

THINGS FALL APART

The End of the United Australia Party

1939 to 1943

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Abbreviations

AA	Australian Archives
ALP	Australian Labor Party
ANU	Australian National University
CMF	Citizens' Military Force
CP	Country Party
<i>CPD</i>	<i>Commonwealth Parliamentary Debates (Hansard)</i>
IPA	Institute of Public Affairs
NLA	National Library of Australia
NSG	National Service Group
NSW	New South Wales
PAYE	Pay As You Earn
QLD	Queensland
SA	South Australia
<i>SMH</i>	<i>Sydney Morning Herald</i>
TAS	Tasmania
UAP	United Australia Party
VIC	Victoria
WA	Western Australia

INTRODUCTION

In the Federal Elections of August 1943 the United Australia Party(UAP), which had been in office either alone or in coalition with the Country Party(CP) for nearly ten consecutive years from January 1932 to October 1941, suffered a resounding defeat. It lost nine seats in the House of Representatives; its partner, the CP, lost six. The result was a landslide for Labor, which won 49 of the 74 seats, giving it an absolute majority in the House for the first time since 1929. Results in the Senate were equally decisive: the Labor Party(ALP) won in all States giving it a total of 22 Senators from 1 July 1944 against the Opposition's fourteen. This was the first ALP Senate majority since 1914.

The magnitude of the defeat rocked both the UAP and the CP to their foundations, though the CP survived to fight future elections. The UAP, however, never recovered from the blow and its internal dynamics, already unstable due to personality feuds, leadership quarrels and policy differences, became dysfunctional. Ulrich Ellis, in his *A History of the Australian Country Party*, commented that it was reduced to a 'broken chain of aimless and warring groups'.¹

Immediately after this humiliating federal defeat, Robert Gordon Menzies was elected leader of the UAP for a second time and Leader of the Opposition, and the UAP's association with the CP was discontinued. In September 1943 Menzies suggested the formation of a new party, with a new name and clear-cut liberal and progressive policies, designed to unite nationally all the existing anti-Labor groups.²

The concept of forming a new right-wing party was also under consideration by other organisations associated with the UAP, notably the influential Institutes of Public Affairs(IPA)

¹ Ulrich Ellis, *A History of the Australian Country Party*, Melbourne, 1963, p. 264.

² Peter G Tiver, *The Liberal Party: Principles and Performance*, Milton, 1978, p. 31; A W Martin, *Robert Menzies, Volume I*, Melbourne University Press, 1993, p. 419.

recently formed in New South Wales(NSW), Victoria(VIC), and South Australia(SA), which provided vital financial and administrative support.³ Stemming from these initiatives, the Liberal Party of Australia was formed between 1944 and 1945, under the leadership of Menzies. It incorporated most of the major right-wing groups across the nation and absorbed nearly all members of the discredited UAP. The CP declined to join. The moribund UAP was formally wound up in January 1945 and its assets and membership transferred to the new party.⁴

The collapse of the UAP marked an important turning point in Australian political history, introducing an approach to right-wing politics which discarded the idealistic tradition usually attributed to Edmund Burke(1729-1797) and which held that:

the member of Parliament should maintain an independence of mind and position which would enable him, under the guidance of his own judgement and in unfettered debate in Parliament, to represent not only his own constituency and particular interests but the interests of the nation as a whole.⁵

The new approach accepted the need for party discipline and a national organisation along the lines of the ALP. One recommendation even included a copy of the Communist Party's fighting organisation as 'an excellent document' on which to base organisational reform.⁶

There is no comprehensive study of the causes of the UAP's collapse. C J Lloyd studied the formation and development of the party from 1931 to 1937, tracing the party's origins and the pattern of its evolution during those years, and Philip Hart's political biography of Joseph Aloysius Lyons, UAP leader from 1931 to 1939, includes valuable

³ Peter Aimer, 'Menzies and the Birth of the Liberal Party' in Cameron Hazlehurst (ed.), *Australian Conservatism*, ANU, Canberra, 1989, pp. 213-37. This gives a comprehensive study of the move for a new party within the supporting right-wing forces of the UAP.

⁴ James Jupp, *Australian Party Politics*, Melbourne, 1964, pp. 129-32; Lex Watson, 'The UAP and its Sponsors', in Hazlehurst, *op. cit.*, p. 105 *fn. 4*; G. Sawyer, *Australian Federal Politics and the Law 1929-49*, Melbourne, 1963, p. 158; B D Graham, 'The Place of Finance Committees in Non-Labor Politics' in C A Hughes, (ed.), *Readings in Australian Government*, St. Lucia, 1968, p 390; *Political Reorganisation in Australia*, IPA NSW papers, NLA MS 6590, Box 9; Noel Butlin Archives Centre, ANU, Deposit No. N136/74.

⁵ Peter Loveday, 'The Liberals' Image of their Party', in Hazlehurst, *op. cit.*, p. 241.

⁶ *Confidential Memorandum, Federal Election, 21 August 1943, '2 The Future (1)'*, IPA Records, Noel Butlin Archives Centre, ANU, Deposit N136/74.

analyses of party dynamics as they affected Lyons.⁷ These two works provide a full account of the origins of the UAP and the importance of the role of Joe Lyons, its first leader, but both close before the crucial events that destroyed the party and neither address the question of the party's demise.

The major published sources of the UAP's history include biographies and autobiographies of the leading figures of the era: Menzies, Hughes, Casey, Curtin and Bruce; and autobiographies or memoirs of the protagonists: Spender, Page, Fadden and Menzies. The UAP is only part of the story in these sources and related aspects are covered from the personal view of the subject. But they contribute to a broader overall view of the pattern of the decline of the UAP by providing individual assessments and different interpretations of relevant party affairs and personalities. Volume I of Martin's biography of Menzies is particularly valuable in this respect, as a reliable and detailed study of Menzies' career in the UAP.⁸

The autobiographies betray a more subjective and selective approach than the biographies, and bias, circumspection or discretion are all present in greater or lesser degree. The detailed accounts of their parts in UAP affairs by Page and Spender clearly display their authors' values and attitudes. Spender's autobiography provides important insight into the sometimes stormy UAP meetings and his book is both lively and detailed. But his version of events must be approached with caution as he was a participant as well as an observer; his relationships with his colleagues were ambivalent and his treatment of his own role in events is one of justification.⁹

Menzies was openly selective in his memoir *Afternoon Light*. His comments, however, though written in hindsight, are important for his evaluation of the events he addressed.¹⁰

⁷ C J Lloyd, *A History of the Formation and Development of the UAP, 1929-37*, PhD Thesis, Australian National University, Canberra, 1984; Philip R. Hart, *J A Lyons: a Political Biography*, PhD Thesis, Australian National University, Canberra, 1967.

⁸ Martin, *op. cit.*

⁹ Percy Spender, *Politics and a Man*, Sydney, 1972.

¹⁰ Sir Robert Menzies, *Afternoon Light*, Ringwood, 1969. (First published 1967)

Reticence, selectivity and self-justification are also apparent in Fadden's account, especially on his relationship with Menzies and again, circumspection is called for in interpretation.¹¹

The biographies and autobiographies add to the understanding of the party, the era, and the interplay of people and circumstance. The various renderings of events found in them reflect the discord within the party and in the Coalition; personal conflicts and unresolvable animosity between the Coalition parties are frequently cited as major causes of the failure of the party.

The right-wing of Australian politics generally (especially before the advent of the Liberal Party of Australia) and the UAP in particular, has not been the subject of a great deal of close study. The most comprehensive right-wing history is that of the CP by Ulrich Ellis, and he did not have cause to study the UAP phenomenon in detail.¹² Histories and studies of the Liberal Party usually mention the UAP as background and occasionally speculate on the reasons for its collapse. Tiver, for example, follows Hasluck in citing the unpopularity of Menzies and the party's unimpressive record as factors.¹³ Others cite the lack of a political ideal, organisational failure, the party's unimpressive record and Menzies' unpopularity. Menzies himself considered the loss of three of his most able ministers in an air crash to be an important contributing factor to the party's instability.¹⁴

Consideration of the sources suggests that each of these factors played a part but it is not clear which were symptoms and which were causes. In general the sources do not discuss the party's demise in any detail, mainly because they have other objectives. For example Hasluck commented that 'a volume of history of Australia during the war of 1939-45 is not the place to pursue further the political history of either the Labor Party or the two non-Labor parties'.¹⁵

¹¹ Arthur Fadden, *They called me Artie*, Melbourne, 1969.

¹² Ellis, *op. cit.*

¹³ Tiver, *op. cit.*, p. 30; P. Hasluck, *Australia in the War of 1939-1945, The Government and the People*, Canberra, 1952, 1970, Vol. 1, pp. 492-3, 564-5; Vol. II, p. 364; Gerard Henderson, *Menzies Child: The Liberal Party of Australia 1944-94*, Sydney, 1994.

¹⁴ Menzies, *op. cit.*, p.18. The three Ministers were Sir Henry Gullett, Minister for Scientific and Industrial Research, Geoffrey Street, Minister for the Army, and James Fairbairn, Minister for Air & Civil Aviation. They died in an air crash on 13 August 1940.

¹⁵ Hasluck, V.II. *op. cit.*, p. 388.

The collection of essays, *Australian Conservatism*, edited by Cameron Hazlehurst, is a major source focusing on the right-wing of Australian politics. In this collection the UAP was the subject of studies by Lex Watson and Philip Hart, who examined the financial arrangements of the party and the supporting UAP finance committees, crucial factors in the party's support system. In the same collection Peter Aimer and Peter Loveday considered the nature of the UAP in their studies of its successor, the Liberal Party of Australia.¹⁶ These essays all contribute substantially to the understanding of the problems within the UAP.

In the general histories the UAP appears as peripheral to the main narrative. The leadership problems of 1939 and the party's role in the formation of the Liberal Party are the aspects most usually addressed, as for example in Alexander's and Crowley's histories.¹⁷ The works of Geoffrey Sawer and Paul Hasluck were more focused on the political scene, and Hasluck offered some perceptive comments on the party's beginnings and some thoughts on its demise, but both accounts are necessarily brief and components of a wider study. Jupp also provided a succinct analysis of the UAP, its record and eventual 'collapse', though without any discussion of the reasons for its disappearance.¹⁸

Scattered and fragmentary primary sources present a problem. According to Hart, the records of the UAP were destroyed on the formation of the Liberal Party in 1944-45, handicapping research on the party's activities. But, given the party's general lack of organisational discipline, it is doubtful whether its records would have yielded much detailed information.¹⁹ The main primary sources for the UAP are the personal papers of several of the most prominent people connected with the party, the records of the IPA, parliamentary records and the newspapers of the era.

The major newspapers of the period, such as Sydney's *SMH* and *Daily Mirror* and Melbourne's *Age*, *Argus* and *Herald*, compensate to some extent for the lack of party records. They also have their own legitimate place in the historiography by providing

¹⁶ Hazlehurst *op. cit.*; Aimer, *op. cit.*, pp. 213-7; Loveday, *op. cit.*, pp. 239-262.

¹⁷ F. Alexander, *Australia since Federation*, Melbourne, 1976. (First published 1967); Frank Crowley, (ed.), *A New History of Australia*, Melbourne, 1974.

¹⁸ Sawer, *op. cit.*; Hasluck, *op. cit.*; Jupp, *op. cit.*, pp. 129-32.

¹⁹ Hart, *op. cit.*, p. vi.

contemporary reports of political speeches, interviews with politicians and editorial comment on events as they unfolded. Though they must be approached with caution as open to bias and manipulation from their proprietors, newspapers are important because the politicians of the day took them seriously, using them both to obtain and dispense information, and as the main source of news and informed opinion for the public.

There are some difficulties with the sources in general because precise information on the more sensitive issues is not always available. Various accounts of relevant events must be compared and contrasted to try to establish the facts, making speculation unavoidable in some instances.

This thesis will trace the course of the disintegration of the UAP through these sources, to try to fill a gap in the historiography by explaining how and why an apparently popular political party, which had attracted sufficient electoral support to remain in office for ten years in the federal sphere, was so categorically rejected by the electorate in 1943 that it subsequently vanished from the political scene as if it had never existed. It will focus on the federal scene in the years 1939–43, from the death of party leader and Prime Minister Joe Lyons to the 1943 election campaign. During these critical years the UAP suffered a series of internal and external disasters that betrayed its unstable structure and brought about its downfall.

To provide background and to facilitate an understanding of the issues and events of 1939-43, the first chapter will examine the origins, composition and leadership of the party in 1931, factors which gave the organisation its character and delineated its policies. The second chapter will consider how the circumstances of the UAP's origins and the quality of its leadership contributed to major party disruptions between 1939 and 1943, and how these in turn worked to undermine its cohesion and alienate electoral support, presaging the party's failure at the elections of 1943. There were several major and minor upheavals, but the thesis will concentrate on those that can be seen as the most destructive: namely the leadership struggle after the death of Joe Lyons and the subsequent Coalition split in 1939;

the resignation of Menzies in 1941; the defections over the Military Service Bill; and the effects of the National Service Group dissidents in 1943.

The third chapter will examine UAP election tactics of 1943 to consider how the divisions within the party contributed to an irresolute and indeterminate campaign that resulted in a comprehensive defeat at the polls. It will focus on the most damaging factors in the Coalition campaign: the conflict over post-war credits; arguments over defence preparedness; negative anti-Labor propaganda compared to the positivism of the ALP campaign, which was based upon the character of John Curtin; and the effect of the entry of so many minor parties and independents.

The basic argument of this thesis is that the UAP collapsed because as an association of diffuse anti-Labor political forces brought together under a populist leader to deal with a specific political crisis, it always lacked a clearly articulated political faith and failed to develop a federal organisation to formulate and define political principles, coordinate state and federal supporters and give the party a focal point. The party was able to provide relatively stable, though unenterprising, government from 1932 to 1939, due to an unusual political climate engendered by the Depression and the absence of challenge from the opposition Labor party. But in 1939 its artificial structure began to destabilise under the combined pressures of impending war and the loss of its popular leader. Under these pressures, membership loyalties and priorities shifted and simmering personality clashes intensified, bringing opposing factions into open and destructive conflict, undermining then unseating the Coalition Government and leading to a resounding election defeat in 1943. The superficial unity of the party, already badly fractured, then gave way completely and the UAP fell apart.

CHAPTER 1

THE BEGINNING

The United Australia Party was formed on 7 May 1931. It was formed by a coalescence of diverse right-wing forces in response to a political and financial crisis amounting almost to panic, brought about by the circumstances of the Depression.

The party has been described as an ‘arrangement’ rather than a political party, an arrangement designed to take advantage of Joe Lyons’ popularity, to oppose the financial policies of the Federal Labor Government led by James Henry Scullin, and to undermine John Thomas Lang, the Labor Premier of New South Wales¹ It was an arrangement initiated by a Victorian financial consortium, and incorporated and replaced the Nationalist party led by John Latham, who resigned as party leader to make way for Lyons. Lyons was selected to lead the new party because he had received popular acclaim for his resistance to the Scullin Government’s fiscal policies and because his views on finance coincided with those of the Nationalist Party and the financial consortium or junta that brought the UAP into existence.

The opposition Nationalist Party, which had been in office since its formation in 1917, in coalition with the CP from 1923, was in retreat after losing Government in 1929. The defeat had cost it thirteen seats, including the seat of

¹ C A Burmester, *National Library of Australia, Guide to the Collections*, V4, Canberra, 1982, p. 486.

the Prime Minister, Stanley Melbourne Bruce, but it retained a majority in the Senate that enabled it to block any legislation of which it might disapprove.

The political crisis was brought to a head on a wave of opposition to the economic approach of the Scullin Labor Government, which was in severe difficulties over the unprecedented fiscal emergencies of the Depression and which dithered between orthodox and radical remedies to deal with them.

The Scullin Government's difficulties were exacerbated by Lang, who advocated the extreme measures of compulsory interest rate reduction and overseas debt repudiation, measures which attracted some ALP members but repelled others and which were viewed with alarm by the business and banking worlds.

The divisions in the ALP ran deep and on 4 February 1931 two senior Ministers, Lyons and J E Fenton, resigned from the Government in protest at the reinstatement of E G Theodore as Treasurer. They claimed it was because he had not yet been cleared of allegations of 'fraud and dishonesty' while Premier of Queensland, though they were probably just as much influenced by a mistrust of his unorthodox expansionist financial policies. The resignations were followed on 13 March 1931 by the defection of Lyons and Fenton and four other members from the Labor Party.² This was a drastic step, especially on the part of Joe Lyons, who had been a committed Labor man for 22 years³, and clearly illustrates the depth of the divisions in the ALP.

Lyons was Acting Treasurer from 1930-31, during the absence of Scullin in Britain and while Theodore was suspended. He had acquired a popular national profile by opposing in Caucus the compulsory conversion of a £28 million internal loan falling due on 15 December 1930 and held by Australian 'representative taxpayers and citizens'.⁴ Lyons refused to accept the Caucus decision, seeing it

² Sawyer, *op. cit.*, p. 6. The other four were: J A Guy, Bass, Tas.; J M Gabb, Angas, SA.; J L Price, Boothby SA.; and later (16 March) D C McGrath, Ballarat, Vic.

³ CPD, 12-13 March 1931, p. 230.

⁴ CPD, 4 December 1930, pp. 1000-3; 16 October 1931, p. 823.

as repudiation and dishonourable practice, and was supported by Prime Minister Scullin, by cable from London. Lyons then campaigned vigorously to make voluntary conversion of the loan a success.

