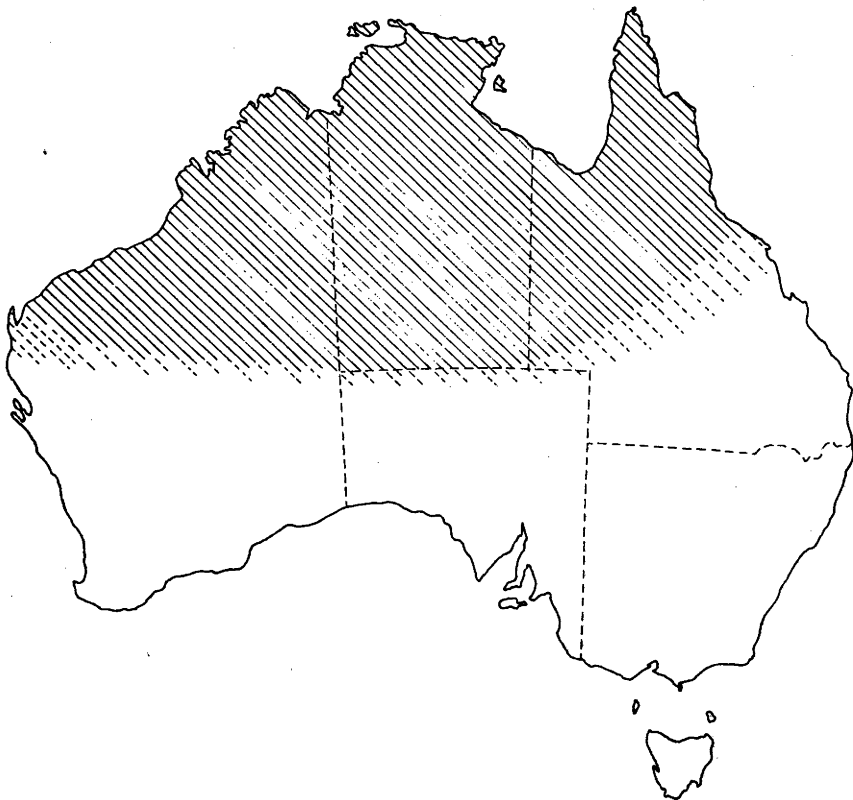


MONOGRAPHS POLITICAL AND HISTORICAL

ERRATUM NOTE

Dates were inadvertently omitted from the maps on pp.28-33. In all instances the 1974 map appears on the even numbered (left-hand) page.



Map of Australia showing areas in which NARU has interest

North Australia Research Bulletin No. 3

MONOGRAPHS POLITICAL AND HISTORICAL

A.H. HEATLEY AND K.H. KENNEDY

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EDITOR'S PREFACE

This really is not a political journal, it merely seems that way. In one way or another things political are a pervasive preoccupation in North Australia and the two monographs here presented illustrate this particularly well.

Dr Heatley has made a detailed and objective analysis of the 1977 election for the Northern Territory Legislative Assembly which was contested largely over the issue of self-government. Territory elections will never be the same now that party politics control the action and I suspect they have lost much of their former colour and humour. I wanted to title this monograph "This is the time when all good parties came to the aid of the Territory," but it was patently too long. Heatley tells who won and lost and why, and makes it readable.

Dr Kennedy's account of mischief with mines is a revealing bit of historical detective work which tells of the chicanery of promoters and politicians in North Queensland. Although he did his digging among the records, reports and papers of governments and companies of seven decades ago, some of his conclusions seem as modern as the uranium mining controversy. After finishing it the reader can but agree with Hamlet: "We are arrant knaves all." (Act III, Sc.1)

F.H. BAUER

Editor

"AND THEN THERE WERE TWO...":

The 1977 Northern Territory
Legislative Assembly Election

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Studies at the Darwin Community College.

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INTRODUCTION

Studies of elections in Australia have generally been rather prosaic exercises - particularly so at the state or local government levels. Yet psephology (the study of elections) is an essential and integral part of the analysis and consequently the understanding of the constituent parts of the Australian federal system.

