cattle and carcasses destroyed because of disease under the authority of government officers. Compensation payments would be based on market values with a maximum payment of £36 per head. Stock suspected of being diseased and found to be disease free at slaughter would be paid full market value, while those found to be diseased would be paid seven-eighths of market value. Payments would be made from a fund raised by a stamp duty on cattle sales - 1d in the £ of the purchase price with a maximum of 3/- per head. In the case of payments for tuberculosis the Government would contribute 20 per cent of the payments for a period of three years. This scheme was very similar to that operated by the Victorian Government (the Minister admitted this) and followed the main lines of the proposal put forward by the Primary Producers' Council.

Once the contents of the Bill were revealed, the GA contacted the parliamentary leaders of the Country Party, Lt. Col. M.F. Bruxner and the Hon. R.C. Wilson M.L.C., informing them that it desired the cattle compensation fund to be raised by a levy on stock rather than by stamp duty on stock sales.¹ Wilson

1

Annual Report, 1951, p.5.

was manager of Grazcos Co-operative Limited, a contract shearing company founded by the Association; from 1939 he had been a member of the GA General Council, and from 1947 to 1950 had been a member of the Executive Committee. Bruxner and Wilson and other Country Party members gave voice to the GA's viewpoint, but none of them pressed the matter. Immediately after Graham introduced the Bill into Parliament, Bruxner welcomed the establishment of a compensation scheme, but criticised provisions of the bill on the grounds that the stamp duty on sales would throw the financial burden on beef cattle producers, and that the maximum compensation payable was too low, especially for stud stock.¹ In his second reading speech, Graham replied to these criticisms.² He pointed out that only one organisation (obviously the GA) had suggested a per capita levy based on annual stock returns, while all the other leading organisations including the Graziers' Association of Riverina (which he was careful to name) supported the stamp duty tax. Moreover, he explained, the Council of Advice of the Pastures Protection Boards was unwilling for Pastures Protection Boards to accept responsibility for collecting the per capita levy. For owners of stud stock he had little sympathy: if they wanted additional compensation, let them take out their own insurance policies. Graham concluded his speech confidently asserting that the 'principle of

¹

N.S.W.P.D. (Second Series), Vol. 196, pp.3178-81.

²

Ibid., pp.3205-9.

this legislation has the full support of the majority of primary-producer and local-government organisations'.¹ In the upper house Wilson and Sir Norman Kater (an ex-President of the GA and a stud sheep breeder) echoed Bruxner's criticisms. Kater particularly stressed the need for adequate compensation for valuable stud stock. But the Bill was treated as a non-party measure and passed through both houses without a division. In his second reading speech, Bruxner reiterated his preference for a per capita scheme of raising finance, but conceded: 'However, I am satisfied with the Minister's proposal - provided that it can be implemented'.² On 29 October the Cattle Compensation Bill, together with an accompanying measure imposing the stamp duty, received the Governor's assent.

In retrospect the GA had good reason to be satisfied. In his annual report for 1951 the General Secretary stated proudly, and accurately, that apart from the method of raising the fund 'the measure conforms closely with the recommendations of the Cattle Council'.³

But even so, the GA was not prepared to leave it at that. Between the passage of the legislation and the implementation of the scheme in late 1952 it made a number of representations to both the Chief of the

¹ Ibid., p.3209.

² Ibid., p.3211.

³ Annual Report, 1951, p.5.

Division of Animal Industry and to the Minister for Agriculture. Its chief concerns were the qualifying period of six months for cattle from Queensland (it had changed its mind on this matter) and the method of financing the compensation fund. In November 1951 P.A. Wright (by this time a past-President) led a deputation from the Association's Cattle Council to interview Hindmarsh.¹ Wright sought elimination of the qualifying period on the grounds that it encouraged owners to conceal outbreaks of disease. Hindmarsh conceded that there was some validity in this argument and promised to consider the GA's submission.

Later another GA deputation on the same point produced a new argument (and a more valid one):² cattle from Queensland were often sold once or twice in their first six months in N.S.W. and stamp duty was paid at each sale; thus their owners should qualify for compensation. The deputation suggested that a fair method would be to tax Queensland cattle on entry to New South Wales, but pointed out that such a tax would probably contravene section 92 of the Federal constitution. As an alternative, it proposed that owners of cattle from Queensland be eligible for compensation by making voluntary contributions at a fixed rate. Hindmarsh thought this proposal had merit and referred it to the Minister for Agriculture. However, the reply was unfavourable: if the proposal

1

Muster, 22 November 1952.

2

Annual Report, 1952, pp.9-10.

was adopted, the Minister argued, N.S.W. would become a dumping ground for pleuro-infected cattle from Queensland. The Minister had good reason for taking this view. At the time Queensland had no cattle compensation scheme and disease eradication methods in Queensland had proved less effective than those adopted in N.S.W. Outbreaks of pleuro-pneumonia in N.S.W. were often attributed to infected cattle from Queensland.