His campaign was aided and orchestrated by prominent Melbourne businessmen with 'saturation' advertising and promotion in newspapers, over the radio, in cinemas and in rallies across the country. Lyons promoted the conversion loan on an emotional and patriotic basis, emphasising the principles of 'sound finance' and the honour of Australia. The campaign resulted in an over-subscription of £1.75 million and was a personal triumph for Lyons, his actions applauded by almost every newspaper in Australia.⁵ It was this immensely successful campaign which 'brought him [Lyons] into the limelight and disclosed political talents which to many seemed extraordinarily well attuned to the times'.⁶

The success of the loan campaign and his courageous defiance of Caucus made Lyons the hero of the hour. 'Honest Joe', as he was christened by the Melbourne *Herald*, was seen as ready to save Australia from the extremes of the doubtful Theodore-Scullin financial policies, which people feared would bring ruin to the country.⁷

During the campaign Lyons had worked closely with a body of Melbourne businessmen known as the 'Group', which was to become a strong influence on him throughout his political career.⁸ The Group, impressed with his leadership qualities and in consultation with R W Knox, Chairman of the National Union(Victoria), an organisation which supported the Nationalist Party, offered Lyons its full support and the support of other businessmen if he would leave the

⁵ Hart, *op. cit.*, p. 78; *SMH*, 9 December 1930; *Age*(Melbourne), 10 December 1930; *CPD*, 16 October 1931, p. 825; Enid Lyons (Dame), *So we take Comfort*, London, 1965, pp. 164-8.

⁶ Martin, *op. cit.*, p. 83.

⁷ G Souter, *Acts of Parliament*, Melbourne, 1988, p. 276; K. Perkins, *Menzies, Last of the Queen's Men*, Adelaide, 1968, p. 46; Hart, *op. cit.*, p. 166.

⁸ Martin, *op. cit.*, p. 83, names the 'Group' members as: Staniforth Ricketson, R. G Menzies, A Norris, Sir John Higgins, Ambrose Pratt, and Kingsley Henderson.

Labor Party with the idea 'that he should be made leader of the Nationalists'.⁹ Lyons, believing that the Labor Party's expansionist policies would bring 'an increase of unemployment, misery and destitution' felt that he had no other option but to leave the Party.¹⁰

The machinations of the select business community led by the Group and the National Union, to make Lyons a conservative leader were both complex and clandestine. But it is clear from the evidence available that the influential businessmen, with interests ranging through finance, insurance and journalism, and who supported the Nationalist Party, were casting around for a more charismatic candidate than Latham to lead the conservative forces into an election victory against the Labor Government.¹¹ 'Honest Joe' Lyons must have seemed the ideal candidate. Not only would he attract the support of the moderate Labor voter, he was also immensely popular with the general public, who responded warmly to his down-to-earth ordinariness; he believed in 'sane' finance and was demonstrably a man of courage, transparently open, honest and reasonably pliant.

The next step was taken at a secret meeting of the Group and the National Union on 13 April 1931, when Latham, under 'severe pressure and after complex discussions', agreed to resign the Opposition leadership in favour of Lyons and become his Deputy.¹² The CP, always fiercely independent, declined to join the new partnership, though it was willing to co-operate with it against the Scullin Government. Earle Page, leader of the CP, with a characteristic lack of artifice, declared that 'the mob behind the Lyons-Nationalist Coalition are all big

⁹ Hart, *op. cit.*, pp. 92, 96.

¹⁰ *CPD*, 12-13 March, 1931, p. 230.

¹¹ See: Lyons papers, NLA, MS 4851, Box 1, Folders 6-8; Latham papers, NLA MS 1009, series 49; see also Hart, *op. cit.*, pp. 86-96, Lloyd, *op. cit.*, pp. 55-6; Martin, *op. cit.* pp. 83-93.

¹² Martin, *op. cit.*, p. 89; P. Hart, 'Lyons: Labor Minister—Leader of the UAP', in *Labor History*, 17 October 1970, p.49; Hart, *J A Lyons, op. cit.*, p.120; Lyons to Scullin, 7 May 1931, Lyons Papers, NLA MS 4851, Box 1, F.8.

Melbourne manufacturers, and would have no more mercy on us than on Latham, who they have buried alive'.¹³

Though Hart and Lloyd have unravelled many of the complexities of the process, the means whereby the UAP acquired a leader before it became a party remains one of the more complicated and unedifying episodes in Australian political history.¹⁴ A notable corollary is that in 1935 Latham became Chief Justice of the High Court and there is a commonly-accepted theory that this was a *quid pro quo* for him standing aside for Lyons.¹⁵

While Joe Lyons was going through his metamorphosis from Labor stalwart to conservative leader, new right-wing movements, arising from feelings of alarm about the Scullin Government's perceived fiscal mismanagement, were also emerging. The alarm, fuelled by the victory of the Lang Government in New South Wales in October 1930 and its default on interest due to the Commonwealth in March 1931, grew stronger and became widespread as the Depression deepened. Lyons' well-publicised loan campaign in December 1930 and his shock resignation from the Labor Party in February 1931 increased the tense atmosphere and new citizens' groups sprang up in response, calling for a united front against the Scullin-Theodore-Lang policies.

Citizens' Leagues appeared in South Australia, New South Wales and Victoria, the All-for-Australia League and the Sane Democracy League were formed in New South Wales and Victoria, together with several other minor organisations across the country. During April 1931 Lyons embarked on a triumphal tour of the Eastern States, addressing many of the organisations in order to 'put his case to the people'.¹⁶ Before setting off on his tour he had volunteered to Latham that he would 'harness for political purposes the great

¹³ Earle Page to A. Cameron, MLA, SA, 29 April 1931, Page papers, NLA, MS. 1641, Folder 81.

¹⁴ Lloyd, *op. cit.*, pp. 53-6, Hart, 'Lyons: Labor Minister-Leader of the UAP', *op. cit.* pp. 45-51.

¹⁵ Martin, *op. cit.*, p. 89; Watson, *op. cit.*, p. 85.

¹⁶ E. Lyons, *op. cit.*, p. 175.

wave of feeling which the Leagues represented'.¹⁷ He drew large crowds and rapturous responses in Adelaide, Ballarat, Melbourne and Sydney, where he was acclaimed as 'the leader Australia is seeking'.¹⁸

The Nationalist Party and its supporting business interests opportunistically moved to capitalise on this political climate of patriotic enthusiasm for Lyons and against the Labor Government. It arranged conferences at which Lyons was a prominent figure, and where right-wing organisations from across the country were invited to become part of the United Australia Movement. Invitations specified a need to give effect to a 'general desire of unity among all parties and individuals who are opposed to the dishonest policies of repudiation and inflation and to the destructive forces of communism', a statement which demonstrates the negativity of the movement.¹⁹

The conferences brought the separate groups together to establish the foundations of a new party and the process was completed on 7 May 1931. The Nationalist Party amalgamated with Joe Lyons' breakaway Labor group and the United Australia Movement to form the UAP, with Lyons as leader.²⁰ The creation of the UAP, in the emotional and patriotic atmosphere of a crusade, propelled Lyons, ex-Labor Minister, into becoming the acclaimed leader of a right-wing populist party with vaguely-defined nationalist ideals based on loyalty to the Empire and opposition to Labor.

The major role of business groups in the formation of the UAP and their continuing financial support indicates strongly that the Party was 'arranged' to support their anti-socialist interests as well as to meet the specific economic problems of the Depression. Business interests were influential in every aspect of the UAP's creation: the suborning of Joe Lyons and the amalgamation of a small band of Labor rebels, a populist patriotic movement and the existing

¹⁷ Martin, *op. cit.*, p. 88.

¹⁸ E. Lyons, *op. cit.*, p. 175; *Adelaide Advertiser*, 9 April, 1931; Martin, *ibid.*

¹⁹ Unsigned copies of letters dated 24 April 1931, in Lyons Papers, MS 4851, Box 1, F8.

²⁰ Hart, 'Lyons: Labor Minister—Leader of the UAP' *op. cit.*, p. 51. Martin, *op. cit.*, p. 92.

Nationalist Party into a right-wing party with a new look and a new name. The continued support Lyons received from the backers, underscored by Menzies' later determination to refuse to countenance any pecuniary involvement from outside financial interests when the Liberal Party was formed, support the conclusion that business interests exerted a strong influence over both the UAP and Joe Lyons.²¹

These antecedents show that the various components of the UAP, including the sponsor bodies, were united by just two major objectives: the defeat of the Labor Government and the adoption of orthodox financial policies to deal with the economics of the Depression. The party's eventual collapse can be traced to these beginnings. With its roots in a defensive response to serious financial difficulties, the implication is that once the problems were resolved the alliance would no longer be binding and the party would be in danger of losing coherence and might easily revert to factionalism.

Its heterogeneous beginnings also ensured that the UAP could never be a tightly-knit organisation with clearly defined political objectives and shared interests, in the manner of the ALP and the CP. Rather, it was an alliance of expediency, attracting members with different concerns, united only by a rejection of the Labor Government's financial policies and vaguely expressed patriotic ideals.

Resolutions from a special meeting of the sub-committee on policy held at Parliament House in July 1931 listed as policy objectives: unity of the Empire, support of Britain and preferential trade; maintenance of co-operation with Britain for defence; support for the League of Nations; maintenance of the White Australia policy; and resistance to communism. These resolutions clearly reflect the generalised nature of the party's objectives.²² Resolution 6 from the National Federal Conference held in Melbourne on 19 April 1931 disingenuously declared

²¹ Watson, *op. cit.*, p. 72.

²² Lyons Papers, NLA, MS 4851, Box 1, F7.

'*The movement is not anti-Labor* but is opposed to all such proposals as inflation repudiation and communism'.(my italics)²³

The vague rhetoric of the policies quoted above captures the very essence of UAP attitudes, which only rarely proposed hard edged propositions on social, trade or industrial matters. It was a patriarchal 'Trust us, we will put everything right' offer to the country.

Several names have been given to the UAP to reflect its miscellaneous membership: Eggleston described it as a 'residual party', representing all those whose interests did not align with the more clearly identifiable sectional parties like the ALP and the CP. A 'residual' party attracts support from a broad range of people and organisations whose main unifying purpose is a desire to resist the more extreme policies of the vested interest parties.

The diversity of views renders a residual party liable to factionalism and divisiveness, as well as propelling it into policies of negativism in opposing the more definite objectives of the sectional parties.²⁴ Ulrich Ellis, a political secretary to Earle Page, picked up the remainder theme, mockingly calling the UAP the 'party of spare parts', a phrase also used by Archdale Parkhill, General Secretary of the Nationalist Party in New South Wales.²⁵

On these unconventional foundations the UAP went on to win the election of December 1931 and remained in office either alone or in coalition with the CP from January 1932 to October 1941, although it always lacked any but the most rudimentary formal organisation in the federal sphere. The federal UAP, comprising only elected members of Parliament, functioned throughout its existence without a federal policy platform, without rules, conferences, executive or secretary to support it and provide a unifying influence.

²³ John Latham to J A Lyons, *Melbourne Resolutions*, 15 April 1931, Lyons' papers, NLA, MS 4851 Box 1, F7.

²⁴ F W Eggleston, *Reflections of an Australian Liberal*, Melbourne, 1953, p. 125.

²⁵ Ulrich Ellis to Earle Page, 26 December 1931, Page Papers, NLA MS 1633/2559/11; *Daily Telegraph*, 30 May, 1931.

National co-ordination of the federal parliamentary party, the major sponsor bodies (the National Union of Victoria and the Consultative Council of New South Wales) and State organisations, as well as basic policy and party management were left almost completely to Lyons as federal Parliamentary leader.²⁶ In effect, Lyons was the UAP's federal organisation, supported by the Deputy Leader (Latham, 1931-34; Menzies 1934-39) and assisted by the senior members of his Cabinet and the sponsor bodies. Thus the infrastructure and national coherence of the UAP was an informal *ad hoc* arrangement, heavily dependent on the unique personality and abilities of Lyons, supported by the activities of the sponsors.

This central function of the party leadership was the major deviation by the UAP from the usual concept of a democratic political party, where there is usually a Chairman and a secretariat to coordinate communication between the federal Parliamentary party and its grassroots supporters. The result was a hierarchical party structure controlled from the top down, limiting opportunities for rank and file members to participate in decision making.

But it was not just in his capacity as leader that Lyons was central, even essential, to the organisation of the UAP. His individual characteristics of charm, affability, negotiating and mediating skills, combined with the industriousness, administrative competence and experience drawn from his days as Tasmanian Premier(1924-1928) made the unorthodox structure work. When he died suddenly in 1939 there was no-one of sufficient status and similarly tractable personality to replace him.

It is a mistake, however, to assume that the UAP's lack of an organised federal political base was accidental or due to apathy or ineptitude. Lloyd has shown that the UAP could have adapted the existing functional base of the Nationalist Party, which it had absorbed, but this was allowed to lapse at federal

²⁶ Lloyd, *op. cit.*, pp. 244-90, 295.

level, though state organisations continued to operate in Victoria and New South Wales.²⁷

It can be argued that in fact the amorphous nature of the UAP suited many of its leading members, including Joe Lyons who, smarting from his joust with the ALP Caucus, was probably wary of any challenge to his authority and 'frequently praised the freedom of the UAP as compared to the oppressive ALP'. He is on record as calling, in emotive language, for an end to 'the crippling fetters of the party system'.²⁸

The major sponsors were probably also reluctant to surrender any control or influence over the parliamentary UAP and this reluctance, together with the Burkean ideal held by UAP members, were powerful factors contributing to the continued absence of a national structure. The sponsors clearly preferred to deal directly with Lyons rather than an intermediary. It was an arrangement that suited them very well, given Lyons' pliant nature, his ability to placate the CP and his willingness to 'take advice' from his backers.²⁹

The lack of a formal federal structure, though not a pressing concern to all members, did trouble some and there is evidence that attempts were made early in the life of the party to build a federal mechanism, attempts which the controlling financial groups resisted by the simple expedient of refusing to fund them.³⁰ They were prepared to provide administrative assistance to Lyons in his work as federal leader and co-ordinator of the UAP, but resisted attempts to establish a comprehensive national framework. As early as 19 April 1931, even before the UAP was formally announced, Resolution 4 of the Australian National Federal Conference held in Melbourne, stated:

That for the purpose of procuring a single organisation throughout Australia to secure the return of United Australia candidates the separate organisations in each

²⁷ *Ibid.*, p. 220, also Chapters 11 and 12.

²⁸ *Argus*(Melbourne), 28 March 1931; Lloyd, *op. cit.*, p. 293.

²⁹ P Hart, 'The Piper and the Tune', *op. cit.*, pp. 113-4, 119, 120, 124; Watson, *op. cit.*, p. 86.

³⁰ Lloyd, *op. cit.*, p. 295; W J Hudson, *Casey*, Melbourne, 1986, p. 82.

state be urged to appoint a representative central committee to bring about such a result before the next Federal Election if time permits.³¹

There is no indication that this proposal was ever implemented. In May 1934 the Liberal Country League of South Australia suggested to Knox and Willis, officers of the National Union, that a national finance committee should be set up, but the response was that 'no further organisation for the collection of funds was desired'.³² In 1941, the formation of a 'consultative committee' was suggested by Tom Hollway, parliamentary leader of the Victorian UAP, to facilitate the exchange of ideas between organisational members and politicians, but again the suggestion came to nothing.³³

Perhaps the clearest indication of the reluctance of the sponsor bodies to support any national framework for the UAP was the abortive attempt by Richard Gardiner Casey, an assistant minister in Lyons' Government from 1933 and Treasurer from 1935-39, to establish a Research and Publicity Bureau.

Casey proposed a Bureau with a director and staff, including a publicist, to undertake 'long-range' thinking on anti-socialist policy; assist the leaders of the 'anti-socialist' forces in the day-to-day work of government and originate and promulgate effective publicity throughout Australia. It would co-ordinate the advice of Departments with the extra-parliamentary bodies, and provide better continuing publicity instead of 'neglecting publicity between elections'. The Bureau would be located in Canberra and work in the interests of what Casey called the anti-socialist' forces in federal Parliament.

Casey discussed the Bureau with Latham in 1931 and again with Bruce in 1932. Latham supported the idea and suggested he (Latham) take it up with the Prime Minister and with the Consultative Council; Bruce also agreed that such an

³¹ *Melbourne Resolutions April 19th*, Lyons Papers, NLA, MS 4851, Box 1, Folder 8.

³² Watson, *op. cit.*, p. 80.

³³ Aimer, *op. cit.*, p. 229.

organisation was 'imperatively necessary' and that the Prime Minister 'cordially agrees'.³⁴

This was the most serious and practical proposal to form a national organisation and, if implemented, could have provided the party with a unifying and stabilising element. It apparently had some support, though possibly lukewarm, from Lyons, who on at least two occasions took the proposition to the National Union and the Consultative Council. But though Casey received tacit support for his Bureau from some very influential people, it was never accepted or acted upon by the sponsors 'with Sydney crying poverty and Melbourne noting that it was already paying the office and travelling expenses of Lyons and Latham'.³⁵

Lloyd commented that 'The two major sponsors concentrated their spending and underwriting on election campaigns, and were reluctant to fund organisational work of any kind.'³⁶ That their financial support for a national organisation was considered essential is in itself eloquent testimony to the power and influence of the sponsors in the UAP, and their willingness to use it in their own interests.

The actual source of funding is not well documented but there is enough evidence to suggest that the National Union and the Consultative Council employed fund-raising methods based on independent finance committees in the States soliciting donations from businessmen.³⁷

Hart claims that these committees existed in every state and that all the principal fields of private enterprise were involved, though their existence, and especially the membership of the executives, were kept as secret as possible.³⁸ The UAP 'was financed in most states by self-appointed and largely secretive

³⁴ Casey to Latham, 14 September 1931, Latham to Casey, 8 October 1931, Casey to Bruce, 5 May 1932, Latham Papers, NLA, MS 1009, Series 49/78-79, 51/15.