Elections have several functions. They provide an avenue for participation they create a feeling of identification with the political system; and they are one form of political communication between government and governed. Perhaps of more importance, they also give legitimacy to government, enabling it to operate with a degree of consent, and impose upon it some measure of accountability and responsibility to the electorate. Seen in these terms, an election is a crucial institution in a liberal-democratic society.

To the political scientist who is studying a political society in a defined area, psephology has more specific purposes. By concentrating upon a particular election or upon a series of elections, the problem of political change and stability in that society can most simply be examined. Political interest and activity generally reach their highest levels in election campaigns and the roles and the interplay of various structures such as parties, pressure groups, personalities and the media are more open and thus more readily observed and assessed. The response of the electorate during the campaign and at the poll also provides a useful guide to the range of its political attitudes and attachments, and can assist in defining the nature of the political culture of the area.

It is from this perspective that this account of the Northern Territory Legislative Assembly election of August 1977 will be approached. Although the election itself will be the prime focus, it will be firmly couched in the broader context of the Territory's political and constitutional development. Such an approach has largely determined the three-part format used. The first part will concentrate on the context in which the 1977 election was set; the second will analyse the various components of the election campaign; the third will assess the results and the significance of the election.

For the Northern Territory, the 1977 election was particularly important. The first Legislative Assembly had been elected in October 1974, but then the issue which dominated the campaign was the performance of the Whitlam federal government. In 1977 the issues were much more Territory-oriented, though it could be argued that the transcendent ones of the constitutional and financial future of the Territory and of uranium mining also had national ramifications. As the proposed timetable for the transfer of executive authority for most state-type activities was to be encompassed during the life of the second Assembly, the electorate had to choose from among the contending parties a government which, for the first time, would wield significant local responsibility. Important also, albeit with the benefit of hindsight, were the electoral role of the aborigines and the emergence, however permanent it may be, of the Progress Party as a force in Territory politics. As the title of this article indicates, another major outcome of the election was the re-establishment of the Australian Labor Party as a parliamentary group, a position which it had comprehensively lost in 1974.*

*On the election itself, the prime sources used were party and candidate campaign literature, newspaper reports, the Northern Territory Legislative Assembly *Parliamentary Record* and, most important, interviews with party officials, candidates, electors and, understandably in an unofficial capacity, with government officers. Part I is, for the most part, based on work which had previously been undertaken on the political history and governmental structure of the Territory.

PART I

POLITICAL AND CONSTITUTIONAL SETTINGThe Demographic Context

The population of the Northern Territory, as determined by the quinquennial census of June 1976, was 101,362; the preliminary figure was 97,090, but that was subsequently revised to take account of an underenumeration of 4.4 per cent. By the reckoning of a population count in June 1977, the total had risen to 105,500, an increase of 4.08 per cent. Such an annual increase, by Australian standards, is high but, when compared with the rates achieved in the Territory in the late 1960s and the early 1970s (1966-71, 10.6 per cent per year; 1971-74, 6.8 per cent) it is relatively low. The trend to lower growth rates, evident before Cyclone Tracy in December 1974, had been recognized by significant reductions in future population projections in recent years: in January 1973, the estimate for the year 2000-01 was 421,000; in July 1976, 336,000; and in August 1977, 219,000. In the latter projection, the implied growth rate was 3.3 per cent a year. Although many factors, including the effects of Cyclone Tracy on Darwin, were used as contributory reasons for the lower estimates, the prime emphasis was placed upon a less optimistic and perhaps more realistic assessment of future economic development in the Territory.¹

In terms of population distribution, the 1976 census returns showed that 66,408 (68.4 per cent) Territory residents lived in the five major urban centres:

Greater Darwin	43,344
Alice Springs	14,149
Nhulunbuy	3,552
Katherine	3,127
Tennant Creek	2,236

The growth of the urban component of the population has accounted for most of the rapid overall increase in the Territory. While not as urbanized as Australia as a whole

¹N.T. Newsletter, Sept. 1977:7-8, 22

(over 82 per cent) the region, contrary to the view commonly held in the south, is certainly not a rural community. Of the rural residents, aborigines form the large majority; in 1971, they comprised 64.3 per cent. Since then, with the recent depression in the pastoral and mining industries and the consequent decline of the rural non-aboriginal population that proportion will have increased significantly. The demographic distinction between rural and urban aborigines is somewhat misleading. Although the majority (82.5 per cent in 1971) lives outside the major urban centres, many live in sizeable communities, the legacy of past patterns of aboriginal policy and administration. Despite the recent out-station movement away from those centres, they remain important residential and service foci.