In 1952 the GA asked the Minister to amend the Act to provide for a per capita form of assessment to finance the compensation fund. Since the scheme was just about to go into operation, the Minister justifiably refused the request and repeated the convenient argument that the Council of Advice of the Pastures Protection Boards objected to boards collecting the levy.¹

Pressure for Modifications, 1952-1956

The first complaint from the GA after the scheme commenced related to a legal technicality. Ick-Hewins's sharp eye for detail discovered what appeared to be an anomaly in the Act. This referred to the question of cattle suspected of being diseased and ordered to be sent to abattoirs for slaughter. Ick-Hewins considered that, while the Act clearly provided for compensation for cattle destroyed immediately on the order of a stock inspector, there was no legal obligation for the Department of Agriculture to pay compensation for suspect cattle ordered to be sent

¹

Ibid., p.10.

to the abattoirs. The Chief of the Division of Animal Industry agreed that this appeared to be an anomaly and referred the matter to the Minister.¹ The Minister refused to enter into a discussion on the legal issue involved, and stated that, since the Department of Agriculture had been paying compensation on such cases, primary producers had no cause for concern. In his annual report for 1953 Ick-Hewins commented:

While this assurance is welcome, payments made pursuant to it are, in my opinion, ex gratia and not authorized by the statute and are not, therefore, an entitlement conferred upon the cattle owner by law.²

In his report Ick-Hewins also suggested that the Act did not authorise the payment of the difference between the maximum compensation and the price obtained at sale as followed by the Department, and queried whether it could be regarded as an offence under the Stock Diseases Act for graziers to sell diseased stock. But no further action was taken. Apparently the GA considered that the ministerial statement provided sufficient safeguard for members.³

In 1954 the GA renewed its demand for a per capita cattle levy in place of the stamp duty on cattle sales. Its spokesmen reiterated the old argument that the stamp duty on cattle sales was unfair

¹ Ibid; and Annual Report, 1953, pp.8-9.

² Ibid., p.8.

to beef cattle producers. By 1954 the Association had good cause to complain that the scheme was unfair to beef cattle producers. The report of the Department of Agriculture for the year 1952/3 revealed that in the first ten months of the scheme's operation over 70 per cent of compensation payments had been on account of tuberculosis.¹ This meant that the bulk of payments had gone to dairyfarmers. The FSA then changed its mind, and supported the GA's demand for a per capita levy.² Much to the surprise of both organisations the Minister for Agriculture later in 1954 announced that the Act would be amended to provide for a per capita system of assessment.

One reason for the change in government policy was that the Council of Advice of the Pastures Protection Boards had changed its mind. No doubt both the GA and the FSA had lobbied individual Pastures Protection Boards, many of which were composed largely of GA and FSA members. Another reason for the change was that the Government planned to make the scheme self-supporting by withdrawing the 20 per cent subsidy at the end of August 1955. It apparently considered that a levy would raise more finance. In view of the Government's announced intention to amend the legislation, the GA suggested to the Minister that amendments should

1

Report of the Department of Agriculture for the Year ended 30th June 1953.

2

The Farmers and Settlers' Association of New South Wales: Report of the Proceedings of the Sixty-First Annual Conference.

be made to enable all cattle owners to be eligible for compensation irrespective of the time that their animals had been infected by disease, and to make the Chief of the Division of Animal Industry's decisions with respect to compensation claims subject to appeal to a judicial tribunal.¹ On the first the GA used its old argument that the qualifying period of six months on cattle from Queensland led to the concealment of disease. Again it suggested that cattle from Queensland should be able to qualify for compensation on entry to N.S.W. by voluntary payments by their owners. On the second the GA suggested that, while it acknowledged the leniency shown by the Chief of the Division of Animal Industry, it considered that it would be fairer to all concerned if there was provision for appeals. To these two requests the Minister replied that it would be impossible to provide for voluntary contributions for Queensland cattle because of the difficulty in valuing cattle as they entered New South Wales, and that it was essential for the Department of Agriculture to be the final arbiter with respect to compensation claims.

During 1955 the Association also requested the appointment of additional stock inspectors to authorise the destruction of diseased cattle and to determine the amount of compensation to be paid.² Stock owners

¹ Annual Report, 1955, pp.6-7.

² Ibid., p.6.

had good cause to complain of delays between notification and inspection by a stock inspector; even the annual report of the Department of Agriculture for 1954/5 admitted that delays had frequently occurred.¹

Legislative Amendments: 1956 and 1958

In October 1956 the Minister for Agriculture introduced into Parliament a Bill to amend the Cattle Compensation Act. It provided for abolition of the stamp duty on cattle sales and provision of a new method of financing the cattle compensation scheme: a per capita levy on all cattle, collected by the Pastures Protection Boards, and a stamp duty of 1/- per head on cattle delivered to an abattoir for slaughter. In his second reading speech, the Minister explained that while the existing system had worked well it had been unfair to beef producers. He told the Legislative Assembly that the proposed change in the manner of the ^{levy} collection was supported by the GA and many other rural organisations.² Other organisations accepted the amendments happily enough,³ but not the GA. While it supported replacement of the stamp duty on sales by a per capita levy, the GA had four serious objections to the the amending legislation:

1

Report of the Department of Agriculture for the Year ended 30th June, 1955, p.42.

2

N.S.W.P.D. (Third Series), Vol. 19, p.3429.