³⁵ Lloyd, *op. cit.*, p. 222; Hudson, *op. cit.*, p. 82.

³⁶ Lloyd, *op. cit.*, p. 225.

³⁷ Watson, *op. cit.*, p. 73; B D Graham, *op. cit.*, pp. 367-79.

³⁸ Hart, 'J A Lyons', *op. cit.*, p. 158.

groups of men independent of the extra-parliamentary organisations'.³⁹ These donors were not giving from philanthropic motives but to support policies favourable to their operations:

The chambers of manufactures of Victoria and New South Wales gave their solid support to the UAP, precisely on the understanding that protection would be retained at a level satisfactory to these chambers.⁴⁰

The ethical implications of the management of the funds by officers of the principal sponsor bodies are important because of the influence accruing from the control and expenditure of the funds. Watson and Hart have examined the sources and influences of UAP funding and though there are no unequivocal conclusions on whether undue influence was exerted by contributors on either Lyons or the party, it is clear that the fund raising activities of the sponsor bodies were a vital component of the organisational structure of the UAP. In this way the sponsor bodies fulfilled the fund raising functions usually carried out by a federal party organisation.

While Hart claims, with some justification, that Lyons was the 'most important single element in the party structure', the two major UAP sponsors were also dominant managing forces in the federal UAP and there can be little doubt that without them it would have ceased to function.⁴¹

In any study of the UAP, Lyons emerges as the linchpin of party unity and stability as well as the driving force for federal coordination of party supporters. Nowhere is this better illustrated than in the ugly struggle for leadership that followed his death, and in the inability of the UAP to find a leader who could command party loyalty to replace him. It is difficult to assess why Lyons possessed this almost charismatic leadership quality when so many commentators dismissed him as mediocre. Bruce patronisingly asserted Lyons was:

³⁹ Watson, *op. cit.*, p. 73.

⁴⁰ Kosmas Tsokhas, 'Business, Empire and the United Australia Party', *Politics*, 24(2), November 1989, p. 40.

⁴¹ Lloyd, *op. cit.*, pp. 224-5; Hart, *J A Lyons, op. cit.*, p.174.

...a delightful person. He couldn't run a government but he could win elections. His resemblance to a cheerful koala, his eleven children, his family-man appeal and his essential humanity, were irresistible to the voters.⁴²

Or the more insightful 'Lyons was a conciliator, a peace man, and, of course, a born rail sitter'.⁴³ He was also damned with harsher criticism:

Notwithstanding repeated avowals of loyalty to the Prime Minister by his colleagues, it is no secret that they do not regard him as an inspired leader. His virtues in office have been of a negative order. He has given Australia humdrum politics. They have not been uplifted by his leadership. For he hasn't cheered them in his struggles to make the best of things. Mr Lyons has been a plodding patriot and sterling though his very ordinary gifts may be, he has neither the lilt nor the brisk tempo that sets the nation marching gaily forwards.⁴⁴

It would appear, then, that Lyons' major leadership quality was personal charm combined with a desire to please and an ability to placate conflicting factions, rather than any visionary ideals. It is a speculation that reinforces the idea that he was kept in power by the party's financial backers, with the concurrence of the CP and its leader Earle Page, because he was amenable to their suggestions on policy, brought the Government a facade of national unity and was unlikely to 'rock the boat'.⁴⁵ His death fractured this symbiotic nexus and the much less pliable character of Menzies, who succeeded him, was not so acceptable to either the party's backers or to Earle Page.

While Lyons' propitiatory and conciliatory leadership strategies maintained a veneer of party unity and stability, on another level, beyond personalities, it could be argued that the strategies undermined the party by rendering it ineffective. The UAP in Government achieved little of note and functioned fundamentally as an administrative body rather than a policy formulator.

In part this was due to the party's lack of interest in policy development and can be traced to the absence of a clearly explicated policy direction, though it is generally ascribed to the need to comply with the Premiers' Plan and to pursue

⁴² C. Edwards, *Bruce of Melbourne*, London, 1965, p. 208.

⁴³ Keith Murdoch, 4 January 1939, quoted in D Zwar, *In Search of Keith Murdoch*, Melbourne, 1980, p. 89.

⁴⁴ *Smiths Weekly*(Sydney), 30 June 1934.

⁴⁵ Edwards, *op. cit.*, p. 231.

orthodox financial and social policies to overcome the effects of the Depression.⁴⁶ But the contentious shelving of the national insurance scheme supports the argument that Lyons was unable to pursue definitive legislation because of conflicting pressures on the UAP from outside influences.

The *National Health and Pensions Insurance Bill* was designed to provide a national, funded pension scheme and unemployment benefits. Steered through Parliament by R G Casey, then Treasurer it actually passed into law in June 1938, and the administrative machinery was put in place, but it was dropped in February 1939 due, according to a Cabinet Memorandum, to pressure from 'various sections of the community', the need for increased war expenditure and a 'risk of electoral defeat'.⁴⁷

Available evidence indicates that the legislation was never implemented because of resistance by the CP and the UAP's backers, who were opposed to the funding arrangements.⁴⁸ The fate of the scheme, the most adventurous initiative undertaken by the Lyons' administration, clearly revealed the UAP's inability to implement its own policies. Menzies, who had made a public commitment to the legislation, resigned in protest at the shelving of the Bill, opening a major breach in the Coalition.⁴⁹

Lyons' leadership strategies protected the Coalition from the breakdown that a more dynamic leadership might have caused, as was to prove the case with Menzies, but at the cost of constructive and enterprising policies, and in the end, of the party's stability. His policy of appeasement kept the UAP together, but prevented it from achieving any major legislative success on which it could look back with pride, discouraged consideration of effective policies for the future,

⁴⁶ The Premiers' plan was adopted by State and Federal Governments and signed in June 1931, to adopt various deflationary fiscal measures to deal with the economic problems of the Depression.

⁴⁷ Cabinet Memorandum 75, Australian Archives, nd, c. February, 1939, AA1968/391 Item 75.

⁴⁸ D J Lancaster, *An Account of the Development and Failure of National Insurance in Australia: 1923-1939*, BA Honours Thesis, ANU 1996; Martin, *op. cit.*, pp. 249-51; Hudson, *op. cit.*, p. 105; Page to Lyons 24 February 1939, Australian Archives, Series AA1972/341 Item 85.

⁴⁹ Menzies papers, NLA MS 4936/30/489.

and precluded the development of a coherent and plainly articulated political purpose.

A comment in the *SMH* on 17 March 1939, indicates that Lyons' leadership approach was causing public concern:

to hold the Ministry together he [Lyons] has had to compromise heavily, and latterly disastrously, on national policy. Accepting these limitations Mr Lyons had shown exceptional powers of diplomatic management and resources. But it must be said that a more masterful leader never would have accepted them in the same degree. ...The deadweight of CP sectionalism and inept administration, among other things, might have borne it [the Government] down already if there had been an alternative Government in sight.⁵⁰

Yet the complex conciliatory leadership style of the uncomplicated Joe Lyons was fundamental to the functioning of the UAP. It was a style which his successor, the complicated Mr Menzies, was neither able nor willing to emulate.

Menzies, who succeeded Lyons in 1939, led by command and demand. He was a successful Victorian lawyer who had served in both Houses of the Victorian Parliament and had been Acting Premier for three months. He was seen as a likely UAP leader from the beginning of his career in Federal Parliament, when, in 1934, he won the seat of Kooyong, vacated by John Latham, and succeeded him as Attorney-General.

Menzies' entry into Federal Parliament was sponsored by the National Union as a successor to Joe Lyons, as indicated in a letter Lyons wrote to his wife: 'as we induced Menzies to come in in expectation that he would succeed me I was quite prepared to stay out or go in according to their wish'.⁵¹

Described as vain, arrogant and impatient with those he considered inferior to himself, Menzies' condescending air aroused considerable antagonism and he was regarded by many as 'conceited and ambitious for office'. Hazlehurst commented that 'Menzies seemed to be imprisoned within an image of aloof

⁵⁰ *SMH*, 17 March, 1939. This comment was made in relation to the resignation of Menzies over the shelving of the National Insurance scheme.

⁵¹ Lloyd, *op. cit.*, p. 296; Hart, *J A Lyons, op. cit.*, p. 194; J Lyons to E Lyons, undated, c.1933, Lyons Papers, NLA MS 4852, Box 28.

superiority, of contempt for his associates and opponents'.⁵² But Menzies also had supporters who saw him as a strong, intelligent and reliable leader. 'Mr Menzies is a natural leader, a man of brilliant intellect, determined, farseeing, and gifted with the invaluable asset of innovation'.⁵³

Menzies' resignation over the National Insurance Bill was interpreted by some as an attempt to destabilise Lyons and a bid for the leadership, rather than the matter of principle he claimed.⁵⁴ As it came on the heels of a speech made in 1938, also interpreted as a bid for the leadership, in which he appealed for 'inspiring leadership' in the event of a war in Europe, he was blamed for hastening Lyons' death by adding to the strain of his office.⁵⁵

Because the UAP governed in Coalition with the CP from 1934 until 1941, any discussion of the UAP leadership must include CP leader Earle Page. The CP was a difficult and demanding partner. The extent of its demands can be determined in the events after the General Election of 1931 when it refused to enter a Coalition without agreement on major items of policy, which included tariff reform, deportation of communists and the creation of new States. Ulrich Ellis even suggested that the CP, with 16 seats in the House of Representatives, should become the official Opposition instead of the ALP with 13 seats, a suggestion that, though not implemented, is an indication of the party's resolute independence.⁵⁶

In 1931 the UAP was able to form a government without the CP, and could resist its demands, but from 1934, when CP support was needed, there is no doubt that its policies exerted a strong influence, perhaps out of proportion to its mandate, on the Lyons' Government.⁵⁷

⁵² Martin, *op. cit.*, pp. 272-3, 278; Alexander, *op. cit.*, p. 99; Hazlehurst, *op. cit.*, p. 123-4; Sir P. Joske, *Sir Robert Menzies, 1894-1978—a new, informal memoir*, London, 1978, p. 96. Hasluck, V.I. *op. cit.*, p. 115.

⁵³ Hobart *Mercury* 25, 19, April 1939.

⁵⁴ Page, *op. cit.*, p. 274

⁵⁵ C. Hazlehurst, *Menzies Observed*, Sydney, 1979, p. 157.

⁵⁶ Ulrich Ellis to Earle Page, 26 December 1931, Page Papers, NLA, MS 1633/2559/11; see also Ellis, *op. cit.*, p. 186; Sawyer, *op. cit.*, p. 43.

⁵⁷ Martin, *op. cit.*, p. 123.

Page was a strong and inflexible politician, with clear ideas on his political objectives and a determination to get his own way.⁵⁸ He is often presented as a 'red-neck' character and a poor public speaker but he loomed large in Australian politics from his assumption of the CP leadership in 1921 until his electoral defeat in December 1961.⁵⁹ Ellis portrayed Page as a tough, persuasive and tenacious campaigner and it is clear that he was a formidable opponent, not easily swayed by an alternative point of view.

It was no secret that there was deep hostility between Page and Menzies.⁶⁰ Menzies despised the CP's sectional bias, considered Page to be a boor and recognised that he had too much influence on Lyons. Much of the dislike was on a personal level and is difficult to identify clearly in the records, except for Page's remarkable outburst in Parliament on his resignation of the Prime Ministership in April 1939, when he accused Menzies of cowardice.⁶¹

Martin ascribed Menzies' dislike of Page to his 'tough bargaining' with Lyons over the Coalition, and his Country Party parochialism. But there was more than politics involved in the hostile relationship between the two men; personalities were also involved. Menzies apparently was not averse to openly expressing his contempt for Page even to comparative strangers, and he was given to mimicking Page's characteristic 'giggle' for the amusement of his friends. It is quite likely that Page was aware of this and felt insulted.⁶²

Page also resented the fact that when the two were together on trade talks in London in 1938, Menzies was generally regarded as the 'real though not the titular' head of the delegation.⁶³ Page, probably envious of Menzies' talents and successes, also considered him to be treacherous and ambitious, and thought his behaviour, especially his resignation from the Government, to have contributed to

⁵⁸ See for instance Page, *op. cit.*, pp. 229-30; and Ellis, *op. cit.*, pp. 200-7.

⁵⁹ Ellis, *ibid.*, pp. 320, 324; Martin, *op. cit.*, p. 103; Jupp, *op. cit.*, p. 154.

⁶⁰ Martin, *op. cit.*, p. 123, Joske, *op. cit.*, p. 96.

⁶¹ CPD, 20 April, 1939, pp 16-19.

⁶² Martin, *op. cit.*, pp. 220-1, 277-8.

⁶³ *Ibid.*

Lyons' death.⁶⁴ His discussion of Menzies in his memoirs, though discreet, does not conceal his hostility towards him and his 'unconvincing and contradictory attitude'.⁶⁵

Between the years 1932 and 1939 the UAP and Coalition Governments met the initial need that led to the party's formation, providing a non-contentious, non-interventionist administration, but one to which the ALP, which continued to suffer from factional disputes, was unable to offer any serious challenge.

R G Casey described the Government's approach:

We amble along as a collection of individuals doing the obvious things that come to our hand—but doing no forward thinking—and generally managing to avoid or sidestep the difficult problems until they are on our doorstep—then we make a snap line-of-least-resistance decision which is usually costly, and in which we nearly always sacrifice principle. Heaven knows how we have kept out of real trouble—probably only because the opposition, although stronger than in the last Parliament, is really rather ineffective.⁶⁶

During these years Lyons' management skills and public image worked to retain a semblance of unity, and support for his leadership was the major unifying element in the UAP and in the Coalition. But his policy of appeasement towards the CP and the party's sponsors contributed to a lack of focus, other than on Lyons himself. The artificial circumstances of the UAP's formation and its unstable nature as a residual party were exacerbated by its dependence on the unique qualities of Joe Lyons, and the major role of the sponsor organisations.

In these circumstances the death of Lyons gravely weakened the UAP. His demise removed one of the main unifying elements, leaving the party vulnerable to dissension and without the protection of a political purpose or a supportive national organisation to assist in the choice of a new leader. It was the commencement of a steep decline, which was to end in catastrophic defeat in the 1943 federal election.

⁶⁴ Hazlehurst, *Menzies Observed*, *op. cit.*, p. 157.

⁶⁵ Page, *op. cit.*, pp. 266-8.

⁶⁶ Casey to Bruce, 9 December 1934, AA Series A1421, item 1.

CHAPTER 2

THE BEGINNING OF THE END

Lyons was the first Commonwealth Prime Minister to die in office, and this could excuse some of the confusion that followed his death. But once the immediate emergency was over, the difficulties and dissension which arose over the selection of a new UAP leader, and therefore Prime Minister, can be traced to serious deficiencies in the party's forward planning.

The suddenness of Lyons' death shocked everyone and his end came so quickly he had been unable to advise the Governor-General (Lord Gowrie) on a successor. The UAP had been without a Deputy Leader since the shock resignation of Menzies only three weeks previously. Some thought that he should take over as leader anyway, while others favoured Richard Gardiner Casey, Treasurer and architect of the National Insurance Bill, who was said to have been favoured by Lyons.¹

Earle Page, by virtue of his position as Leader of the CP and the terms of the Coalition, was Deputy Prime Minister and in this capacity took immediate control. There are several versions of how the situation was resolved, but the outcome was that Page became Prime Minister for the next nineteen days

¹ Menzies resigned on 15 March 1939. The reason for the delay in appointing a successor was because Lyons was hoping Menzies would return; see Percy Spender, *Politics and a Man*, Sydney, 1972, pp. 24, 40; Edwards, *op. cit.*, p.264; Hasluck, *op. cit.*, V.I. p.112, *fn.* 1; NLA, MS 4851, Box 1, Folder 8.

(7 to 26 April 1939).² Page himself says that when informed of the seriousness of Lyons' condition he immediately summoned for consultation those Ministers readily available in Sydney 'to discuss the constitutional pattern'. This version is borne out by Enid Lyons' account of her husband's death.³

According to Page, Hughes, who had become Attorney-General on Menzies' resignation, advised that on the death of the Prime Minister all other ministerial commissions lapsed. One of Bruce's biographers, Cecil Edwards, (but not Page) says that Page and Hughes then sought advice from Sir John Latham, Chief Justice of the High Court, who recommended that Hughes and Page jointly advise the Governor-General that Page should become Prime Minister 'on his giving an undertaking to resign in favour of whoever was chosen by the UAP to be its leader'.⁴

Page formed his Government on the day of Lyons' death, without changing Lyons' Cabinet, and advised that he would resign his commission once the UAP had elected a new leader but added the rider that neither he nor the CP would be part of a government led by Menzies.⁵

The appointment of Page as Prime Minister seems a reasonable approach in the circumstances, and the *Argus* considered it was the 'only course open to the Governor-General'.⁶ But an undertaking from Page to resign on the election of a new UAP leader would have been required in case he attempted to remain as Prime Minister, which would not have been acceptable to the UAP.

Page's discussion of the issue in his resignation speech to Parliament on 20 April 1939, makes it clear why such an undertaking was necessary. He was at pains to claim his commission had been conferred upon him by the Governor-General without qualifications formal undertakings or signed

² For instance: Spender, *op. cit.*, p. 264; Edwards, *op. cit.*, pp. 261-66; Ellis, *op. cit.*, p. 238.