Heterogeneity is an outstanding characteristic of the Territory's population. The basic cleavage is, of course, between aborigine and non-aborigine. With an estimated total of about 25,500 in 1976, those who identify as aborigines comprise some 26 to 27 per cent of Territorians. That number is approximately equivalent to the aboriginal populations in Western Australia or Queensland, but the high proportion places the Territory in a category of its own. Even in the aboriginal group, there is a distinction between full-bloods and part-aborigines which, despite the tendency to refer to aborigines as a monolithic group, is a very real one, culturally and geographically. The number of urban full-bloods is quite small; their major presence is in the fringe settlements and there many are only transient residents. On the other hand, most part-aborigines are urban-dwellers. In Darwin alone, it has been estimated that there are over 7,000.¹

Another index of the Territory's multi-cultural composition is the recent estimate given at a conference of the Australian Council of Churches and the Good Neighbour Council in Darwin, indicating that over 60 per cent of the Territory's population is of non-Anglo-Saxon origin and that, in Darwin, there are forty-seven identifiable ethnic groups.²

¹H.C. Giese, personal communication. Mr Giese is an ex-Assistant Administrator in the Northern Territory Administration (NTA), responsible for aboriginal affairs.

²*News*, 13.5.77. *Editor's note:* Throughout this account the following shortened forms of the Territory press will be used: *News* . . . *The Northern Territory News* (Darwin)
Star . . . *The Darwin Star*
Advocate . *The Centralian Advocate* (Alice Springs).

Special mention should be made of the large Greek and Italian communities and the long-established Chinese residents.

The Territory's population is an unusually young one; 40.5 per cent under the age of nineteen and 39.1 per cent between twenty and thirty-nine. If the aboriginal component, which shows a more normal age-distribution, is removed, the non-aboriginal part is consequently more concentrated in the lower age-groups. There are, moreover, distinctive bulges in the under-ten and in the twenties' age-groups, the groups which make up the typical young family units so evident in the population, and a noticeable sag in the ten to nineteen age span.

It has sometimes been claimed that the most permanent group in the Territory is the aboriginal one and that the majority of non-aborigines are transients. Using the figures for the census-years, 1966 and 1976, and omitting the transience factor, it is apparent that over half of the latter group arrived in the last ten years. The extent of transience is difficult to measure, and to a large degree is dependent on the interpretation of "transience" itself; the longer the period of residence which is used as an index, the larger will be the proportion of transients in the population. Elsewhere, I have concluded that, after surveying the available evidence:

In comparison with other geographic units in Australia, the Territory has a higher level of people who are not wholly permanent but the figures for Darwin, Alice Springs, and Katherine suggest that there is more stability and less transience (in the sense of very short-term residence) than is often thought.¹

Before 1975, there was a trend to longer periods of residence in the Territory. Cyclone Tracy, with its devastating effects on the people of Darwin, disrupted population patterns in that city. It is difficult to gauge how many of its former residents returned but an estimate of 65 to 70 per cent has been mooted.² Bolstered initially by the

¹Heatley, in press: Chapt. 7.

²Based on information from government officials and a review of the electoral rolls. By 1977, of course, with the "transience" of Darwin's population, that figure would be much reduced.

labour requirements of the post-cyclone rebuilding boom, Darwin rapidly regained its former size. (In June 1974, it had been 46,656.) In any one year, Darwin's population varies considerably. In the pleasant weather of "the Dry," from May to October, there is a large influx of southern visitors who take up short-term residency; most depart with the onset of the wet season.