3

Both The Primary Producer and The Land (the organs of the Primary Producers' Union and the FSA respectively) reported the changes without comment.

there was no government contribution to the scheme; the six months qualification on Queensland cattle remained; there was no provision for appeals to a judicial tribunal; and it considered that the stamp duty at the point of slaughter should be paid by cattle buyers and not by owners.¹ However, the Bill provided a concession to the GA's demand for appeals to an independent tribunal: in future owners refused compensation could in certain cases appeal directly to the Minister. The Association conveyed its views on the Bill to R.C. Wilson,² but again the measure was treated as a non-party issue. Wilson did not even participate in the debate, but may have conveyed the GA's views privately to the Minister.

For the next twelve or eighteen months the GA concentrated on three aspects of the administration of the cattle compensation scheme. First, it took up the case of members whose claims were rejected on the grounds that they had failed to notify departmental officers of the disease at a time when they ought reasonably to have been aware of its presence. Many members whose claims were rejected ran beef cattle in rugged country where it was difficult to carry out regular inspection for disease. On this occasion the Association used a different strategy. It wrote to the Department asking for a

¹ Annual Report, 1956, pp.17-18, and Muster, 6 November 1956.

² Annual Report, 1956, p.18.

clear statement of what procedure it expected cattle owners to follow in order to qualify for compensation payments.¹ It did this to get a clear statement for the guidance of members and to look for loop-holes in the Department's regulations. The Department provided a clear and detailed statement of its policy and its rationale for the actual procedures used. The GA later circulated copies of this document to its members. Apparently no loop-holes were discovered. The second matter was a request for claim forms to be re-designed to include a serial number and to be issued in duplicate so that claimants could retain a copy. This request was refused, although no valid reasons were given.² On the third request the GA was successful. The Minister agreed to remove the exemption from the levy on herds of less than ten.³

In 1958 the Cattle Compensation Taxation Act was further amended to increase both the per capita levy and the levy at the point of slaughter from 1/- to 1/6d. These increases were necessary because payments from the fund for the previous two years exceeded income. Payments had increased considerably - from £179,955 in 1954/5 to £292,114 in 1957/8⁴ -

¹ Report of Proceedings 1957, p.12.

² Ibid., pp.12-13.

³ Ibid., p.13.

⁴ Annual reports of the Department of Agriculture for 1955 and 1958.

as a result of acceleration of the Department of Agriculture's programme of dairy herd testing for tuberculosis. Again the GA communicated its views to members of the opposition parties. Bruxner took up the case of graziers whose claims were rejected because of delayed notification.¹ T.L. Lewis (Liberal member for Wollondilly) spoke against the increased levy and the need for appeals to an independent tribunal. Unlike Country Party members who often were reluctant to mention the GA by name, Lewis specifically stated that he was speaking for the Association.² Again the Bill was treated as a non-party issue and was passed after a minimum of debate.

Subsidising the Dairy Sector

The increase in the levies focused attention again on the greater benefits being derived from the fund by dairyfarmers. In Parliament the Minister admitted that the increases resulted from the accelerated tempo of tuberculin testing of dairy cattle with the consequent detection of cases of tuberculosis. Between 1956/7 and 1958/9 the number of compensation claims increased from 6,069 to 9,733 and payments from the fund from £215,830 to £293,481, while the proportion of cases with tuberculosis remained well over 70 per cent.³ The GA considered

1

N.S.W.P.D. (Third Series), Vol. 23, p.3134.

2

Ibid., p.3135.

3

Annual reports of Department of Agriculture for 1957 and 1959.

that it was unfair that beef cattle owners should be providing two-thirds of the finance, while over 70 per cent of payments went to dairyfarmers. In late 1958 the Association submitted a request to the Minister for a government subsidy for tuberculosis compensation¹ but this was refused. The following year a sub-committee of the Cattle Council drew up a proposal for the establishment of a separate tuberculosis fund supported by a government subsidy and continuation of the existing fund to provide compensation for other diseases.² In 1960 the Association made a formal submission to the Minister along these lines. It specifically requested maintenance of the existing rate of the levies in respect of registered dairy herds, reduction of the tax levy on beef cattle to a figure reasonably commensurate with the needs of the fund in respect of diseases other than tuberculosis, and payment of a government subsidy for tuberculosis compensation. This request was refused. In his reply however, the Minister conceded that the bulk of compensation payments were going to dairyfarmers, but defended retention of the existing policy on the grounds that eradication of tuberculosis benefited beef cattle producers as well as dairyfarmers, that the incidence of tuberculosis was declining, and that the Department's disease eradication programme included other aspects

1

The Graziers' Annual 1958 edition, p.29.

2

Report of Proceedings 1959, p.10.

which benefited beef cattle producers more than dairyfarmers.¹ The 1961 GA Annual Conference resolved to press for division of the cattle compensation fund as proposed by the Cattle Council.² A further submission was prepared and presented, but again the Minister refused.

The GA then changed its strategy. The Executive Committee and staff apparently realised that establishment of a separate fund for tuberculosis was an unrealistic goal and decided instead to press for restoration of the subsidy on tuberculosis compensation. In a submission to the Minister the GA argued that, since the high volume of payments for tuberculosis was a consequence of the Government's campaign to eradicate tuberculosis in dairy herds in the interests of public health, the Government should subsidise payments for tuberculosis claims.³ Again the Minister refused, repeating his old argument that tuberculosis eradication was of direct benefit to all primary producers and adding that as the incidence of tuberculosis was decreasing, the imbalance of benefit would soon disappear.⁴ However, he agreed to reduce the levy, since the credit balance in the compensation fund on 30 June 1962 was almost £600,000. Amending

1 Report of Proceedings 1960, p.21.

2 Annual Conference minutes, 1961.

3 Report of Proceedings 1962, p.18.

4 Muster, 17 October 1962.

legislation passed late in 1962 reduced both levies from 1/6d to 1/- per head, and also increased the maximum amount of compensation from £36 to £50 per head.