³ Page, *op. cit.*, p. 268. The Ministers identified by Page were: Hughes, Casey, Thorby, McEwen, Harrison, Thompson, Foll, and MacDonald. E. Lyons, *op. cit.*, p. 276.

⁴ Edwards, *op. cit.*, p. 264.

⁵ Page, *op. cit.*, p. 269.

⁶ *Argus* (Melbourne), 10 April 1939.

documents to indicate he had agreed to resign on the election of a new UAP leader. He claimed he had then advised his Cabinet colleagues 'without any pressure at all' that he would resign as soon as a new UAP leader was elected.⁷ There is more than a suggestion here that Page had considered not resigning.

While the commissioning of Page as Prime Minister in the short-term might have been acceptable to the UAP, his declaration that neither he nor the CP would serve under Menzies immediately changed the complexion of the situation. The UAP leadership choice was reduced to the level of a political brawl by dividing party loyalties towards the candidates on the issue of whether CP co-operation was essential to the Government.

Manoeuvrings and bickerings are not unusual in political leadership contests but they are usually kept under control by party discipline and a desire to present a united front in working towards the common political goal. The rivalry in the UAP was unrestrained by any such consideration and rendered particularly bitter by Page's ultimatum and Menzies' alienation of support by his unfortunately timed resignation.

Page's declaration can only be interpreted as a blatant attempt to remove Menzies from the contest. It was bound to antagonise Menzies and his supporters as well as others in the UAP, who would naturally resent the attempt by the CP leader to manipulate the leadership vote. The declaration probably did influence the voting intentions of some members, though in which direction it would be difficult to say.

Page's attempt to remove Menzies from the contest suggests both arrogance and naiveté and perhaps an underestimation of his opponent. It indicates that his political instincts were blunted by his personal feelings. He may also have thought he could manipulate Menzies into withdrawing from the contest, or into giving assurances of his co-operation on CP policies, an attitude

⁷ CPD, 20 April 1939, p. 15.

that could have been a legacy derived from compliance on the part of the Lyons' administration with CP demands.

Page's action exposed the fragility of the Coalition and the lack of consultative procedures between and within the Government parties. It seems that he made his controversial statement without reference to his party colleagues because it was not until 18 April, eleven days later, that he formally consulted them on this important decision. It was then unanimously supported, though by that time it could have been regarded as a *fait accompli*.⁸

Hasluck speculated whether Page thought he could turn his interim stewardship into a long-term ministry by combining the CP with the anti-Menzies faction of the UAP.⁹ At first this seems doubtful, given Page's oft-repeated comments about willingly relinquishing office to the elected leader of the UAP. Closer analysis, however, suggests that Page could have had personal ambitions for the Prime Ministership. He did canvass the notion of a National Government with ALP leader John Curtin, and claimed that Curtin was prepared to support him until the 15th Parliament had run its course, but Curtin had also made it clear that he would not support a National Government.¹⁰ His comment 'If there could be anything worse than a government consisting of two parties it would be a government consisting of three parties' succinctly summed up the ALP's attitude.¹¹

Ellis also considered that Page could have continued as Prime Minister. 'Had Page chosen to do so he could have continued in office as Prime Minister and he had assurances of support from Curtin.'¹² That the idea was current is confirmed by a paragraph in the *Melbourne Age* on 19 April, after Menzies had been elected UAP leader: 'Suggestions have been made that Sir Earle Page will refuse to resign his commission.' On the basis of these comments it has to be

⁸ Ellis, *op. cit.*, p. 239; *SMH*, 19 April, 1939.

⁹ Hasluck, V.I., *op. cit.*, p. 112.

¹⁰ Page, *op. cit.*, p. 270; The 15th Parliament was elected on 30 November, 1937, due to expire November 1940.

¹¹ *CPD*, 20 April 1939, p. 20.

¹² Ellis, *op. cit.*, p. 240.

considered that Page was probably a serious, if clandestine, contender for the Prime Ministership and that this motivated his declaration that he would not serve in a Government led by Menzies. The idea of the CP leader leading the Coalition as Prime Minister gains credibility in view of the later development when Menzies resigned as Prime Minister in August 1941 and Arthur Fadden, then leader of the CP, became leader of the Coalition and Prime Minister.

While Page may have indeed been a covert aspirant for the Prime Ministership, the obvious and principal candidates were Menzies and Casey. Casey, in contrast to Menzies, was well liked and, as Lyons' Treasurer, had strong claims to the leadership. His work on the National Insurance Bill had also brought him much support, if little success. But he was regarded as weak and a 'lightweight'.¹³ W J Hudson describes him as a man who was liked and admired for his 'industry, probity and knowledge, but not for toughness'—a plausible description when considering his apparently passive acceptance of the decision, generally considered as due to CP pressure, to shelve his major achievement, the National Insurance Bill.¹⁴ The abortive attempt to structure a Research and Publicity Bureau for the UAP is another indication of Casey's lack of drive.¹⁵ Hudson commented that Casey sought support for this project from the business backers of the UAP, rather than from party backbenchers, who might have been more interested.¹⁶

Casey's handling of these issues indicate that he was not a fighter of the calibre of Menzies, Page or Hughes, that he was uncomfortable with backbenchers and unable to rally them to his support. His unassertiveness and lack of fighting spirit help to explain his ill-advised and politically damaging support for Page in the futile attempt to persuade Bruce to relinquish his London post of High Commissioner and return to Australia to become Prime Minister after

¹³ Lord Wakehurst, Governor of New South Wales, 1938, quoted in Hudson, *op. cit.*, p. 108.

¹⁴ Hudson, *op. cit.*, p. 105; Cabinet Memorandum 75, AA, Series AA1968/391 Item 75.

¹⁵ See Chapter 1, p. 20.

¹⁶ Hudson, *op. cit.*, p. 82.

Lyons' death. Obviously Casey was no match for the powers of persuasion of the tough, hectoring Page.

The attempt to persuade Bruce to return to Australia and become Prime Minister after Lyons' death is one of the more curious episodes in Australian politics. It has to be considered in the light of an earlier attempt by Lyons, less than a fortnight before he died, to entice Bruce to take over the Prime Ministership from him. There is no evidence that Page was aware of this but the *SMH* of 14 April 1939 commented that 'Mr Bruce made it clear when he was in Australia [March 1939] that he preferred to return to London', suggesting that Lyons' offer was not a total secret. If Page had been aware of this earlier approach to Bruce it might have made it seem an acceptable, even desirable, solution. According to Edwards, the earlier appeal from Lyons was made initially by the National Union while Bruce was visiting Australia in March 1939, on the grounds that 'the Government is losing ground—mainly because it can't make up its mind on any point', an indication of the continuing proprietorial attitude of the National Union towards the UAP.¹⁷

Page has chronicled in detail his efforts, aided and abetted by Casey, to persuade Bruce to return to Australia. His reason, he said, was that Bruce's experience and his detachment from 'the bickerings and disputes of the Australian parliamentary scene naturally suggested him as the ideal figure to fulfil this exacting role'. Page claimed he was prepared to resign his safe seat of Cowper to enable Bruce to enter Parliament.¹⁸

It is not clear whether Casey was enlisted by Page from the beginning or at the instigation of Bruce. From the evidence of the cables it seems that Casey may have been included in response to Bruce's comment 'What does Casey think?' in the cable on the 12 April 1939, as though support from a respected

¹⁷ Edwards, *op. cit.*, pp. 261-3.

¹⁸ Page, *op. cit.*, pp. 270-1. The full transcript of the Page/Bruce cables and phone calls is in Page, *op. cit.*, pp. 272-3.

UAP member would validate the venture. Page said that 'R G Casey was fully in accord with my point of view'.¹⁹

Hudson has claimed that Casey also asked Menzies to join the appeal to Bruce but, not surprisingly, 'Menzies ... remained aloof'.²⁰ A report in the *Age* indicated that the ubiquitous National Union was again involved, calling it 'the summit of audacity' for an outside body to attempt to 'manipulate the election of a Federal leader'.²¹

What emerges most clearly from this undertaking is that the main objective of the participants was not so much that Bruce should be Prime Minister, but that Menzies should not. If, as the *Age* alleged, the National Union was involved in the project, then it seems that Menzies as a replacement for Lyons was not acceptable to them either, even though he had been closely involved with the Union in the past.

Page's initiative in appealing to Bruce was undoubtedly motivated by his hostility to Menzies, perhaps underpinned by the possibility that he himself might remain in office a little longer. Casey's motivation in joining Page in his petition is not so clear. He claimed it was because 'Australia needed a leader under whom all sections can unite to work to a common end ... I believe Mr Bruce is this man'.²² Casey, who evidently did not have the confidence to push his own candidature, was possibly still smarting from the failure of his National Insurance Bill and aware of his lack of rapport with the backbenchers. His action suggests that though he was not 'tough' enough to take the leadership on his own terms, he was not prepared to support Menzies or Hughes, colleagues from his own party, but instead chose to go off on a wild goose chase with Page, a man from a different, if aligned, party, whom he perhaps should not have trusted. Casey's

¹⁹ *Ibid.*, pp. 271-8. Cables, 12 April, radio-telephone 18 April (Day of the election of the UAP leader)

²⁰ Edwards, *op. cit.*, p. 106.

²¹ *Age*(Melbourne), 15 April, 1939; Martin, *op. cit.*, p. 269.

²² *Argus*(Melbourne), 17 April 1939.

support for Page in this venture suggests a serious lack of judgement—and loyalty, and demonstrates the weakness of party unity.

It is strange that it never seems to have occurred to either Page or Casey that the position of Prime Minister was not really in the gift of either of them. There can be little doubt, however, that it occurred to Bruce. He would have been aware that a general election was due in 1940 and that the ALP was gaining ground, so becoming leader of the UAP would not have had a strong appeal. This thought probably influenced the terms of his conditional acceptance of the offer—that he was ‘not prepared to come back ... as a member of the UAP’ but only if he would be free to form an all-party National Government.²³ Casey agreed to put Bruce’s terms to the UAP meeting, and to request postponement of the election of a leader until Bruce’s offer was considered. The terms, if accepted, would have allowed Page to carry on as interim Prime Minister.

The days between the death of Lyons and the election of a new party leader, 7 to 18 April, were filled with speculation and intrigue, and the leadership issue dominated newspaper headlines. Before the entry of Bruce into the contest, press reports suggested that Casey was generally seen as the most likely choice, followed by Menzies and then Hughes. The *SMH* considered that the dispute between the CP and Menzies over the National Insurance Bill meant that Menzies would not have the support of the CP, and therefore Casey would be the preferred candidate, then Hughes, then Menzies.²⁴

It does not seem from press reports that the media were aware of Page’s ultimatum, though the *Age* on 13 April reported that ‘rumours are current in Melbourne and Sydney that Earle Page might refuse to resign from the Prime Minister’s position’. The Brisbane *Telegraph* favoured Casey because, though it thought that Mr Casey ‘may not measure up to requirements for a great Prime

²³ Page, *op. cit.*, pp. 272-3.

²⁴ *SMH*, 8 April 1939.

Minister', Mr Menzies was 'too bound by sectional interests' and 'distrusted by the workers' and Mr Hughes was 'too old'.²⁵

The entry of Bruce into the contest changed everything. The appeal to him, first made on 12 April, was quickly made public and seemed to simplify the issue. The media generally applauded the move and the CP, and many in the UAP, supported his candidature. It is difficult to ascertain what the electorate thought, but there is no evidence that he was unpopular. But, in fact, his entry distorted and complicated the leadership issue to a dangerous degree, making it clear that the Coalition parties had doubts about the leadership qualities of the major candidates, Casey and Menzies. The attempt to secure Bruce's return resulted in Casey's candidature losing all credibility and put him out of the running. It also severely damaged Menzies' standing as Prime Minister even before he was elected.

The newspapers seemed unaware that Bruce was only prepared to return as a potential leader of an all-party National Government, and not as a member, or leader, of the UAP. The major papers in Sydney and Melbourne supported his return as UAP leader, as did Brisbane's *Courier Mail*, the *Adelaide Advertiser* and the *Sun News Pictorial*,²⁶ while the Hobart *Mercury* came out for Casey and considered the likelihood of Bruce's return to be remote.²⁷ The Melbourne *Argus* said there was 'strong support by rank and file members of the party [UAP] to the suggestion that the High Commissioner (Mr Bruce) should be urged to re-enter Australian politics', and it was reported that Bruce was willing to return in the 'national interest', and that UAP members in all States except New South Wales supported the idea, because they considered that Menzies would not be able to secure CP support.²⁸

²⁵ *Telegraph*(Brisbane), 8 April 1939.

²⁶ 18 April 1939.

²⁷ *Mercury*(Hobart), 14 April 1939.

²⁸ *Argus*(Melbourne), 12 April 1939.

Bruce's election as UAP leader was presented as a foregone conclusion if he accepted the invitation, and Casey was assumed to have withdrawn in his favour. There was also speculation about how it could be done: the *Argus*(12 April) and the *SMH*(14 April), suggested that if Bruce returned as leader of the UAP, Page should have his commission extended until Bruce could find a seat. The idea that Bruce might lead a National Government did not feature in the reports. Curtin meanwhile enjoyed the spectacle and did not hesitate to make political capital out of it, saying 'Like the rest of the people of Australia I am watching developments with daily increasing amazement'.²⁹

The momentous meeting of the UAP took place on 18 April 1939. As agreed, Casey put Bruce's proposition to the meeting, but it was rejected and the election went ahead as planned. It is likely that though UAP members may have supported the return of Bruce as party leader, they resented the attempted manipulation of the election and were not prepared to delay it on Bruce's terms.

At the meeting Casey, Menzies, Hughes and T W White, who had been a Minister for Trade and Customs in Lyons' Cabinet, nominated. Casey's support for Bruce had blighted his chances of election and probably his political future; he was eliminated after White in an exhaustive ballot, which, in defiance of Page's ultimatum, finally elected Menzies with a small majority over Hughes.³⁰

But Page was not yet finished. On 20 April 1939, before relinquishing his commission, he made a bitter and unnecessary personal attack on Menzies with accusations of cowardice and disloyalty, an attack to which Menzies replied with statesmanlike restraint.³¹ Page's motive for making such a damaging speech, which many described as the worst thing they had heard in Parliament, was probably an attempt to discredit Menzies. But his action suggests his political sagacity was blunted by anger, envy, frustration at being out-manoeuvred by a

²⁹ *Courier-Mail*(Brisbane), 18 April 1939.

³⁰ *SMH*, 19 April, 1939.

³¹ *CPD*, 20 April, 1939, pp. 16-19.

disliked and more skilful opponent and the failure of his ruse to bring Bruce back.³²

The speech was not made on impulse, Page had discussed its contents with members of his party in advance, several of whom had attempted to dissuade him from going ahead.³³ However, for a politician of his experience not to be aware that such an attack could only rebound to his own and his party's discredit brings into question Page's political judgement, especially his judgement of Menzies. Perhaps he expected Menzies to reply in kind; if so, he had gravely misread his man, for Menzies was not to be manipulated in the way Lyons had been, either by the threat to withdraw the CP from the Coalition, or by *ad hominem* abuse.

The attack was regretted by many in the CP and several senior members publicly dissociated themselves from it and refused to sit with the CP in Parliament.³⁴ Page's action caused Menzies no harm, probably strengthening his support in his own party, but it recoiled damagingly on Page himself, precipitating dissension in the CP and eventually forcing him to resign the leadership on 8 September 1939 in favour of Archie Cameron.³⁵

The inability of the UAP to manage a leadership election efficiently can be traced directly to its two outstanding shortcomings: the fundamental absence of a political manifesto or common cause and the lack of party discipline. Political vision uniting the party might have reduced the primacy of personality clashes and some basic party discipline could have saved the situation from getting out of control by dissuading Casey from throwing in his lot with Page. His bid for the leadership would then have gained rather than lost him the respect of the party, while Page would have been unable to pursue his approach to Bruce with any

³² Martin, *op. cit.*, p. 279.

³³ Arthur Fadden, *They called me Artie*, Melbourne, 1969, p.41. Ellis, *op. cit.*, p. 241.

³⁴ Fadden, *op. cit.*, p. 41.

³⁵ Page, *op. cit.*, pp. 247-8.

credibility. If that had been the case, then Page's personal attack on Menzies might not have taken place and the Coalition might not have split.

Page's ultimatum and the public denouncement of Menzies upset the equilibrium of the party, but it was Casey, vacillating and under-confident, who demonstrated the essential weakness of the UAP's structure. He appears to have had no compunction in eschewing party loyalty and following Page in the vain attempt to secure Bruce's return.

The stormy leadership struggle intensified internal divisions between the supporters of Menzies, Casey and Hughes, changing party loyalties and opening the way to the party's eventual destruction. It was an outcome of its failure to articulate and adopt a common political objective. The inability to formulate a policy was reflected in an inability to choose a new leader. In their turn, the leadership candidates reflected the mixed composition of the party: Menzies, the conservative; Casey the indecisive; and Hughes the ex-Labor man. The divisions within the UAP, now clearly evident, were to bring more public quarrels and open enmity among party members which eventually destroyed it. Intrusive factors played a part in the party's misfortunes but most of the problems were a direct result of the party's internal, foundational weaknesses.

Enormous tasks faced Menzies when he became Prime Minister, tasks for which his Government was not well-equipped. The years of torpor under Lyons, the brutal leadership struggle, the feuding within the party and the break with the CP all exacerbated the problems of building an administration strong enough to meet the challenges of the times. However, Menzies' Prime Ministership began quietly enough on the party front and his all-UAP Government showed some spirit of achievement and purpose, particularly in the growing urgency of the defence issue and the mobilisation of manpower.