One further dimension of the Territory's population profile is of particular political importance. Compared with the national average of just over 20 per cent, the Territory has a much higher proportion of its work-force paid directly from the public purse. The exact size of the public sector is again hard to estimate but, if all public employees are included, then the proportion approaches 40 per cent, second only to the A.C.T.'s 55 per cent. It must be remembered, moreover, that, as a result of the high level of federal government expenditure in the Territory, a substantial part of the private sector of the economy is also indirectly dependent on public money. So too is most of the aboriginal population. Darwin, in particular, is pre-eminently a government centre. In a recent provocative article on the nature and future of Darwin, one critic has noted that:

no fewer than one person in six to be a public servant seems excessive; there simply should not be that much administering to do, and this leads one to suspect that at least some of these individuals are merely administering one another.¹

Although the proportion of public servants which he uses is far too low, his view is widely shared by many people in the private sector and by many Territorians outside the Darwin area.

The Constitutional Context, 1972-77

Since 1911, when it was transferred from South Australia, the Northern Territory has been a federal Territory, administered under The Northern Territory (Administration) Act 1911-76. Constitutional development, until the 1970s, had been slow, desultory and limited.²

¹Bauer, 1977, 53:29.

²Studies of constitutional development or aspects thereof are contained in Heatley, in press, Chapt. 2; Heatley and Powell, 1978:112-20 and Heatley, 1977:1-30.

The governmental structure of the Territory in 1970 was a curious hybrid, somewhat akin to the system of representative government of the British colonial era. The basic administration of state-type functions was carried out by a division of the federal Department of the Interior, the Northern Territory Administration (NTA) staffed mainly by the Commonwealth Public Service (CPS). Although nominally under the control of the Administrator the NTA was, by that stage, largely directed by senior departmental officers in Canberra. Legislative competence was vested in the Legislative Council, set up in 1947 to make ordinances "for the peace, order, and good government of the Territory."¹ While an overriding legislative authority remained with the federal Parliament, it had refrained, with the exception of the Supreme Court Act 1961, from using that power. The main thrust of constitutional advance had been to extend the elected component of the Council; in 1970, its membership was eleven elected and six official (nominated public servants) Councillors. However, the legislative restraints, such as disallowance and the refusal to assent to ordinances, which had been tightened as the membership was changed, limited the legislative freedom of the Council. An Administrator's Council, which had been created in 1960, enabled some Councillors to share in the decision-making process. Limited for the most part to making regulations, it was only a pale shadow of the executive authority which the elected Councillors were continually advocating. Of some note also in helping to expand the level of local participation in Territory affairs was the encouragement given to local government and the establishing of several statutory authorities in the 1950s and 1960s.

The elected members of the Legislative Council were the leading protagonists in the Territory for faster and more substantial constitutional change. Their major criticisms of the prevailing system of administration concerned the remote control from Canberra, the dominance of the bureaucracy and the general inefficiency, wastefulness and insensitivity to Territory needs. Almost throughout the Council's existence they had relentlessly pursued their campaign for a move to local control.

After a long series of negotiations with the federal government, a new offer of constitutional advance was made on the eve of the 1972 election. In line with previous

¹The Northern Territory (Administration) Act 1911-47, para 4u.

policy the proposals were cautious but, for the first time, full executive control over some local functions and revenue areas was offered. Central administration of key areas was, however, to be retained. Official representation in the Council was to be reduced to two while the elected element was to rise to eighteen.¹ Its reception in the Territory was hardly enthusiastic and it was not followed up as the Coalition parties were defeated in the election a few weeks later.

From 1972 to 1975 the issue of constitutional advance was not resolved. Labor's record was mixed. On the one hand, progress was achieved through the granting of a fully-elected Legislative Assembly in mid-1974 and Senate representation in 1975. A separate Department of the Northern Territory, a traditional demand of the elected Councillors, was established in December 1972, although it was merged into a Department of Northern Australia in June 1975, a change which found little favour with the Legislative Assembly. On the other hand, these actions were tempered by the fact that, after three years, the reality of power had been little altered in the Territory. Indeed decisions like the fragmentation of the old NTA, with the consequent allocation of some functions to other federal departments, the increasing use of federal legislation on state-type matters, and the exercise of the veto power over Territory legislation were interpreted as backward steps. Moreover the Labor government failed, in its three years of office, to devolve any executive authority to the Legislative Assembly.