A new twist to the dispute between beef and dairy cattle owners came in 1963 when dairying interests suggested that since there was a healthy balance in the compensation fund the cost of tuberculosis testing of cattle should be met from the fund. The GA protested and received an assurance from the Minister that there would be no departure from existing commitments of the fund without consultation with industry organisations.¹ But soon after when the tuberculosis eradication scheme moved into districts with a high concentration of beef cattle, the GA reversed its policy and supported the request of dairying interests. And with a further fall after 1962 in the number of payments on account of tuberculosis, the dispute about the inequity between dairying and beef interests disappeared.

Investment of the Cattle Compensation Fund

Although farm organisations failed to secure renewal of the government subsidy for the cattle compensation fund, in 1964 after persistent pressure the Government agreed to pay interest of 4 per cent p.a. on the credit balance in the fund up to a limit of £500,000. The idea came from the GA. In 1962 it first suggested that since there was a large credit balance

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Report of Proceedings 1963, p.20.

in the fund (£600,000 at 30 June 1962) a large part should be invested.¹ The Minister for Agriculture refused this request on the grounds that the Cattle Compensation Act made no provision for such investment, and reminded the Association that when the fund had been depleted the Treasury had provided loans from consolidated revenue (£20,000 in 1954, £15,000 in 1957, and £50,000 from 1958 to 1959).² To secure detailed information on financial aspects of the fund the Association wrote to the Chief of the Division of Animal Industry³ and on the basis of the information received made a further approach to the Minister. On 16 January 1963 the acting Minister of Agriculture (K.C. Compton) replied that, although it was possible to amend the act to provide for investment, this would be unwise in view of the continuing tuberculosis eradication programme.⁴ In characteristic fashion the GA persisted, and eventually the Minister for Agriculture agreed to discuss the feasibility of the suggestion with the Treasury. In July 1964 the Minister informed the Association that arrangements had been made for £500,000 of the credit balance in the fund to be regarded as being on fixed deposit for

1

Report of Proceedings 1962, p.19.

2

Annual reports of the Department of Agriculture.

3

Report of Proceedings 1963, p.20.

4

Ibid., p.21.

12 months at 4 per cent interest.¹ Once again the GA's persistence in pressing for a reasonable goal paid off.

Other Representations, 1958 to 1965.

From the 1958 amendment of the Cattle Compensation Act to the defeat of the Labor Government in May 1965, the GA sought many other modifications of the scheme. Those regarded as being of real importance were sought with vigour and persistence. Others, looked upon as being less important or less feasible, were often pursued to satisfy branches and district councils.

Perhaps the most important matter related to the rejection of claims because of failure by owners to give early notification of the disease. From the late 1950s the number of rejected claims rose sharply,² and most rejections were on the grounds of delayed notification. Presumably departmental officers had been instructed to adopt a much firmer policy and the Department of Agriculture was using the cattle compensation scheme as a means to assist in the control and eradication of contagious diseases. The GA made representations on behalf of many individual members whose claims were rejected and sought two different amendments to the Act. First, it renewed its request for a provision to enable cattle owners to appeal to

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Report of Proceedings 1964, p.13.

2

See reports of the Department of Agriculture for detailed figures.

an independent tribunal against rejection of claims by the Chief of the Division of Animal Industry. Second, it suggested that stockowners in rugged country be shown greater leniency and that provision be made to permit such owners to opt out of the scheme. Both requests were refused. The Minister admitted that cattle owners in rugged country had just cause for complaint, but thought departmental officers treated such cases with leniency.

Because of a sudden increase in the number of cattle condemned at abattoirs on account of arthritis, the GA in 1962 and again in 1963 requested the inclusion of arthritis as a compensatable disease under the scheme.¹ This was refused on the grounds that arthritis was not a serious contagious disease and that effective methods of treatment were available. The Minister also stated that, if compensation was payable for arthritis, owners would be encouraged to have their cattle destroyed, rather than undertake measures of prevention and treatment. After 1963 the numbers condemned because of arthritis fell and the matter lapsed.

The problem of stock sold in other States was taken up on a number of occasions with both the Minister and the permanent head of the Department of Agriculture. The GA presented well documented submissions showing that while compensation was not

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Report of Proceedings 1962, pp.19-20; and Report of Proceedings 1963, pp.25-6.

payable on N.S.W. cattle sold in other States and the A.C.T., N.S.W. cattle sold in Victoria and South Australia were obliged to pay stamp duty to support the schemes operating in those States. However, no progress on this problem was achieved.