The advent of war brought a degree of consensus to the Parliament and all parties agreed that the war effort was top priority. The Government obtained, without difficulty, wide powers of regulation and control under the National

Security Bill, though not going as far as industrial or military conscription.³⁶ Page then offered to renew the Coalition, an offer which Menzies rejected if it meant accepting Page back into the Cabinet.³⁷ The rejection led to the leadership struggle in the CP, and South Australian Archie Cameron became leader. In March 1940, following the Government's defeat in the Corio by-election caused by Casey's appointment to Washington, the Coalition was restored and continued after the election in September 1940, when Queenslander Arthur Fadden became CP leader.

The declaration of war had a mixed effect on the Australian public. On the one hand, they clamoured for action and criticised the Government for inaction, while on the other they complained about any restriction to their freedoms and activities, such as the rationing of petrol.³⁸ Menzies protested that the appearance of inaction was a false perception because many war-related measures could not be publicised. 'There are certain secrets people cannot know.'³⁹ But in spite of his protestations, hostility to Menzies' leadership continued to grow, even within his own party. On 28 September 1939, the *Argus* reported: 'Criticism of the Government by its own supporters is being offered freely in the lobbies and in the party room'. Much of the censure in the press came from the CP, especially Page and Cameron.⁴⁰ On 18 October 1939, Menzies wrote to Bruce in London: 'though I honestly believe we have been doing very well under difficult circumstances, we have some newspaper critics—notably Murdoch—while Page and Cameron are conducting specially poisonous public campaigns'.⁴¹ As the 1940 election approached, tensions and hostility increased within the parliamentary party, heightened by Menzies' aloofness and unrestrained by party discipline. Menzies complained bitterly that he had to

³⁶ *CPD*, 20 June, 1940, pp. 14-19; Martin *op. cit.*, p. 287.

³⁷ Menzies to Page, 8 September, 1939, NLA MS 1006/3/28; Martin, *op. cit.*, p.287; *Argus*(Melbourne), 11 September, 1939

³⁸ Hasluck, V.I. *op. cit.*, p. 237; Petrol rationing was introduced on 11 July 1940.

³⁹ *Argus*(Melbourne), 26 September 1939.

⁴⁰ *Argus* 5 July; 20, 23, September; 8, 20, 21, October 1939

⁴¹ R G Neale (ed), *Documents on Australian Foreign Policy, Vol. II, 1939*, Canberra, 1976, p. 356.

spend at least one third of his time defending himself from critics among his own supposed supporters.⁴²

The 1940 election was fought by the UAP almost completely on policies of increased war effort and emphasising the ALP's equivocal attitude to defence issues, but a disappointing result revealed the extent of the loss of public confidence in the Coalition. Two UAP and three CP seats were lost, including two Ministers, with the result that Menzies was forced to rely on the support of two independents to form an administration.⁴³ He again tried to persuade the ALP to co-operate in an all-party Government but when this failed he agreed to an ALP proposal for an Advisory War Council, 'representative of all parties and empowered to investigate advise and assist the Government in its war efforts'.⁴⁴ In another compromise and in order to form a Cabinet from his depleted ranks, Menzies was now forced to accept Page into his Cabinet as Minister for Commerce.

In this unsettled and unstable situation, with only a tenuous hold on Government and the leadership, Menzies, supported by his Cabinet, decided he must go to London to review with the British Government urgent war matters affecting Australia; as he himself put it, 'to discuss the Japanese menace and ... the defence of Singapore'.⁴⁵ He left for London in January 1941, leaving behind an inexperienced Cabinet, an unstable government and an unhappy party.⁴⁶

Menzies' visit to Britain was arguably unnecessary, and certainly unwise in the light of the Australian political scene. The election for the leadership had shown that for many members he was not the preferred leader. Rising dissatisfaction was becoming increasingly evident and was a clear indication of growing instability in the UAP. Menzies was keenly aware of the hostility of

⁴² Hasluck, V.I. *op. cit.*, p. 237.

⁴³ The two Ministers were H C Nock, Assistant Minister, and H V C Thorby, PMG, *Commonwealth Parliamentary Handbook*, 10th issue, 1945; Sawyer, *op. cit.*, pp. 125-127. The two independents were A. Wilson, Wimmera, Victoria, and A W Coles, Henty, Vic.

⁴⁴ Hasluck V.I. *op. cit.*, pp. 267-70; correspondence Menzies and Curtin 21, 22 October 1940, AA, Series A5954/1 Item 205-6.

⁴⁵ Menzies *op. cit.*, p. 20; *SMH*, 14 January, 1941.

⁴⁶ Martin, *op. cit.*, pp. 315-6; Hasluck, V.I. *op. cit.*, pp. 313-4.

some party members and of the treachery of the CP. In December 1940, W V McCall had called in the House for a National Government, eliciting a bitter reply from Menzies that constant calls for a National Government by UAP members were probably made more to embarrass him than from any genuine desire to bring about change.⁴⁷ He must have recognised the danger to his Government of absenting himself from Australia for a long period in the unpredictable situation and he admitted that his wife had warned him that he was risking the office which he had won at such cost.⁴⁸

Menzies was away for four months and it was his absence in this critical period that led to his dramatic resignation from the Prime Ministership and to the further disintegration of the UAP. He commented in his memoirs: 'I had been absent for too long' and Spender observed, 'his absence brought about his undoing'.⁴⁹ While he was away the whisperings, intrigues and the dissatisfaction with his leadership intensified and the Coalition began to look to the genial Acting Prime Minister, Arthur Fadden, a leader more in the mould of Joe Lyons. According to Spender, moves to replace Menzies with Fadden began almost as soon as Menzies left and emanated principally from the CP. Both Fadden and Page denied this in their memoirs, but Martin found evidence that both they and Hughes were implicated.⁵⁰

Menzies returned from something of a triumph in London to increasing unrest in his party and open resentment of his leadership. Bitter attacks from the Opposition were bad enough but not unexpected; worse was the public condemnation by his own party that he was a political liability. Page recorded that at least fourteen of the twenty-three UAP members in the House were known to be hostile to Menzies.⁵¹ The principal members of the UAP involved in the move to depose him were W V McCall, NSW; W J Hutchinson, Victoria; T W

⁴⁷ CPD, 9 December 1940, p. 577.

⁴⁸ Martin, *op. cit.*, pp. 315-6; Hasluck, V.I. *op. cit.*, pp. 313-4; Menzies, *op. cit.*, p. 19.

⁴⁹ Menzies, *ibid.*, p. 48; Spender, *op. cit.*, p. 156.

⁵⁰ Spender *op. cit.*, pp. 157-8; Fadden, *op. cit.*, p. 62; Page, *op. cit.*, p. 296; Martin, *op. cit.*, pp. 364-5.

⁵¹ Page, *op. cit.*, p. 295.

White, Victoria; and Sir Charles Marr, NSW.⁵² More discreet, but probably more influential, were senior men and Coalition Ministers, Page, Fadden and Hughes, while Spender and Holt also had doubts about Menzies' leadership.⁵³

The situation deteriorated when Menzies appointed a new Cabinet on 26 June 1941 and UAP members from the smaller states took offence at the preponderance of NSW men in the new Cabinet.⁵⁴ F H Stacey, (Adelaide), asked if it was because 'the whole of the brain power of Australia is centred in New South Wales?' Others to express their dissatisfaction with the reshuffle were A J Beck, and Senator B Sampson, Tasmania, and J G Duncan-Hughes and A G Price, South Australia, whose states had been passed over, and in July both McCall and Hutchinson made public statements that Menzies should step aside for Fadden.⁵⁵

The major expressed complaints against the Menzies' Government were: a lack-lustre war effort; that Menzies himself was the main stumbling block to a National Government because he was unacceptable to the ALP and unpopular with the electorate; that he had lost touch with the rank and file members; and that his absence overseas had affected the confidence of Australians in his leadership. It was whispered that his intellectual powers did not inspire the party or enable him to command respect and loyalty, and that he was aloof, ambitious; and too closely affiliated with Melbourne business interests, an association which, it was said, alienated both the Sydney business world and the ordinary voter.⁵⁶

In contemporary accounts of the period up to Menzies' resignation a clear sign of the lack of solidarity in the UAP is that there is no indication of any

⁵² Hasluck, V.I. *op. cit.*, p. 493.

⁵³ Martin, *op. cit.*, pp. 364-5.

⁵⁴ *Argus*, 2, 4, 18 July 1941; Martin, *ibid.*, pp. 370-1.

⁵⁵ *CPD*, 3 December 1940, p. 362; Hasluck, V.I. *op. cit.*, p. 492-3; Perkins, *op. cit.*, pp. 149-50; Spender, *op. cit.*, p. 160; *SMH*, 7, 19, July 1941; *Argus (Melbourne)*, 18 July 1941.

⁵⁶ Hasluck, V.I. *op. cit.*, pp. 492; Spender, *op. cit.*, p. 156-7; Perkins, *op. cit.*, pp. 117-8; *SMH*, 29 June 1941; Hazlehurst, *op. cit.*, p. 194.

attempt by senior party members to deal with the whispering campaign against him, either in the party room or in the Cabinet, or to discipline the party and encourage public expressions of support for their leader. While there is no direct evidence of an actual plot against Menzies, there was undoubtedly a strong drive to depose him.

By contrast, Fadden was allegedly popular with the press and could attract voter support, though on examination this support seems to have been based more on his inoffensiveness than his drive or his policies.⁵⁷ Most contemporary descriptions of Fadden say little about his administrative abilities concentrating mainly on his personal characteristics of affability and geniality and nearly all commenting on his 'fund of risqué stories'.⁵⁸ Hasluck said of him: 'He was not the most experienced, or the wisest man in the CP, but he was the best colleague and probably the staunchest character', while Menzies considered him to be 'an exasperatingly stupid man'.⁵⁹ Fadden himself is uninformative on the move to depose Menzies. In his memoir he wrote only that while Menzies was Prime Minister he had 'the unqualified support and loyalty of myself and the CP ... though there were strong indications of dissatisfaction with Menzies' leadership both in his own party and among some influential sections of the press'.⁶⁰

The situation was a difficult one for a Prime Minister in a critical war period and with a slender hold on office and—in July 1941—Menzies was driven to take some definitive steps to deal with it. He called a Cabinet meeting and a party meeting to discuss the growing criticisms of his leadership. Both meetings resulted in a show of support for Menzies, though there were media reports of McCall and others speaking out against him at the party meeting. The report in the *SMH* commented: 'A section of members of the party strongly criticised Mr

⁵⁷ Spender, *op. cit.*, p. 156; Martin, *op. cit.*, p. 386.

⁵⁸ Souter, *op. cit.*, p. 331; Perkins, *op. cit.*, p. 95.

⁵⁹ Hasluck, V.I. *op. cit.*, p. 266; Martin, *op. cit.*, p. 391; Spender, *op. cit.*, p. 156.

⁶⁰ **Fadden, *op. cit.*, p. 62.**

Menzies, and were subjected to some interjections by Mr Menzies himself, and the opinion was expressed at the end of the meeting—despite Mr Menzies' known satisfaction at the outcome—that things had still been left in the air'.⁶¹ The party meeting did not directly address the question of a new leader, but it was suggested that if the issue of leadership arose, it should be put to a joint meeting of the Government parties, clearly with the objective of choosing Fadden as the new Coalition leader.⁶²

The win at the party meeting suggests that Menzies could have held on to the party leadership and perhaps at this time he was prepared to make a stand. But a new development entered into consideration. As the situation in the Far East worsened and the threat from Japan hardened, Cabinet agreed, on 11 August 1941, that the Prime Minister should return to London to take part in discussions on the developments.⁶³ Menzies was willing, even eager, to return to England as Australia's Prime Minister, but knew that with his slight majority he would need the concurrence of the whole House if he was to have any credibility in Britain. Curtin was ambivalent about the idea, but the ALP ultimately refused its co-operation, considering that the place for the Prime Minister of Australia was in Australia, some ALP members interpreting the suggestion as a ruse by Menzies to hang on to office.⁶⁴ The idea of Menzies possibly returning to London so soon, and the impression that he welcomed the idea, was well publicised and probably worked to destabilise his position further by making supporters uncertain of his commitment to the leadership.⁶⁵

After the rejection of the London visit Menzies, on 22 August, made a further offer to the ALP for an 'All-party administration' in which he indicated he

⁶¹ *SMH*, July 29, 1940.

⁶² Martin, *op. cit.*, pp. 375-7; Hasluck, V.I. *op. cit.*, p. 493-4; Spender, *op. cit.*, p. 160-1; *SMH*, 29 July 1941.

⁶³ Hasluck, V.I. *op. cit.*, p. 496; Martin, *op. cit.*, pp. 378-9; R R Garran, *Notes on Imperial Consultation and Co-operation*, 2 October 1941, Cabinet Memorandum, AA Series A472 Item W5936.

⁶⁴ *CPD*, 2 July 1941, p. 756; 21 August 1941, pp. 77-8; 21, 22 August 1941, p. 134; Spender, *op. cit.*, p. 162; Hasluck V.I. *op. cit.*, pp. 496-7; Martin, *op. cit.*, p. 379.

⁶⁵ *Argus*(Melbourne), 5 July, 15 August, 1941; Perkins, *op. cit.*, p. 130.

would be prepared to vacate the Prime Ministership and serve under Curtin or any other Labor Prime Minister.⁶⁶ Curtin dismissed this offer with the comment that if Menzies could not provide stable government then he should return his commission to the Governor-General and allow Labor to govern.⁶⁷

When Curtin's reply was considered by Cabinet, the CP and some UAP members, including Holt and Spender, argued that perhaps the ALP would accept a National Government if Fadden were Coalition leader, further weakening Menzies' position.⁶⁸ A report in the *SMH* claimed that at the party meeting McCall presented Menzies with an ultimatum: that if Menzies did not resign he, McCall, would see to it that the Government would be unable to command a majority in the House of Representatives.⁶⁹ This seems to have been in character for McCall and would have meant a Menzies' Government would be dependent on one member's co-operation, an unacceptable situation for any Prime Minister.

The meetings convinced Menzies that he must resign to restore some stability to the Government and on 28 August he told a Cabinet meeting that the time had come for his departure because it appeared he had lost the confidence of his colleagues.⁷⁰

He officially announced his resignation on the evening of 28 August, blaming the rejection of an all-party administration and the fact that he was 'unpopular with large sections of the press and the people'.⁷¹ When a further opportunity for him to go to London as an envoy arose, Menzies rejected it saying 'he was now hardly placed to speak with any authority on behalf of Australia'.⁷²

⁶⁶ Hasluck, V.I. *op. cit.*, p. 501; Martin, *op. cit.*, p. 380-1; *Argus*, 23 August, 1941; *SMH*, 29 August 1941; Menzies, *op. cit.*, pp. 50-3.

⁶⁷ Patrick Weller, (ed.) *Caucus Minutes 1901-1949; Minutes of the Meetings of the Federal Parliamentary Labor Party, Vol. 3, 1932-39*, pp. 286-7.

⁶⁸ Martin, *op. cit.*, pp. 381-2; Spender, *op. cit.*, pp. 163-5; Hasluck, V.I. *op. cit.*, pp. 502-5.
⁶⁹ *SMH*, 29 August 1941; Perkins, *op. cit.*, pp. 132, 136.

⁷⁰ Hasluck, V.I., p. 503.

⁷¹ *Ibid.*, p. 504.

⁷² *SMH*, 8 September 1941.

In his memoir *Afternoon Light* Menzies recalls that 'there was a strong view that, having regard to our precarious Parliamentary position, my unpopularity with the leading newspapers was a threat to the survival of the Government' and 'a change of leadership was called for'. He referred to party problems in the comment:

A frank discussion with my colleagues in the Cabinet has shown that, while they have personal goodwill towards me, many of them feel that I am unpopular with large sections of the press and the people, that this unpopularity handicaps the effectiveness of the Government by giving rise to misrepresentation and misunderstanding of its activities, and that there are divisions of opinion in the Government parties themselves which would not, or might not, exist under another leader. It is not for me to be the judge of these matters, except to this extent, that I do believe that my relinquishing of the leadership will offer a real prospect of unity in the ranks of the Government parties.⁷³

Menzies' speech shows that his resignation had nothing to do with policies, political ideals or conduct, but came about from a purely personal vendetta in a party without any principles. While it is likely that the CP was deeply implicated, it was the UAP itself, undisciplined and unrestrained, that pursued its leader with petty accusations of unpopularity and arrogance. The claims of seeking an increase in the war effort ring hollow in the face of the strong and persistent efforts to destabilise and discredit the Government, and therefore the party, by ousting Menzies.

Even in the circumstances of war and with a slender majority, the UAP was unable to unite, put aside petty grievances, personal ambition, personality feuds and public dissension, to provide sound government. Though it had a parliamentary majority and an Opposition that was mainly supportive of non-contentious legislation, it still lacked an ability to work together for the common good. Never firmly committed to any cause, the party's fragmentation was now so advanced that it could not even commit to its elected leader, who himself had lost the confidence of uncommitted members when he proved unable to control the dissidents.

⁷³ Menzies, *op. cit.*, pp. 54-5.

Preoccupied with the demands of office and placing the country on a war footing, Menzies failed to take the time to build up party loyalty, consensus and support for his administration, with the result that the bitterness engendered by the leadership battle flourished. This, combined with the UAP's ingrained lack of unity, worked to prevent the party from developing a credible Parliamentary presence under Menzies, and Menzies from establishing a firm hold on his leadership.