Negotiations on constitutional matters by the new government collapsed in mid-1973 because of what was deemed as the extreme demands from the Councillors. The task of advising on appropriate avenues was then given to a Joint Parliamentary Committee on the Northern Territory (JPC) which had been set up earlier to act as a liaison group between Canberra and Darwin. Its main enquiry lasted a year, with its report being published in November 1974.² Generally, the report set out liberal guidelines for development and it

¹Hunt, 1973:8.

²JPC, 1974. In the wake of Cyclone Tracy the Committee was commissioned to prepare a further report (JPC, 1975) in which all recommendations were reconfirmed except that control of urban land originally slated for transfer was to be retained by the Darwin Reconstruction Commission for five years.

was received with satisfaction in the Territory. It recommended a phased transfer of a wide range of functions and revenues in the following few years. Full legislative power was to be kept by the Assembly, subject to some restrictions in areas which remained the responsibility of the Commonwealth. The timing and the extent of the proposed changes were to be negotiated between the Commonwealth and the Territory. During 1975, despite the setting up of an interdepartmental committee to advise on the timing and the organization of initial transfers, and repeated assurances that action was imminent, nothing was forthcoming.

In the federal election campaign of late 1975 Labor pledged that, if it were re-elected, the first stages of transfer would be expedited. A similar promise was made by the non-Labor parties which, however, went much further with a commitment to bring the Territory to statehood by the early 1980s, an offer debunked by Labor as unrealistic and an election stunt.

Under the Liberal-National Party government, constitutional development has moved steadily ahead. In September 1976, after consultations and the continuing work of the interdepartmental committee, the first transfer of powers (including the main statutory bodies, the existing Northern Territory Public Service functions, and some elements of the Department of the Northern Territory) was scheduled for 1 January 1977. Following one of the main recommendations of the JPC, the Department of the Northern Territory, which had been reconstituted, was, at the same time, designated as responsible for co-ordinating all Commonwealth government activities of a state-type nature in the Territory.¹

Consultations on and organization for additional transfers went on into 1977. By July, the federal Cabinet approved proposals for the establishment of a government of the Northern Territory by 1 July 1978 and the transferral, in a three-stage timetable, of all state-type functions to it by 1 July 1979.² There were, however, several conditions

¹Statement by the Leader of the Majority Party, G.A. Letts, in a joint statement with the Minister of the Northern Territory, 24.9.76, typescript.

²Letter from the Minister of the Northern Territory, published in the *News*, 4.8.77. The new Territory Cabinet accepted the timetable in September, although they argued successfully that the timing of the transfer of specific powers might be re-negotiated.

in the proposals. Local autonomy was to be subject to the Commonwealth's general oversight, although it was anticipated that direction would be given only in exceptional circumstances. The Commonwealth would also retain the right to make laws on the transferred powers but "only to the extent necessary to secure the relevant national policy objective and in consultation with the Government of the Northern Territory."¹ Control of aboriginal affairs and uranium mining, moreover, were specifically excluded from the offer of self-government. Firm prior agreement on the financial arrangements which would come into effect when the powers were transferred had to be negotiated. On the financial guidelines, the proposals followed closely the recommendations of the JPC, in that the Territory would be required to raise a fair proportion of its internal revenue and in that the overall financial relationship would be broadly similar to the existing federal framework in Australia. Proper consideration would, however, be given to "the special disabilities" of the Territory.²

Coming as it did in the middle of an election campaign, the Commonwealth's offer, as well as the general subjects of the past record of constitutional advance and the future of the Territory, became hot election issues. During the exchanges on these issues the attitudes of the political parties and the major pressure groups were brought sharply into focus.