In 1962 on the request of its Tabulam local branch the Association took up the question of the power of rangers to order a diseased beast from saleyards for immediate slaughter without the payment of compensation. According to information supplied to the GA, a circular which had been issued by the Department of Agriculture to its officers stated:

Recently there have been several instances where the ranger has detected suspect cattle at district saleyards. In these cases the ranger has been instructed to order such cattle for slaughter without compensation.¹

The GA sought legal opinion on the question and was advised that this instruction was invalid since it exceeded the powers of regulation conferred by the Act.² This information was conveyed to members in the 1963 Report of Proceedings.³ No further complaints were made by GA members. Presumably the Department amended its instructions to officers.

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Report of Proceedings 1963, p.19.

2

GA file 13966: Cattle Compensation Administration Act Fund-Powers P.P. Board Rangers.

3

Report of Proceedings 1963, p.19.

Change in Government, 1965

The defeat of the Renshaw Labor Government in the 1965 general election was applauded by the GA, and meant that after twenty-four years of Labor rule a sympathetic government was again in power. The new Minister for Agriculture, W.A. Chaffey, was well known by the GA. While in opposition, he had often consulted the GA on agricultural matters and voiced the GA's viewpoint in parliamentary debates. Once he assumed office Chaffey set about promoting greater understanding between all farm organisations and his department. He arranged meetings with various organisations. At one meeting for members of the GA Cattle Council, Chaffey and his officers explained the main policies of the Department and discussed the problem of control of exotic diseases. Films on livestock disease control in the United States were then shown.¹

With the change in government the GA increased the tempo of its demands for modification of the cattle compensation scheme. A number of new submissions were prepared and in November 1965 the Cattle Council appointed a sub-committee to examine the cattle compensation legislation with a view to seeking major amendments. The new Government granted some concessions. In 1965 the two levies were reduced from

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'Report of Proceedings, 1st July to 9th November 1966', mimeo document presented to the General Council, November 1966.

1/- to 6d. Later the Government agreed to increase the interest rate on the fund's deposit with the Treasury to $4\frac{1}{2}$ per cent,¹ and to provide a slip with each compensation payment cheque to enable cattle owners to identify payments for particular claims. But on other matters the GA's requests were refused. In February 1966, after studying the problem of compensation for cattle sold interstate, Chaffey refused to amend the legislation to provide compensation payments for such cattle,² and the following year refused other requests. His successor, G.R. Crawford, in 1968 likewise refused GA requests for an increase in the maximum compensation payable to \$120, and an amendment of the Act to provide that the owner of stock ordered to be slaughtered should receive full market value for them irrespective of whether they were, on slaughter, found to be diseased or not.³

Review

This chapter gives a different picture of the GA's pressure group activities from that provided in the two previous chapters. To secure an accurate portrait of any economic pressure group it is necessary to look at both crises and periods of calm, at both

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GA file 13960: Cattle Compensation Act Fund.

2

GA file 13962: Cattle Compensation Fund: Levy on Interstate Movement.

3

'Report of Proceedings from 1st January to 20th July, 1968', mimeo document presented to the General Council, August 1968.

highly contentious issues and matters that are largely non-controversial. By concentrating on the GA's role in the 1965 wool marketing controversy an observer could easily conclude that the GA invariably campaigns in public, that it holds views widely divergent from those of rival organisations, and that it is continually involved in inter-industry disputes. This is not the case. In largely non-controversial and non-partisan issue-areas such as cattle compensation the GA pursues its goals quietly and holds views which often differ little from those of its rivals. In such areas co-operation rather than rivalry and public dispute is the keynote.

Cattle compensation clearly falls into the category of a largely non-controversial and non-partisan matter. There was no need for primary producers to mount a public campaign to secure the establishment of a cattle compensation scheme since the Government, officers of the Department of Agriculture, and public health authorities all supported such a scheme in principle. The only disagreement was on how the scheme should be financed, and on the details of its operation. Once the scheme was implemented, farm organisations sought concessions by direct approaches rather than by making threats or mounting public campaigns. The press has never shown any real interest in the scheme and some amendments to the legislation have passed unnoticed in the city dailies. The conflicting interests of beef cattle producers and dairyfarmers with regard to the scheme's operation have never resulted in much antagonism between the organisations concerned. Cattle

compensation has always been regarded by the major political parties as a non-party issue. The scheme was introduced in 1951 by a Labor Government following an election promise made by its leader in 1950, but it was treated strictly as a non-party issue. Opposition spokesmen supported its introduction, though they favoured certain minor amendments. On each of the three occasions to 1967 when the Cattle Compensation Act was amended, the legislation passed through both houses with a minimum of debate and without a single division. From 1952 to 1965, the cattle compensation scheme was operated by a Labor administration and after May 1965 by a Liberal-Country Party government. The change in government made little appreciable difference to its operation.