Martin comments that Menzies' failure to cultivate party supporters was possibly a major flaw in his leadership style, though understandable because he was not gregarious and would not stoop to foster popularity, and it is clear that he did not follow Lyons' conciliatory approach.⁷⁴ McCall later said that Menzies could have smoothed things out if he had tried:

All he had to do was call Charlie Marr, Bill Hutchinson, and me to his office and talk it over and been big enough to admit that he might not have taken enough notice of us when we sought information. We were only trying to do our jobs, and if he'd listened to our side a little we would have been right behind him. We would have called it a day and he would have stayed on as Prime Minister, and history might have been different. It was not a matter of compromise on his part. All he had to do was follow the example set by Joe Lyons, and encourage people to work with and for him.⁷⁵

In these circumstances the dissatisfied party elements were allowed to depose Menzies in an embarrassingly public fashion. Coming so soon after the egregious leadership struggle, the deposition could only gravely damage the party, both within its own structure and in the eyes of the public. Spender commented:

The Parliamentary UAP in 1931-41 contained quite a few outstanding men, but generally it was a motley collection of individuals with no common devotion to their party, to any governmental programme or to any deep political principles. It had become more of a rabble than a political unit. It was riddled with disaffection, place-seeking and trouble-making. It had become a party of expediency.⁷⁶

Menzies' resignation was the principal blow to the UAP's chances of survival. The circumstances of the resignation left his supporters, who included Senators McBride, McLeay, and Leckie: Eric Harrison, H B Collett and F H

⁷⁴ Martin, *op. cit.*, p. 387.

⁷⁵ Perkins, *op. cit.*, p. 150.

⁷⁶ Spender, *op. cit.*, p. 159.

Stewart, bitter and resentful, while the election of CP leader Fadden as Prime Minister plainly exposed the UAP's political bankruptcy. The party was revealed as disunited, politically irresponsible and its members unable to settle their differences to work together towards a common goal. It was now well advanced on the road to collapse.

The destructive pattern of behaviour that brought Menzies down continued unchecked because, in the absence of a strong extra-parliamentary organisation, no-one was sufficiently committed to try to change it. A sound supporting organisation might have been able to subdue or prevent the worst of the attacks on the leadership and discourage intrigues among the discontented. If a change of leader was called for by the majority, then the party organisation could have helped to accomplish the change more judiciously and prevented the leadership of the Coalition from devolving to the CP.

Continuing strife was inevitable after Menzies' resignation, because he retained the party leadership and the Defence Co-ordination portfolio and remained in the Cabinet.⁷⁷ With his strong following and powerful personality he was an irresistible focus for those who did not support the new regime.

The Fadden Government did not last long. The circumstances of the resignation of Menzies had so disgusted Arthur Coles, the newest member of the UAP and until recently an independent, that he left the party saying the deposition had been 'the vilest thing he had ever witnessed'. On 3 October 1941, Coles and Wilson, the other independent, voted with the ALP to defeat the Fadden Government on a censure motion, and Labor took office under John Curtin.⁷⁸

The Curtin Government began by promising to concentrate on the prosecution of the war and Fadden offered his general support in this objective: 'The parties which I lead will give to the new Government general support

⁷⁷ Fadden, *op. cit.*, p. 71.

⁷⁸ Martin, *op. cit.*, p. 382; *Age*(Melbourne), 29 August 1941.

towards the implementation of a vigorous war effort.⁷⁹ When Fadden was elected leader of the Opposition, Menzies resigned the UAP leadership in protest, and Hughes took his place, a token rather than an active leader. The Coalition was now led by stop-gaps because the strong men in the parties had failed to gain the respect or confidence of their members.

The party was outwardly quiescent for a while after the change of leadership, as the war situation tended to subdue political passions. Japan attacked in December 1941 and this was followed by the loss of the British battleships *Prince of Wales* and *Repulse* in the same month. The fall of Singapore, the bombing of Darwin, and the Japanese invasion of New Guinea in February 1942 brought the spectre of invasion of the Australian mainland closer to reality.⁸⁰ Curtin's leadership in responding expeditiously to the dangers with new and effective mobilisation increased his prestige and the confidence of the country in his capabilities. His Government's achievements quite overshadowed the efforts of the previous administration.

As the Curtin Government grappled with the war situation the UAP began again to seethe with internal discontent. By the opening of 1943 it was essentially leaderless, with the senescent Hughes filling the seat as a figure-head and allowing Fadden to take Coalition policy decisions. The party was still handicapped by its lack of a 'defined progressive policy' or, as Hasluck puts it, was in a state of 'ideological poverty'.⁸¹ Formed in 1931 to meet the crisis of the Depression, under a leader who commanded national respect, the party was now without a unifying bond of any significance—only an urge to defeat Labor and regain power. Even this objective was doubtful with Hughes at the helm. An ex-Labor man, Hughes carefully, even deliberately, avoided confrontation with Curtin's Government, a strategy which irked many in the party. His non-interventionist attitude is usually ascribed to his age, but he may have been

⁷⁹ Hasluck V.I., *op. cit.*, p. 519.

⁸⁰ *Ibid.*, p. 305.

⁸¹ *Ibid.*, Martin, *op. cit.*, p. 401.

happy to see Labor in office with Curtin as Prime Minister. His leadership style was deliberately low-key. He did not call party meetings and all policy and direction was carried out in Joint Executive and Joint Party meetings, which, according to Spender, were dominated by the CP.⁸² Some members thought the policy of co-operation with Labor was being carried too far and legitimate political opportunities to attack the Government were being ignored. Menzies again became a focus of attention and rumours that he was trying to regain the leadership became so widespread that in April 1942 he wrote to Hughes to reassure him that he was not.⁸³

I am not proposing to become a candidate for the leadership of the Party, but if at any time in the future circumstances arose under which for any reason the party, as a Party requested me to resume the leadership, I would feel obliged to do so, provided I thought the request represented the real will of the Party, but not otherwise.⁸⁴(Emphasis in the original.)

The unstable situation gave rise to more public party quarrels. Faction fights over the 'One Army' Militia Bill resulted in the resignations of Spender and Menzies from the joint Opposition Executive and led to the more serious development of the formation of a powerful inner group led by Menzies calling itself the National Service Group.(NSG)⁸⁵ The NSG claimed to be something of a 'ginger' group, but many, including Hughes, saw it as a bid by Menzies to replace him as leader.

The Militia Bill proposed to extend the area in which the CMF forces could be directed to serve, and this time it was Percy Spender who precipitated the trouble. Spender, a Sydney lawyer, had first entered Parliament in 1937, and had been Acting Treasurer in the Menzies' Government and Vice President of the Executive Council. The Bill, the *Defence (Citizen Military Forces) Bill*, to amend the *Defence and National Security Acts*, was introduced by Curtin on 29 January 1943. It revised and extended the area in which the CMF forces

⁸² Spender, *op. cit.*, pp. 190-1.

⁸³ Martin *ibid.*, pp. 398-9; *SMH*, 28 April 1942.

⁸⁴ Menzies to Hughes, 'Personal and Confidential', Hughes papers, NLA, MS 1538/36/3, 28 April 1942.

⁸⁵ ***Defence (Citizen Military Forces) Bill*, introduced on 29 January 1943, carried on 11 February 1943.**

(they were conscripts) could be called upon to serve, from the Australian territory northwards to a line which stopped at the Equator, and eastward towards New Zealand. It was an awkward compromise between the ALP's traditional stand against conscription and the demands of the war in the Pacific, but it was the best Curtin could extract from special ALP Conferences held in November 1942 and January 1943 to discuss the issue.⁸⁶

Before an agreed Coalition response had been worked out, Menzies, Spender and Senator McLeay, the Opposition Leader in the Senate, dismayed Fadden by publicly criticising the Bill on the grounds that it was politically embarrassing that American conscripts could be called upon to fight in defence of Australia in areas where the Australian Government could not direct its own soldiers to serve. Spender called the Bill 'a sorry compromise between necessity and political expedience'.⁸⁷

Opposition policy was now firmly for 'one army' or conscription in all areas where the Japanese had to be fought, though, as Prime Minister, Menzies had carefully avoided the issue in the National Security Act of 1940, and Lyons had promised not to introduce it. Now Fadden's argument was that to oppose the Bill or propose amendments to extend further the area of conscript service might cause the Bill to be defeated by antagonising Labor members who still held out against compulsory service beyond Australia, and lose even this small concession.

The Joint Executive agreed to criticise the Bill at the second reading (moved on 3 February 1943) on the grounds of its inadequacy, but not to vote against it or move any amendment.⁸⁸ Spender speculated that Curtin had probably sounded out both Fadden and Hughes for their support for the Bill, advising them that this was the most he could achieve at this time, though if this

⁸⁶ **Martin, *op. cit.*, p. 405; Hasluck V.II. *op. cit.*, p. 350.**

⁸⁷ Spender, *op. cit.*, pp. 190-1.

⁸⁸ Sawyer, *op. cit.*, p. 138.

was the case they apparently had not discussed the approach or the decision in the Joint Executive meetings.⁸⁹

However, Spender later reconsidered his decision to toe the party line. At a meeting on 10 February 1943, he forcefully expressed his opinions. He said he would not vote for the Bill, and suggested an amendment that any member of the militia could be required to serve in any area the Governor-General might proclaim as necessary for the defeat of the enemy.⁹⁰ This suggestion was not supported by the meeting and in protest Spender resigned from the Joint Executive, followed by Menzies and later the same day by E J Harrison. On 10 February 1943, the *Daily Mirror* reported: 'The Opposition Executive, which formerly was unanimous against amendments [to the Militia Bill], is now split on the issue'.⁹¹

The atmosphere at the various meetings was, according to Spender, 'vitriolic', clearly indicating that the division in the UAP had opened up into an irreparable split between Hughes/Fadden supporters and Menzies/Spender supporters. With the leadership of the party now practically abdicated, its critical lack of unity prevented the UAP from reaching a negotiated agreement on the dilemma. Some members were prepared to accept an expedient political compromise in the interests of achieving progress on the issue of conscription, or, more cynically, of not 'rocking the boat', while others preferred to pursue a course in which, even if they succeeded in their objective of forcing an amendment, the victory would be pyrrhic, because the ALP would then vote against the Bill. The party leadership completely failed to give a convincing lead on the issue.

The contrast here with Curtin and the ALP is strong. Curtin had an equally difficult conflict on his hands in persuading the ALP to accept even this small gesture of conscription, but he worked successfully to find a solution that could

⁸⁹ Spender, *op. cit.*, p. 192.

⁹⁰ *Ibid.*, p. 195.

⁹¹ *Ibid.*, pp. 190-8; *Daily Mirror*, 10, 11, February 1943; Hasluck, V.II. *op. cit.*, pp. 346-7.

be accepted, however reluctantly, by his party, and then piloted it through to accomplishment. The UAP leadership, while having convincing reasons for adopting the course it recommended, failed to gain the support of all members, some no doubt confused by the opposing factions, or to convince them all of the merits of the decision. The episode is also a clear illustration of UAP members claiming the right to follow their conscience, and in this Spender's account is most revealing because he overtly claims the Burkean defence:

But a man must live with himself. There was nothing in our party's platform, on which I had been elected, to compel me to vote with my party on a matter so critical to Australia. Indeed I had always understood, on a matter not covered expressly or by implication, in the party's platform, that one was free to follow one's personal convictions on an issue that one felt deeply about.⁹²

Menzies, less directly, followed suit saying: 'In the long run if you have to make a choice between those who are with you and your own choice, I believe there can only be one answer.'⁹³

In the event amendments were moved by Menzies, Coles and Archie Cameron, now a member of the UAP, to leave the area of conscript service to the discretion of the Government. These were easily defeated and the Bill passed through the Parliament unchanged and became law on 19 February 1943.⁹⁴ Ten UAP members voted against the Bill, and ten with the Government, a marked division that split the party irrevocably down the middle and, as Spender reported, 'the UAP Parliamentary Party seemed fractured beyond repair'.⁹⁵

The episode was a further damaging blow to the UAP's fragile structure and moved the party closer to its demise by forcing members to reconsider their allegiances and their priorities. The lack of leadership and the vagueness of the party's political objectives created an atmosphere of uncertainty and an inability to agree on a course of action in a given situation. Leadership of the party,

⁹² Spender, *op. cit.*, p. 193.

⁹³ *SMH*, 12 February 1943.

⁹⁴ Act No. 2 of 1943; Sawyer, *op. cit.*, p. 347; Debates in *CPD*, 29 January 1943, p.201; 4 February 1943, pp. 296-305; 11 February 1943, pp. 565-611.

⁹⁵ Spender, *op. cit.*, p. 198; Hasluck V.II. *op. cit.*, pp. 344-7; Fadden, *op. cit.*, p. 87; *SMH*, 12 February, 1943.

impaired under Menzies, had almost disappeared under Hughes; both men no doubt affected by the party's want of purpose and increasing instability. Hughes made no attempt to unite the party on the issue, offering no clear lead. He failed, or refused, to call party meetings which might have achieved a measure of co-operation. The party was in confusion and the leadership again in question. The split over the Bill was fully reported by the major Sydney and Melbourne papers, further alienating electoral support and unsettling members, and rumours of Menzies seeking the UAP leadership were revived.⁹⁶

The next critical blow to the party was more serious. It grew directly out of the conscription quarrel and would not have occurred in a more disciplined environment. On 24 March, nineteen of the forty-three members of the UAP (10 from the House of Representatives and 9 from the Senate), signed a round robin asking for a separate UAP meeting. Hughes bowed reluctantly to the pressure and called a meeting for 25 March 1943. A motion to declare all positions vacant was defeated, though supporting speeches mostly addressed the need for a new and more vigorous leadership.⁹⁷ Martin's account of the meeting, drawn from a letter from Menzies to his son in 1943, recorded:

Friends of Menzies wanted to call for a spill of positions, but he persuaded them not to do that lest he be elected leader and have to face 'the bitter hostility of a minority who would ... determine once more to bring me down.'⁹⁸

Hughes emerged from this crucial meeting still the leader, though with his authority seriously weakened. Spender, whose memoir is the richest personal source of what went on in the UAP and joint party meetings, recorded that at the meeting he [Spender] expressed 'what I thought of the contemptible manoeuvres in the party, the gossiping, the intrigues, the petty cliques'—a good summary of a party in chaos.⁹⁹

⁹⁶ For example see *Daily Mirror*(Sydney), 10, 11, February, 1943; *SMH*, 12 February, 1943.

⁹⁷ Hasluck V.II. *op. cit.*, pp. 356-7.

⁹⁸ Martin, *op. cit.*, p. 407, quoted from Menzies' letter to his son.

⁹⁹ Spender, *op. cit.*, p. 201.

But the vote did not satisfy the dissidents and on 31 March seventeen UAP members, including Menzies, announced they had formed a separate 'National Service' group within the UAP, with the stated objective of 'intensifying the party's activities'. In a letter to Hughes the NSG indicated they had no leader but would work under an executive of five: Menzies, McLeay, McBride, Beck and Harrison.¹⁰⁰ They said they were concerned at the recent drift of events and Government failures in certain areas:

the refusal of the Government to create one Australian Army to render maximum service to the Allied cause; the inadequate appreciation of the war effort of Great Britain; the alarming rise in prices which the Government is failing to control; the allocation of huge sums of new taxation to social services instead of war; the grave incidence of coal strikes, wharf troubles and absenteeism; the disorganisation in food and man-power; and the reluctance of the Government to give Service people adequate preference.¹⁰¹

The group members thought it was essential to reorganise the UAP under 'new and vigorous leadership' but in order to avoid division they intended to act 'within the party' but would not attend party meetings. The letter stated: 'The differences which exist between us are, we believe, less differences of policy than of action which would achieve that policy'.¹⁰² On 1 April they gave a statement to the press including a nine-point policy statement echoing their concerns in the letter to Hughes which emphasised the need for concentration on the war effort and no more tax increases for social benefits.

The formation of the NSG was, not surprisingly, interpreted as a move towards the leadership by Menzies, though the *SMH* deplored it as ill-timed from both a party and a national view.¹⁰³ The *Canberra Times* considered that the move could only improve Labor's election prospects and Fadden thought the principal reason was Opposition attitudes to the Defence Bill, but considered it

¹⁰⁰ *SMH*, 2 April 1943.

¹⁰¹ *Ibid.*

¹⁰² *Canberra Times*, 3 April 1943; *SMH*, 2, 3, April, 1943; Martin *op. cit.*, p. 408; Hasluck, V.II. *op. cit.*, p. 357.

¹⁰³ *SMH*, 3 April, 1943.

was purely a domestic dispute and the CP 'was keeping aloof' from the issues involved.¹⁰⁴

The situation was further sensationalised when Menzies made a radio broadcast on 4 April defending the NSG's actions. This drew an angry broadcast response from Hughes on 6 April, attacking the NSG, but particularly Menzies. Calling the NSG 'party wreckers' and Menzies 'the great self-seeker, the man behind the scenes in every intrigue, the fountain head of every whispering campaign, the destroyer of unity', Hughes complained bitterly of the NSG's lack of loyalty and insisted that its only purpose was to depose him as party leader, put Menzies in his place, then to depose Fadden as Coalition leader.¹⁰⁵ Menzies' response described Hughes' broadcast as 'full of inaccuracies and reeking with evil suggestions' but said he refused to become involved in a competition of personal abuse which between two former Prime Ministers would be 'deplorable' and in the present circumstances 'unpardonable'.¹⁰⁶ Menzies took to the air again on 9 April to explain 'Why we did it' and on 13 April Keith Murdoch wrote: 'The formation of the Group has been attended by the fumes and furies of seismic disturbances'. He also criticised the Opposition leaders for 'sinking principles for the sake of avoiding an election'.¹⁰⁷

The public feuding between senior party men was not likely to inspire confidence in the UAP as a reliable team to lead the country in a time of war. Its fundamental lack of principles and of coherence were now seriously threatening its survival. It is likely that some federal UAP members were unsure of their loyalties and reluctant to join in the public faction fighting because it would be unpatriotic to cause further instability in the Parliament during wartime.¹⁰⁸

¹⁰⁴ *Canberra Times*, 3 April 1943; Fadden, *op. cit.*, p. 87.

¹⁰⁵ Hazlehurst, *Menzies Observed*, *op. cit.*, pp. 263-4; *SMH*, 7 April 1943.

¹⁰⁶ Martin, *op. cit.*, p. 409; *Herald*(Melbourne), 6 April 1943.

¹⁰⁷ *SMH*, 10 April 1943; *Herald*(Melbourne), 13 April 1943.

¹⁰⁸ Hasluck, V.I. *op. cit.*, p. 306.

Murdoch defended Menzies' part in the formation of the Group, claiming he was 'not a party to these developments'. 'The round robin', he wrote, 'initiating the attack on Mr Hughes was well on its way before he knew of it'.¹⁰⁹ Menzies also denied that he had anything to do with the 'round robin', but, given his fabled astuteness, it is hard to accept his claim of innocence.

The formation of the NSG was a direct attack on the party's frail unity and the fault lines laid down at its inception now widened into open and deep divisions, resulting in calls to expel group members.¹¹⁰ Menzies' and Hughes' public quarrel gave the electorate firm evidence of the party's degeneration and added to the perception of Curtin and his Government as the more responsible party.

The NSG sprang from the dissatisfaction of members at the continuing lack of direction, uncertainties and conflicting loyalties within the UAP. But in an effort to revitalise the party and provide a clear purpose other than merely reacting to circumstances, the formation of the NSG completed the destruction of party unity and, in effect, sealed its fate by dividing it into two separate camps.

The NSG had little chance to 'ginger up' the Opposition. On 22 June Fadden moved a vote of no confidence, which initiated a three-day debate and was defeated by the Government by only one vote.¹¹¹ The motion was immediately followed on 24 June by a lengthy and difficult debate on the 'Brisbane Line'. The destructive 'Brisbane Line' accusations had first surfaced in October 1942, promulgated by E J (Eddie) Ward, Curtin's Minister for Labor and National Service, and an ex-Lang Group politician. The allegations were, that in the event of a Japanese invasion, the Menzies and Fadden Governments had made plans to withdraw to a so-called 'Brisbane Line', leaving the north of

¹⁰⁹ Hazlehurst, *Menzies Observed*, *op. cit.*, p. 265.

¹¹⁰ *Canberra Times*, 3 April 1943.

¹¹¹ *CPD*, 22 June, 1943, p. 7.

Australia undefended.¹¹² Though later disproved, these charges received wide publicity, severely damaging the UAP's already doubtful reputation. The party's generally disorganised condition precluded a convincing rebuttal and the affair was to prove another element in the UAP's demise. The debate resulted in a decision to constitute a Royal Commission of Inquiry into the matter and later the same day Curtin gave notice that he would call a general election, which was held on 21 August 1943.¹¹³

¹¹² L F Fitzhardinge, *William Morris Hughes*, Volume 2, Sydney, 1964, p. 662; Hasluck, V.II. *op. cit.*, pp. 711-7.

¹¹³ *CPD*, 24 June 1943, p. 353.

CHAPTER 3

THE END

The state of the UAP did not augur well for the forthcoming election, which, though called suddenly, was in any case due in November 1943, and so was not entirely unexpected. The party's parliamentary fragmentation was complicated by its systemic lack of an effective national organisation to unify the warring members and galvanise and co-ordinate a national election campaign. These were handicaps enough and they were compounded by the fact that apart from periodical election policies, the party had never had a comprehensive statement of political objectives. Put simply, it did not appear to believe sincerely in anything.

The Parliamentary party itself, the nerve-centre of the organisation, was now seriously divided, effectively leaderless and without a formal communication system. Members sat more as a group of individuals than as a coherent political party. It had nothing to offer the electorate: not leadership, not policies, not a future, only criticism of, or reaction to, ALP policies.

Fadden had announced the Coalition's election platform 'approved recently at the meeting in Sydney of the Federal Opposition executive' on 5 May 1943. It emphasised 'loyalty to the Throne, Commonwealth and Empire' pledged all resources to the gaining of victory and promised to work towards a national government, one army and freedom from 'doctrinaire, socialistic restrictions'.¹

¹ *Daily Mirror*(Sydney), 31 May, 1943.

As a major political force with aspirations for defeating the incumbent government, it was natural that the Coalition should be preparing for an election, but the party seemed to be unaware of the mood of the country and the deleterious effects of disunity on public opinion. Certainly the main participants appear to have been out of touch with the reality of the situation. Fadden 'seemed quite sanguine' that the Coalition would win the election and he would again be Prime Minister with Hughes as his Deputy.²

Menzies, too, was quietly confident and said he did not discern a swing to Labor and felt that 'the Government might be defeated'. Fadden and Menzies were not alone in misreading the situation: Curtin said he was 'in the dark' about the results, and when it came it was a 'staggering surprise to him'.³ Frank Packer, owner of the *Sydney Daily Telegraph*, was also convinced that the Coalition would win.⁴ Spender however, though perhaps speaking from hindsight, commented 'we were a doomed party, with no basic political philosophy to bind us together, a patchwork quilt of disparate and irreconcilable personalities'.⁵

The absence of a functional electoral organisation to alert the parliamentary party to the mood of the electorate was probably the cause of the complacency in the UAP. With no early warning signals from the constituencies, the party was unaware of the damage its public quarrels were causing. It also failed to recognise the growing popularity and respect for John Curtin as a national leader and for the achievements of his Government in conducting the war effort. The party was still in confusion from its recent factional fights, and as the Joint Opposition Executive apparently decided policy without reference to members, an ineffectual and indecisive campaign was the inevitable result.

Fadden led the Coalition campaign as leader of the Joint Opposition and leader of the CP, while Hughes led for the UAP. Sawyer claims that on the

² Spender, *op. cit.*, p. 219.

³ Martin, *op. cit.*, p. 415.

⁴ Hazlehurst, *Menzies Observed, op. cit.*, p.270; *Daily Telegraph*(Sydney), 12 August, 1943.

⁵ Spender, *op. cit.*, p. 189.

announcement of the election the Coalition formally settled the disruptive faction fight between Menzies' NSG and the Fadden-Hughes followers. Fitzhardinge also commented that 'the quarrel between the NSG and the Opposition leaders was hastily patched up' and on 19 June the *Canberra Times* reported 'there is some evidence of a closing of ranks and a closer relationship between the NSG and the remainder of the Opposition parties is expected'.⁶

Spender's account, however, does not seem to support a reconciliation. Writing of a joint party meeting held on 1 July 1943, soon after the announcement of the election, he described a far from united gathering and a threat from the NSG to walk out if a vote of confidence in the Fadden-Hughes leadership was called.⁷ If accord was reached before the campaign began, it did not last long and once more the antagonisms and hostility between and within the Coalition parties was publicly displayed, further threatening its credibility.

The discord broke out in an open breach between Fadden and Menzies at the beginning of the campaign, which Fadden opened on 22 July in Brisbane. His speech was unremarkable and predictable, following the major Opposition line of attacking the Government's policies. He persisted in calls for a National Government, claimed that any defence achievements of the Curtin administration rested on the solid military and economic foundations laid by the Menzies and Fadden Administrations, and attacked Labor for, *inter alia*, its failure to prevent strikes, for 'regulation mania', mismanagement of rural policy, using wartime Government powers for promoting socialist objectives, and for an inflationary financial policy. He also proposed a system of post-war credits, with a specific promise that one-third of all income tax collected after June 30 1942 would be repaid in cash by instalments when the war was over, a promise described by journalist Ross Gollan as the speech's 'chief bribe'.⁸ Some papers headlined the post-war credits proposal as an important policy initiative but the issue does not

⁶ Sawyer, *op. cit.*, p. 155. Fitzhardinge, *op. cit.*, p. 662.

⁷ Spender, *op. cit.*, p. 219.

⁸ *SMH*, 23 August 1943.

appear to have assumed major proportions until Menzies made his opening campaign speech on the following day.⁹

Menzies, who many UAP candidates still regarded as the true leader of the party, opened his campaign in Kooyong, his Victorian electorate, on 23 July 1943.¹⁰ Sometime during the evening he rejected Fadden's post-war credits proposal as inflationary:

There is one part to which I am not able to subscribe, I cannot agree with the suggestion that there should be a taxation refund retrospective to 1942. Complete honesty requires that I should say that I cannot subscribe to that proposal. We need every shilling that can be obtained from the Australian people to win the war.¹¹

It is not clear how Menzies came to make these comments. They were not part of his prepared speech or the broadcast version, nor was it mentioned in the major press reports.¹² On 26 July, the *Argus* reported that Menzies made the comments 'after consultation with several of his colleagues' in an unplanned preface to his prepared speech and after he had heard Fadden's policy speech.¹³ Menzies claimed that he made the comments in response to a question, presumably at the end of the meeting.¹⁴ However, neither a question nor a preface on the subject is mentioned in the following day's reports, though the *Age* reported a 'barrage of questions' and the *Argus*, which gave a very full account and a supportive editorial on Menzies' speech, mentioned a question 'at the end of the speech' about the 'Brisbane Line'.¹⁵

On the evidence it seems reasonable to assume that Menzies' comments were probably made extempore, but they could have been carefully premeditated, as Fadden suspected. In any case they could not have done as much damage as Fadden's rash response.

⁹ Policy Speech of the Leader of the Federal Opposition Rt. Hon A W Fadden, MP, delivered at Brisbane July 22, 1943. Sawyer, *op. cit.*, p. 156; *SMH*, 23 July 1943; *Daily Mirror*(Sydney), 23 July 1943; *Argus*(Melbourne), 23 July 1943.

¹⁰ *Argus*(Melbourne), 24 July 1943. Sawyer, *op. cit.*, p. 155.

¹¹ *Argus*(Melbourne), 26 July 1943.

¹² Menzies Papers, *Election Broadcast*, 23 July 1943; NLA MS 4936, Series 6 (Speeches), Box 2513; *Argus*(Melbourne), 24 July 1943; *Canberra Times*, 24 July 1943.

¹³ *Argus*(Melbourne), 26 July, 1943.

¹⁴ Sir Robert Menzies, *The Measure of the Years*, London, 1970, p.14.

¹⁵ *Age*(Melbourne), 24 July 1943; *Argus*(Melbourne), 24 July, 1943.

According to the *SMH*, Fadden was informed of Menzies' comments 'when he was awakened in Brisbane at 2.30am on Saturday'.¹⁶ While one can sympathise with him for being disturbed at such an hour, perhaps he would have been wiser to have exercised more discretion. Instead he impetuously accused Menzies of 'stabbing him in the back'.

This stab in the back at this juncture makes another betrayal in the series for which Mr Menzies has become notorious. The statement comes as no surprise to me, for I heard last week in Sydney that some such thing might happen because the personal ambition of one man thought it preferable that we should lose this election.¹⁷

Fadden wrote little about this episode in his memoirs, only that he was 'goaded' into the outburst, while Menzies claimed that he 'knew nothing' of Fadden's post-war credits proposal, as he was not a member of the Opposition Executive which had formulated the policy.¹⁸ Two Victorian UAP Senators, Leckie, (Menzies' father-in-law) and Spicer, supported Menzies, and Spender's account lends credibility to his version. Spender recorded that Fadden, before delivering his speech, had asked him, Spender, for his comments, but when Spender expressed misgivings about the post-war credits proposal, Fadden insisted that they could not be changed because they had been approved by the Joint Party Executive, of which neither Menzies nor Spender were then members. As Spender put it, the speech had been 'settled with his advisers, whoever they were, and approved by the joint Opposition Executive'.¹⁹ This suggests the curious situation that the Executive did not consider it necessary to advise party members of principal points of policy. All in all it was a most damaging incident and Ellis claimed that this episode made the result of the election 'a foregone conclusion'.²⁰

While the UAP and CP hastily and, as it turned out, inadequately, patched up their differences to face the electorate, the ALP faced the country essentially united in organisation and policy, with a strong and popular leader. As the

¹⁶ *SMH*, 26 July 1943.

¹⁷ *SMH*, 26 July 1943; *Argus* 26 July 1943; *Canberra Times*, 26 July, 1943.

¹⁸ Fadden, *op. cit.*, p.88; Menzies, *Measure of the Years*, *op. cit.*, p. 14.

¹⁹ Spender, *op. cit.*, p. 219.

²⁰ Ellis, *op. cit.*, p. 264.

wartime Government, Curtin and his team had succeeded in impressing the public with their competence, managing the difficult war situation well and building an image of a capable, knowledgeable and determined group that had come into office to pick up the pieces left by an incompetent Coalition.

The 'Brisbane Line' argument ensured that defence preparedness was the major election issue to emerge. But the issue of leadership also gained prominence. Menzies was now a private member holding no office in the Opposition, yet the focus was on him versus Curtin as wartime leaders. The Labor party promoted John Curtin as the saviour of Australia, and, in contrast, the Governments led by Menzies and Fadden were portrayed as passively defeatist. Every Labor advertisement featured a picture of Curtin looking sober but determined, or, as one paper put it, 'smug and unctuous and very very righteous'.²¹

There is little doubt that Curtin had earned the admiration of the country for his conduct as Prime Minister. Even his opponents admired him, Sir Herbert Gepp of the IPA wrote:

Labour had a trump card in the Election in the leader, Mr John Curtin ... Mr Curtin has won the respect of the nation for his moderation, his patience, his persistence and his courage in the most desperate year of Australia's brief history ... He has shown drive, organising ability and a little of the ruthlessness which is necessary when things must be done and done quickly.²²

And the *SMH* wrote:

He [Curtin] is a man, unambitious but high-principled, of considerable ability, stronger and more decisive than his quiet manner suggests, anxious to give any matter a calm and judicial decision, and above all determined to win the war for his country and for humanity. We could not choose a better leader today.²³

Curtin broadcast his policy speech from Canberra on 27 July 1943. He emphasised the record of his Government in building up the defence of Australia on the fighting front and on the home front, while pointing out the defence deficiencies of the previous Governments, especially regarding war in the Pacific. According to Curtin, Labor had inherited a heavy defence burden from a Coalition

²¹ *Century*(Sydney), 2 July, 1943.

²² Sir Herbert Gepp, *Memorandum No. 3*, letter to unknown US correspondents, 17 November 1943, IPA Papers, Noel Butlin Archives Centre, ANU, Deposit N136/2, *Directors Correspondence*.

²³ *SMH*, 21 March 1942.

Government that had been blind to the dangers from Japan and had left Australia very much unprepared, with its resources thinly spread over 'far-flung' battlefields. Curtin rejected the idea that 'the little islands to the north of Australia would be taken and that Upper Queensland and the Darwin area would be overrun by the enemy'—a reference to the 'Brisbane Line' controversy.

He did not get away with these claims completely unchallenged. The *Daily Mirror*, in a scathing editorial on his speech entitled 'Some things Mr Curtin did not say', commented:

... the foundations on which Australia built and survived the greatest crisis in her history were laid by previous Governments, in the face of fierce opposition by Labor and from Mr Curtin himself. Labor could not have done what has been done had those foundations not been laid²⁴

From war Curtin moved on to promises of post-war reconstruction, development of social services and the active pursuit of full employment. He claimed his Government had the full military and political support of the USA and had collaborated to strengthen ties with Britain.²⁵ He also exploited 'the divisions, intrigues and resulting incompetence of the previous administration', attacking the dissension in the Opposition parties:

In war and for the peace you cannot risk a non-Labour Government taking office. Who would be boss among them all? Who would be the leader or leaders? Who would decide the policy of this government for the UAP and CP? Would it be Mr Fadden? Well, he could not control 17 of his followers who formed the National Service Group. Would it be Mr Menzies? Of him I quote Mr Hughes: 'He is the great self-seeker, the man behind the scenes in every intrigue, the fountain-head of every whispering campaign, the destroyer of unity'.²⁶

Curtin cleverly exploited the public brawls of the Opposition to increase a general perception of its ineptitude, and the 'Brisbane Line' controversy worked to substantiate the ALP's charges of defeatism and incompetence. The Opposition was unable to rally a convincing response, and whether the charges of defeatism were justified or not, they undoubtedly played a significant role in its subsequent election defeat.

²⁴ *Daily Mirror*(Sydney), 27 July 1943.

²⁵ Curtin's policy speech reported in *Daily Mirror*, 27 July 1943; *Canberra Times*, 27 July 1943; *Argus* (Melbourne) 27 July 1943. Sawyer, *op. cit.*, p. 155.

²⁶ *Argus*,(Melbourne) 27 July 1943.

Throughout the campaign Labor continued to focus on Curtin and his Government's rescue of Australia from the defenceless state it claimed it was left in by the Coalition Government. The ubiquitous pictures of a grave Curtin in the election advertising were followed by text on the 'safety' and 'victory' themes: 'For 20 months Labor has kept you safe. The Labor Government is the victory Government'; 'Labor has wiped out 2½ years of UAP neglect in 20 months.' Labor also attacked Opposition promises: 'I do not promise unless I can fulfil. I could have promised you all that Fadden and Menzies have promised but I have not done so.'