In pursuing many of their goals, particularly those in issue-areas that are largely non-controversial, farm organisations use little real 'pressure'. They request, they implore, they make submissions, they produce arguments; but they rarely threaten or try to force a government to take a certain course of action. This case-study well illustrates this point. The GA and other organisations made numerous requests about the cattle compensation scheme - and each time they produced logical arguments in favour of adopting a policy or making a modification. They appealed to reason, to administrative efficiency, to fair play, to the common good. As far as the GA's records and press reports reveal, no threats were ever made by the GA about what would happen if the Government failed to respond to some demand concerning the cattle compensation

scheme. Obviously there were few threats the GA or other organisations could make on such a dull matter, and no effective sanctions that it could employ. The GA could have refused to handle complaints from its members concerning the administration of the scheme, and so have placed an added burden on the Department of Agriculture. (The GA files reveal what a useful function the Association performed in acting as a sieve for grievances and in explaining the provisions of the legislation and regulations to individual cattle owners). But the GA could not afford to take action which would have damaged its relationship with its members and its standing far more than it would have inconvenienced the Department of Agriculture. The GA's submissions to the Government and Department of Agriculture on cattle compensation were always detailed, well-argued, courteous and couched in the language of bureaucrats. Official requests concluded with statements such as: 'I commend the above requests to you for your favourable consideration'. Letters from the Chief Executive Officer or General Secretary frequently offered to make staff available to discuss the matters raised or to arrange for members of the GA's Cattle Council to be available for consultation at the time of their next meeting. Ministers and public servants replied to GA requests in the same courteous, reasonable way, giving detailed explanations why policies could not be modified or concessions made. Thus, on cattle compensation policy there was little real 'pressure' in its usual sense; rather farm organisations and government carried on a dialogue.

But in this dialogue the Government always held the upper hand. The GA with other organisations persuaded the Government to adopt the idea of a cattle compensation scheme and over the years the GA secured modifications and concessions to benefit its members. But considering the public health value of the scheme, and its value as a means of increasing rural production, farm organisations did rather poorly. The Government gave a mere 20 per cent subsidy on tuberculosis cases for the first three years and, except for the interest paid on the capital sum in the fund, after 1955 the scheme was financed by primary producers alone. After 1955 the Government even made a small charge on the fund for administrative costs. On cattle compensation policy there is no evidence whatsoever to suggest that farm organisations dictated to the Government.

After the early 1950s the GA largely abandoned joint approaches with other organisations on cattle compensation matters. This reflected its growing disillusionment with the effectiveness of 'peak' organisations. But it was also related to the fact that the GA showed much greater interest in the scheme's detailed operation and had the staff resources to prepare detailed submissions and to establish close, personal contacts with officers of the Department of Agriculture. On detailed administrative matters, like those related to cattle compensation, the GA bureaucracy is at its best.

This case-study shows the persistence of the GA in pursuing its objectives. A refusal is seldom treated as final. The GA is used to refusals; its response to each refusal is to try a different strategy, or a new argument, or to concentrate on other goals for the time being.

VII. CONCLUSIONS

CHAPTER 14

Conclusions

In this study our approach has been based on the assumption that the behaviour of a pressure group cannot be properly understood or explained without reference to the environment in which the group operates and with which it interacts. We have seen that economic, cultural and political factors have a direct influence not only on the way the GA behaves in politics and on its effectiveness, but also on its internal characteristics. Through their influence on its internal characteristics, environmental factors also have an indirect effect on the GA's behaviour and political effectiveness. Environmental factors have provided us with an explanation of why the GA differs significantly from other farm organisations in its group characteristics, behaviour and political effectiveness, and with an answer to the question of why the Australian wool industry has been divided so long and often so bitterly over wool marketing and promotion. Our study suggests that this approach may be useful in the study of any pressure group, and that with economic pressure groups attention should be given to the influence of economic factors. From our experience it appears that the political behaviour of an economic pressure group is closely related to the economic context and climate in which the industry (or industries) represented by the group operates, and to fluctuations in the incomes of members.

In the case of the GA, economic, cultural and political factors are all of major importance. While the relative influence of each of these three sets of factors on different aspects of the Association's behaviour, political effectiveness and group characteristics naturally differs, overall it is impossible to rank any one of them higher than the other two. It would be interesting to know whether the application of our model to the analysis of other economic pressure groups would yield a similar conclusion. It seems possible that there may be some significant differences in this respect between farm organisations, business groups, and trade unions and professional associations.¹

One conclusion that emerges from our study is that the GA's political future is inescapably linked to economic, cultural and political factors. With its large and constant membership, its wealth, its expertise, and its position with governments, the GA has no reason for concern about its immediate future. But in the long-term its future will depend largely on the profitability of the industries it claims to represent and their continuing importance as major exporters, on changing attitudes and values, and on different

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It is interesting to note that in his study of the BMA, Eckstein seems to place more stress on the 'structure of the decision-making processes' than on any of his other determinants. In a study of Sohyo, the Japanese peak organisation of labour unions, based on Eckstein's model, Willey concludes that of 'the important variables which Eckstein posed as determinants, only political culture and group characteristics appear to be truly significant...'

political factors such as the party or parties in government, the relative importance of Commonwealth and State governments, and the relative influence and strength of other pressure groups. Obviously no-one knows what changes will take place. However, if Gruen's projections for the wool, wheat and meat industries prove to be right, woolgrowing will become increasingly less profitable in relation to wheatgrowing and meat production. If wool prices continue to fall while costs increase, many woolgrowers will need a direct subsidy or some other form of assistance to continue to produce wool. And even with a subsidy, many of them may find it more profitable to produce meat and wheat, and also barley, maize and irrigation crops, rather than wool. Changes of this kind will inevitably have important repercussions on the GA.