Claiming that the promises of the Opposition were inflationary and insubstantial, Curtin attacked what he called the Coalition's 'glamorous financial policies' particularly the disputed post-war credits scheme, and other pledges that, he claimed, while 'too vague' to be reliably costed, would cost 'tens of millions of pounds'. He was however, sufficiently concerned by the Opposition's charge that the ALP would 'socialise' Australia under the guise of wartime regulations to deny it strenuously, and to promise: 'My Government will not during the war socialise any industry.'²⁷

In the controversy over defence preparations both sides gave figures to support their cases and both arguments had merit, but the ALP campaign was more forceful and appealing in its claims of success than was the UAP's attempt to rebut charges of failure. The Opposition's replies to Labor accusations of defence neglect were based mainly on pointing out that when in Opposition the ALP had pursued a policy of isolationism, was anti-conscription and that the Coalition Governments, in the teeth of fierce Labor opposition, had laid sound foundations for defence measures: 'When the Fadden Government went out of office the foundations of Australia's war effort had been well and deeply laid'.²⁸

²⁷ *Age*(Melbourne), 27 July, 3 August, 1943; *Daily Mirror*, 27 July, 12 August 1943; *Canberra Times*, 24 July, 27 July 1943; *SMH*, 24 July, 1943; *Argus* 24 July 1943; Speech in Perth, 18 August 1943, quoted in Sawer, *op. cit.*, p. 157.

²⁸ *United Australia Party Policy*, As enunciated by the Rt. Hon. W. M. Hughes, C.H., K.C., M.P., July 28 1943.

The Opposition also attacked the provisions of the Militia Bill, which had caused such an upheaval in its ranks: 'the Labour Government believed in stopping Australian soldiers at the 'Curtin Line' on the Equator'.²⁹

The UAP campaign, in contrast to the positivism of the ALP, was aptly described by an IPA executive as a 'necklace of negatives'.³⁰ There were no major and continuing themes and the leaders were not featured or promoted in the advertising. The UAP's main thrusts were attacks on Labor's record: failure to curb strikes; failure to procure a 'single army'; excessive regulation, regimentation and bureaucracy; muddle in food production and manpower; close association with the communist party; failure to agree to a National Government; and 'reckless' inflationary policies. Positive notes in the Coalition's platform included a promise of 'post-war reconstruction plans', but without any specific strategy.

The most powerful UAP campaign was in Victoria, where it was orchestrated by the Institute of Public Affairs (IPA). By 1943 the IPA had replaced the National Union of Victoria as the primary supporting body of right-wing politics, though the National Union continued to exist until the late 1960s.³¹ The IPA had been established in 1942 by the Chamber of Manufactures in Victoria and in 1943 similar institutions were set up in New South Wales, South Australia and Queensland.³² The Institutes grew out of the alarm felt by the business world at the deterioration in public perception of business and industry, the advent of a Labor Government and the parlous state of the Coalition.

A report commissioned by the Chamber found that 'there was much overt hostility in Australian political and academic circles toward capitalism in general and big business in particular'.³³ The report went on to blame the disintegration

²⁹ Earle Page, quoted in the *Canberra Times*, 30 July 1943.

³⁰ F E Lampe, *Thoughts at Random on the Recent Election*, nd., IPA Papers, Noel Butlin Archives Centre, ANU, Deposit N136/74 Secretary's sundry correspondence.

³¹ Watson, *op. cit.*, pp. 74-5.

³² IPA NSW papers, NLA MS 6590, Box 1.

³³ C D Kemp, *Report to the sub-committee of the Victorian Chamber of Manufactures*, nd., c. 1942, Noel Butlin Archives Centre, ANU, Deposit N136/53.

of the UAP to some extent for this situation, though the party's problems could also be laid in part at the door of its backers, whose interest and activities waxed and waned in tune with elections, and who had resisted efforts to organise continuous interface with the constituencies. It is also true that some of the party's unpopularity was due to a public perception that it was controlled by sectional business interests who used their influence to select candidates and direct policy, and, as the report indicated, big business was not popular with the community.³⁴

The report convinced the Chamber of the need to educate the public about business and industry and it set up the IPA with a small professional staff and a council of fourteen leading businessmen, with the objectives of improving the negative public understanding of big business and to combat socialism. An educational and public relations program to work towards these objectives was proposed, which 'embodied an understanding to support the conservative political parties', though the Institute claimed it was not a political body.³⁵ The similarities to the Bureau proposed by Casey in 1931 are unmistakable and support the idea that the main problems of the UAP were its lack of political objectives and an organisational structure to work towards them.

After a slow start the IPA in Victoria mounted an extensive campaign for the UAP, using posters, newspapers, and radio and cinema advertising. Its Publicity and Research Bureau wrote and produced political broadcasts and shorter broadcasts, or 'flashes', on radio, provided speakers' notes to all endorsed candidates and produced pamphlets and advertisements.³⁶ While the IPA campaign in Victoria was vigorous it was unable to overcome such basic problems as the lack of positive policies and a poor image of the UAP leadership, resulting in a directionless campaign without a central theme except the anti-

³⁴ Aimer, *op. cit.*, p. 222.

³⁵ M. Bertram, *A History of the Institute of Public Affairs*, 1989, Noel Butlin Archives Centre, ANU, Deposit, N136/111.

³⁶ M Bertram, *Economic Prescriptions for a Post War World*, September 1987, Noel Butlin Archives Centre, ANU, Deposit N136/110.

Labor emphasis. Despite the efforts of the Victorian IPA, and though no seats were lost in the State, a reduced percentage of the vote indicated decreasing confidence in the UAP. The NSW IPA also took some part in the election campaign in its State, but in a lower key than in Victoria, probably because it was not formed until February 1943. Its main effort seems to have been in letters to the press on such anti-Labor topics as compulsory unionism, inflation, and nationalisation.³⁷

Analysis of the Victorian campaign, of which comprehensive records exist, contrasted the UAP's negative and confused approach with the ALP's strategy of concentrating on the twin themes of Curtin and the war effort.³⁸ The UAP's campaign commenced with a series of negative advertisements of anti-Labor propaganda, limp rebuttals of what it called the 'Brisbane Lie' and calls for a National Government. It came unstuck early with the post-war credits debacle, then changed direction to a mixture of policy and more constructive but jumbled themes which gave an impression of political expediency and a party searching for a line of appeal.

A good example of the unfocused and negative signals being sent out by the Coalition was an advertisement authorised by the CP, showing Evatt and Curtin attempting to camouflage a wall plastered with sixteen posters of anti-Labor propaganda. The message was lost in the multiplicity of negatives: regulations; communism; unions and prices; though the largest target was 'socialisation'.³⁹

Other advertising failed to find a unifying theme: 'What of Britain?' asked one, 'Stripped for action' began another, referring to a future Coalition Government. Anti-Labor sentiment was expressed in such phrases as 'Planning for chaos', 'The ALP is leading Australia up the path to economic and financial chaos', 'The Curtin government has for 20 months been forcing social regulation

³⁷ IPA NSW, NLA MS 6590, Box 7.

³⁸ IPA Papers, Noel Butlin Archives Centre, ANU, Deposit N136/56.

³⁹ *Canberra Times*, 17 August, 1943.

on the private lives of people. No waistcoats, no trouser cuffs, no pink icing', and ironically, in view of the lack of unity in the Coalition parties, advertising in June pleaded for 'national unity and stability' in its case for a National Government.

After the post-war credits row in late July, the advertisements adopted a 'feel good' tone, becoming sentimental and appealing to homely instincts, with a series of advertisements entitled 'Family Circle', showing cosy domestic scenes with such headings as 'Labor would destroy families', 'To Australia's men of tomorrow', featuring two small boys; 'Fireside reflection', featuring a square-jawed, solid looking male citizen thoughtfully smoking a pipe. It was not until August that leaders were occasionally featured, and then only discreetly, with a picture of Fadden and the caption: 'Fadden will end the food muddle'.⁴⁰

Even the more positive Coalition policies were badly presented. The 'one army' issue was not generally popular with voters and the plea, or 'banshee wail' as one paper put it, for a National Government sounded hollow and insincere when the Opposition leaders could not even agree among themselves, while the public disagreement between Fadden and Menzies had robbed the post-war credits scheme of all credibility.⁴¹

The tone of the advertising also drew criticism: 'The propaganda of the Opposition exceeded the limits of decency in its destructiveness, alarmist and exaggerated nature and vindictiveness.'⁴² Hughes' speech as leader of the UAP, reflects the scare-mongering which was a repetitive theme of the UAP's campaign, using emotive words like 'bondage', 'helpless victims' and 'menace'. In NSW the UAP campaign was considered to be 'counter-productive' and using 'gross exaggeration'.⁴³

It was an uninspired election platform, relying largely on negative rhetoric and lacking overarching policy direction. This approach had worked in the past,

⁴⁰ *Sun*(Sydney), 18 August, 1943; A collection of cuttings of the UAP advertisements from various Victorian newspapers is in Deposit N136/104 Federal elections, Noel Butlin Archives Centre, ANU.

⁴¹ *Century*(Sydney), 30 July 1943.

⁴² H W Gepp to Captain C A M Derham, 7 September 1943, p.2; Noel Butlin Archives Centre, ANU, IPA Papers, Deposit N136/2.

⁴³ Notes prepared by C H Hoskins, IPA NSW NLA MS 6590, Box 9, Folder: General Elections.

while the ALP was suffering its own divisions, but was less convincing in 1943 because of the publicity about the UAP's problems and the general popularity of John Curtin and his Government. The UAP had failed to develop beyond its early ideas of 'sane' finance and opposition to Labor because it could not develop an more explicit and recognisable political philosophy or build up a strong party organisation. Its lack of commitment came through in a campaign that was overshadowed by the stridency of the ALP's defence allegations and the debacle of the post-war credits dispute. The UAP's replies to the triumphant and continuous ALP accusations of defence neglect, while no doubt sincere and with more than a grain of truth, were weak and could not compete with the drama of the Brisbane Line allegations.

Nor did the Coalition have a leader to rival the appeal of John Curtin as the 'saviour of Australia'. Neither Fadden nor Hughes had the charisma of Curtin, while Menzies was considered to be unpopular with the public and perceived as less 'Australian' than Curtin.⁴⁴ 'Electors know that if Fadden wins, Menzies governs. That is the biggest handicap for Fadden.'⁴⁵ In contrast with an ALP campaign that constantly featured its popular leader, the UAP/CP advertising rarely mentioned their leaders. In fact, Curtin's name occurred more frequently in their advertising than the names of their own leaders.

The disquietingly obvious absence of unity and sound or popular leadership in the UAP came through quite clearly in its unfocused campaign. The mixed messages could only have had an alienating and confusing effect on voters, deterring even some who would have preferred to support right-wing parties. The Coalition was unable or unwilling to promote its leaders because they lacked public appeal, and its negative advertising and unconvincing and uncontrolled attacks on Curtin and his Government revealed the barrenness at its political heart.

⁴⁴ F E Lampe, *op. cit.*

⁴⁵ *Responses to election questionnaire*, August 28-29 1943. IPA Papers, Noel Butlin Archives Centre, ANU, Deposit 136/74. *Century*(Sydney), 16 July 1943.

Records of post-election interviews, carried out by the IPA in Victoria, offer a rare insight into the minds of ordinary voters. They cited as reasons for the UAP's defeat: more confidence in Labor's leaders and war administration; antagonism to Menzies and no confidence in Fadden: 'Menzies is a snob' 'Fadden is a blob'; a view of Hughes as too old; wrangling among the leaders; the Opposition's organisational shortcomings; and disapproval of the 'One Army' policy. It is clear that those interviewed had a perception of a disunited, discredited, and quarrelsome organisation, which, unable to govern itself, could not be trusted to govern the country.⁴⁶

The party's inadequacies had led inexorably to a disturbed and disorganised parliamentary performance and open and inglorious public disagreements on leadership and policies. The disagreements had erupted into the public arena where they damaged confidence in the party's suitability as a Government. At the same time the re-emergence of the ALP as a creditable body and its effective management of the crucial defence issues underlined the UAP's instability and persuaded many right-wing voters to switch their allegiance.

A significant feature of the 1943 election was the large number of independents who nominated and a plethora of new anti-Labor parties, such as the Services and Citizens Party in Victoria, the Liberal-Democratic and Commonwealth parties in NSW and the Queensland Peoples Party.⁴⁷ 'Take your choice from 27 parties' blazed one headline.⁴⁸ At the election 339 candidates nominated for the available 74 seats in the House of Representatives and seven minor parties put up candidates.⁴⁹ The phenomenon was interpreted as an expression of concern over the state of the Opposition parties, as dissatisfied right-wing citizens searched for an alternative to the ALP.⁵⁰ In the event, the independents did not poll well, nor did the new parties have any success, but

⁴⁶ W K McConnell, *Analysis of a series of Post-Election Interviews*, Melbourne, 6 September 1943, Noel Butlin Archives Centre, ANU, Deposit N136/74, IPA Records.

⁴⁷ Aimer, *op. cit.*, p. 219.

⁴⁸ *Daily Mirror*(Sydney), 1 June 1943.

⁴⁹ Hasluck V.II. *op. cit.*, p. 368.

⁵⁰ Martin, *op. cit.*, p. 415; Hasluck, V.II. *op. cit.*, pp. 364-5.

they did split the conservative vote. Despite preferences that helped to restore some balance to the election result, almost 15% of the voters—largely previous supporters of the non-Labor parties—favoured independents or mushroom minor parties.

The election result was an overwhelming victory for Labor and a crushing blow to the UAP. 'Deluge', 'Landslide', 'Tidal wave', 'Unprecedented triumph for Labor', 'humiliating debacle', 'most serious defeat', 'Disastrous defeat', were words used to describe the results as Labor triumphed in a spectacular two-Chamber victory. The ALP received 49.93 per cent of the total valid vote, which gave them 49 seats in the House of Representatives. The UAP attracted only 16.05% of the valid vote, and the CP in its various guises 17.03%; giving the Opposition 23 seats. The swing occurred in three States, NSW, SA, WA and less dramatically in Tasmania, while Curtin had a personal triumph in Fremantle, receiving a vote four times the size of his opponent F R Lee, an Independent Nationalist.⁵¹ The NSG did not fare well, Duncan-Hughes, Price and Stacey in South Australia and Beck in Tasmania lost their seats. W V McCall, whose seat of Martin attracted eleven candidates, was also defeated.⁵²

It was a convincing mandate for Prime Minister Curtin and carried a resounding message to the conservative forces, but especially to the UAP, that they had completely lost the confidence of the country. It was a message that Bob Menzies for one was to take to heart.

⁵¹ Hasluck, *ibid.*, p. 367.

⁵² *Ibid.*, V.II. p. 369.

CONCLUSION

The major cause of the UAP collapse was its lack of a clearly articulated political faith. This was compounded by the absence of a federal organisation to develop and define political principles, coordinate state and federal supporters and give the party a focal point.

These primary causes of the party's collapse, which was foreshadowed by a decline in electoral support through the nineteen-thirties, can be traced back to the party's origins in 1931, described by Edgar Holt, a political journalist and director of federal public relations for the Liberal Party, as 'rootless and artificial'.¹

The UAP's dependence on its leader and its negative approach to policy were not enough to formulate a party culture and the fundamental dynamics of destruction incorporated in its structure, with dissidence and political apathy the major symptoms, began to erode its foundations even before the death of Lyons. Its resistance to the development of a supportive extra-parliamentary organisation ensured that the federal UAP remained ideologically bankrupt and prevented it from developing into a 'party' in the accepted political sense of a national organisation with branches, officers, rules and a policy platform. Lyons' demise in 1939 removed an essential prop to the party and its inherent instability was exposed in its failure to unite under a new and more dynamic leadership.

Political parties have survived electoral reverses in the past: Labor recovered from its electoral disaster of 1931 and the Liberals their defeat in 1972.

¹ E. Holt, *Politics is People; the Men of the Menzies' Era*, Sydney, 1969, p. 8.

But the UAP did not survive the loss of the 1943 election, even though it achieved a respectable proportion of the vote. In Victoria, where the IPA carried out a more vigorous campaign on its behalf than was apparent in the rest of the country, the UAP retained all its seats, though with a reduced percentage of the vote, while the ALP did not achieve any increase in its support.²

The new Liberal Party, which later attracted increasing support from right-wing voters, absorbed most of the members of the defunct UAP and 'retained its emphasis on private enterprise and individual initiative'.³ But it also agreed to build an Australia-wide organisation and formulate a clear statement of political faith.⁴ Its success supports the conclusion that the UAP collapsed because it failed to develop a coherent political philosophy to give it purpose and a federal body to give it direction.

The lessons to be learned from the collapse of the UAP were that a political party cannot operate without clearly articulated policies developed in consultation with a supporting national extra-parliamentary organisation, which also manages party funds and provides feedback from the constituencies as well as strong Parliamentary candidates.

These lessons were taken to heart by Robert Menzies and those who worked towards the formation of the Liberal Party of Australia(LPA) that succeeded the UAP in 1945. The structure of the new LPA was deliberately formulated to avoid the organisational inadequacies of the UAP. Menzies, in his speech at a Conference on 13 October 1944 to consider the establishment of the new right-wing party, said 'a common organisation outside Parliament is absolutely imperative' and spoke of the need for a 'political faith' instead of 'a policy of negation'. The LPA was to have a clearly formulated policy platform, a

² C A Hughes & B D Graham, *A Handbook of Australian Government and Politics, 1890-1964*, ANU 1968, pp. 365, 371. Percentage of votes received by the UAP in Victoria in 1940: 34.45; in 1943: 25.98.

³ Aimer, *op. cit.*, p. 233.

⁴ Robert Menzies, 13 October 1944, in Hazlehurst, *Menzies Observed, op. cit.*, pp. 279-87.

sound federal organisation and fund raising methods that were not dependent on donations from outside interests.⁵

⁵ Hazlehurst, *Menzies Observed*, *op. cit.*, pp. 278-87; Jupp, *op. cit.*, p. 131.

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