While some criticisms made of the GA are justified, our study shows that others are not. The GA has at times been over cautious, and its emphasis on democratic procedures has sometimes caused delays in decision-making. Its policy on public relations has often been somewhat confused, and in some issue-areas its resources perhaps could have been used to better advantage. On the other hand, our analysis has shown that the GA is democratic in practice as well as theory; it is not solely a veto group and it probably makes more positive suggestions to governments than many of its rivals; it tries to represent the interests of its members, both smaller producers and large landholders; and it is not a 'tool' of the wool firms.

Moreover, our study suggests that many of the common criticisms of economic pressure groups are not borne out in the case of the GA. The GA is not responsible for the secrecy that often surrounds decision-making on agricultural policy. Instead, it is just as much opposed to the practice of 'government by secrecy' as many economists and pressure group critics, though its opposition springs from different (and perhaps more selfish) motives. It would be foolish to assert that the GA is not selfish and that it is not concerned primarily with advancing the interests of its members. But at the same time, it does not ignore completely the idea of the public interest, and it is no more selfish than ^{any} other kind of pressure group or, for that matter, any political party or government department. To criticise economic pressure groups for being selfish is to take a very naive view of politics and of human behaviour. Our study also leads us to question the common assertion that farm organisations are exceedingly powerful and that primary producers, more than any other section, have manipulated political processes for their own advantage. While the GA has often influenced official decision-making in many different fields, it has never been in the position of being able to dictate to governments. Even non-Labor governments refuse a large proportion of the requests it makes, and frequently governments take action which is strongly opposed by the GA. Moreover, the successes that the GA has won in politics must be attributed to a wide range of other factors as much as to 'pressure' by the GA. In other words, it is

influential in politics more because many of the proposals it makes are considered by governments and departments to be economically sound, likely to improve administrative efficiency, or useful to build up support from the public or sections of it, rather than because it commands some kind of coercive power.

Our study also suggests that some of the commonly held beliefs about the methods that pressure groups use are not based on fact.¹ We have seen that the GA works mainly through bureaucratic channels rather than through literal 'lobbying'. While it has a large staff, it does not employ any full-time lobbyists to button-hole members of parliament, Ministers and senior public servants in the corridors of parliamentary and administrative buildings. Moreover, as we have seen, the GA seeks to achieve its political goals mainly by presenting Ministers and departments with detailed and carefully prepared proposals, and generally the 'pressure' it uses is the same kind of 'pressure' that one government departments or authority might use to influence another.

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For example, Crisp (p.135) gives the impression that literal 'lobbying' is the main method by which ^{economic} groups work on governments. He describes the 'growing phalanx of resident lobbyists in Canberra' and the large number of 'out-of-town' men who can be seen 'scurrying about the King's Hall and lobbies of Parliament, the Hotel Canberra, and administrative departments, or entertaining Ministers, Members and senior public servants more or less discreetly', but does not mention the use of normal bureaucratic channels.

While we would reject the view that public policy is determined simply by the pressure on governments from groups representing different interests, it is clear that pressure groups are important political structures. Moreover, they perform many useful political functions. We have observed that the GA provides graziers with an important means by which they can participate actively in politics, with machinery for formulating specific and detailed proposals, and with a channel of communication to official decision-makers. It also functions as an ombudsman taking up the specific grievances of individual members as they relate to government. Apart from its benefits to members, the GA provides Ministers and public servants with useful information, advice and policy proposals, even if they are one-sided. It provides administrative help for departments by acting as a sieve for grievances, and by providing suitable experienced personnel for appointment to marketing boards and official committees. It helps win and organise support for those government policies it favours. It provides governments with a body able to negotiate on behalf of graziers, and with a useful channel to communicate information to individual producers. It also acts as a watchdog, alerting the public to what is going on in government and in rural industries. Admittedly, there are some dangers associated with pressure groups. Some groups have much greater resources than others and some interests are not even organised; there is always the danger that groups may not be properly representing the interests of their members;

and too close relations between large groups representing a whole industry or section and governments may not be in the public interest. However, there are already many institutional and cultural restraints on pressure groups, and overall their usefulness outweighs their evils and dangers. They supplement other forms of representation, they provide machinery to help in the sifting process involved in translating public opinion into policy, they help promote consensus as much as they cause disagreement, and they contribute to the integration and stability of Australian society.

Finally, one of the important and obvious conclusions that emerges from this study is that a considerable amount of research will be necessary before we have an adequate picture of the role that pressure groups play in the Australian political system. Little is known about the operation of business groups, or of the pressure group activities of trade unions and professional associations. Except for Kristianson's study of the Returned Services League, we know even less about the activities of what are commonly called attitude or promotional groups. And until we know more about the role of these different kinds of groups, there will be little point in attempting any general comparison of Australian pressure groups with those in other countries.

APPENDIXSurvey of Farm Organisation Leaders

The postal survey of leaders of the GA, the UFWA and the N.S.W. division of the APPU conducted by the writer was not part of the original design for the study, but was planned and undertaken only after most of the data had been collected. Its purpose was to secure more detailed and precise information on the social and economic backgrounds of leaders. Such information was unavailable from other sources, and was necessary to test the hypothesis developed by the writer from personal impressions and from limited documentary material that differences in social and economic backgrounds between leaders of the GA and its two main rival organisations are considerable.

Postal surveys are somewhat out of favour with social scientists today, mainly because of the poor response rates often secured.¹ Other survey methods however, in this case were impracticable. Leaders of these three organisations are widely scattered through N.S.W. and, since the survey would constitute only a small part of the study, it was considered that more expensive and time-consuming methods were not warranted.

Kish suggests that with postal surveys more satisfactory response rates can be secured if a brief simple questionnaire is used, if follow-up letters are sent to those who do not return their questionnaires, and finally if outstanding non-respondents can be interviewed.² Interviewing of outstanding non-respondents in this case was not possible, but the other two suggestions were adopted.

1

Leslie Kish, Survey Sampling, New York, 1965, p.538, states that with postal surveys the response rate can vary from 10 per cent to almost 100 per cent.

2

Ibid., p.539.

Simple, single-page questionnaires were designed and sent to all members of the general councils of the GA and the UFWA and to all members of the APPU's equivalent organ, the Finance and Administration Committee. An accompanying letter explained the purpose of the survey. Respondents were told that while a space for their name was provided on the questionnaire form, there was no compulsion to write their name. A stamped, addressed envelope was provided. Six weeks after the first letters were posted a second letter with another copy of the questionnaire form and another stamped, addressed envelope was sent to all leaders, except those who had replied and who had written their names on the questionnaire form. This second letter however, stated that if a questionnaire form had already been returned the letter should be ignored.

The response rates secured after the first and second mailings are shown in the accompanying table. From the table it is clear that the second mailing was well worthwhile. The high response rates made it possible to make valid comparisons, particularly between leaders of the GA and the UFWA. The President of the APPU, who supplied the names and addresses of members of his Finance and Administration Committee, explained that some members of the Committee could be considered as being inactive. This fact probably explains why the response rate for the APPU was considerably less than that for the other organisations.

Response Rates Secured¹

	No. in survey	No. of responses to first mailing	No. of responses to second mailing	Total responses	
				No.	%
GA	71	55	8	63	89
UFWA	39	30	4	34	87
APPU	36	19	4	23	64

¹

At the time of the survey both the GA and the UFWA general councils were one short of their nominal strength.

A copy of the questionnaire used for members of the GA is reproduced below. The forms used for the other organisations were identical, except for the names of organisations and terms such as General Council, or Finance and Administration Committee.

* * * *

LEADERSHIP IN PRIMARY INDUSTRY SURVEY

The Graziers' Association of N.S.W.

1. Career in the Association

- When did you join the Association?
- Was (or is) your father a member of the Association?
- When did you attend your first annual conference?
- When did you first become a member of General Council?

2. Education

Please tick any of the following institutions you attended

- State or church primary school
- State secondary school
- Private or church secondary school Name?
- University
- Agricultural college
- Technical college

- Do you hold a university degree or college diploma?
- (Details))
- Any other qualifications?

3. Age (please tick)

- 34 and under 35-44 45-44 55-64 65 and over

4. Experience in other organisations

Have you had experience as a

- Shire councillor?
- Member of a Pastures Protection Board
- Member of a show society committee

(please tick)

Are you a member of any of these farm organisations? (please tick those to which you belong)

- UFWA
- Primary Producers' Union of N.S.W.
- APPU

Clubs?

5. Economic interests

What is the main commodity that you produce?

How many properties do you own or partly own?

Total acreage

No. of sheep No. of cattle

No. of acres of wheat

No. of permanent employees

Are you a member of the board of directors of a public company?

NAME (optional)

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B. NEWSPAPERS AND MAGAZINES

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Muster (the official journal of the GA - weekly).

The Australian (daily).

The Australian Financial Review (daily).

The Australian Worker (the official journal of the
AWU - weekly).

The Bulletin (weekly).

The Canberra Times (daily).

The Land (an independent weekly rural newspaper which
functions as an organ of the UFWA).

The Sydney Morning Herald (daily - mainly the country
edition used).

United Farmer (the official journal of the UFWA -
fortnightly).

Limited use was made of a number of country newspapers.

C. OFFICIAL RECORDS OF THE GA

At its offices at 56 Young Street, Sydney, the GA has an excellent set of well-preserved and well-organised records dating back to the Association's foundation. The following were the most useful for this study:

1. Documentary Material

Membership record files.

Minutes of Council and General Council.

Minutes of the Executive Committee.

Minutes and records (including verbatim reports of debates) of Annual Conferences (1918-1968) and special conferences (1925, 1956, 1962, 1963 and 1965).

Minutes of standing and specialist committees.

Minutes of local branches and district councils.

Subject and correspondence files.

2. Publications of the Association

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3. B.A.N. Cole Papers

Personal collection of papers relating to the FSA and wool marketing in the 1930s and 1940s, made available to the author by Mr B.A.N. Cole, Molong, New South Wales.

E. MATERIAL SUPPLIED BY OTHER ORGANISATIONS

Many different farm organisations, business groups and trade unions supplied the writer with copies of their constitutions, annual reports, brochures, and newspapers. Many farm organisations kindly supplied information on their membership, membership contribution rates, and on the staffing of their secretariats. Information and material was also supplied by the National Farmers' Union in London, by the Canadian Federation of Agriculture in Ottawa, by the National Farmers' Union in Denver (Colorado), by the National Grange in Washington, and by the American Farm Bureau Federation in Chicago.

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