The Economic Context

While the Whitlam government may have had additional reasons for its reluctance to grant some measure of local autonomy, the basic argument employed by Commonwealth governments between 1947 and 1975 to repel Territory demands for substantial constitutional development was the dependence of the Territory on federal resources. Any movement towards self-government or statehood was seen to be inextricably linked with the economic capacity of the region to sustain the advance; every claim for progress was rebuffed on the grounds that the size of the Territory's population and the state of its economic readiness did not warrant it. Prime Minister Fraser's 1975 offer of statehood was a significant departure from traditional practice. His was a

¹Section 3(g).

²Section 7.

political decision which, for the first time, was not based on the concept of economic viability.

Words such as "readiness," "viability" and "economic capacity" are, of course, relative terms. In the Australian federal system all states are, to some degree or other, or for one reason or another, dependent on Commonwealth assistance. One of the Territory's problems is that there has been no precedent in Australian constitutional history for measuring when another region should be economically ready for self-government or statehood. That decision must be left to the judgement of the government of the day, and there is no certainty that every government will agree on the same methods of measurement, will be guided by past experience, or will be working towards similar objectives.

However measured, the Territory is certainly, in budgetary terms, dependent on the Commonwealth. Government expenditure on state-type activities has, in the last ten years, increased rapidly. Under the Liberal-Country government from 1966-67 to 1972-73 it rose from \$58.45m to \$139.3m, an average annual rate of about 20 per cent. With Labor in office, there was an even sharper rise (44 per cent annual average) from \$187.4m in 1973-74 to \$438.9m in 1975-76 (\$325.2m if the amount allocated to the Darwin Reconstruction Commission is removed). Not all that money was spent on functions which could be legitimately charged to a self-governing Territory government - the spending on aboriginal affairs is the best example. On the revenue side, the amounts were small by comparison. In 1976-77, identifiable revenue (excluding payroll tax) was only \$45.84m, barely 10 per cent of expenditure; state-type taxes and charges contributed only about 7 to 8 per cent. The level of these latter imposts in the Territory is, by Australian standards, low; in many cases, artificially so because of the refusal of the Legislative Council/Assembly to sanction increases in their campaign to force the federal government's hand on constitutional reform.

Historically, the economic base of the Territory has been the pastoral and mining industries. From the 1960s, tourism became another important element. The fourth pillar is, of course, the federal government, the policies and the spending of which account for much of the rapid population increase of the 1960s and early 1970s and the development of the Territory's economic infrastructure. In fact a great deal of private industry is dependent on the level of government sustenance, especially in the building and construction area and in the service industries. The size of the

public sector work-force is, in itself, a significant factor in economic activity. As indicated above, the aboriginal population is also overwhelmingly sustained by government expenditure.

Since 1973-74, the pastoral industry has been in a continuing depression caused by low prices, lack of markets and increasing costs. As a consequence there has been a number of bankruptcies (some spectacular like the collapse of the Killen and Gunn pastoral empires), considerable economic hardship on other properties, a rural exodus of the non-aboriginal work-force and, despite some government measures to ameliorate the situation, a general sense of despair. The contribution of pastoralism to the Territory's economy has, in these circumstances, fallen rapidly and, in 1977, lagged far behind mining and tourism. Not that those industries have been entirely in robust health; tourism has been affected by the economic climate and some areas of mining, like the copper enterprise around Tennant Creek, have also suffered. Both industries, and mining in particular, represent much brighter prospects for future development than does the ailing pastoralism. Nor can agriculture, the past record of which should excite little future confidence, fishing and forestry be seen as potentially flourishing economic activities.

Predicting the direction and substance of economic advance is a hazardous exercise. Only two things are reasonably certain. Future development will be generated largely by mining and tourism. Both industries have, in the recent past, demonstrated the capacity and willingness to expand but the countervailing forces of the complications of aboriginal land-rights, market availability and the consequences of future government policy should not be discounted. Secondly, the Territory will continue to be dependent on national resources for some time to come.

In the 1977 election, the current state of the Territory's economy and its development provided a battleground on which many of the major skirmishes of the campaign were fought. Self-government, uranium, aboriginal land-rights, and the treatment of the Territory by the Whitlam and Fraser administrations were all connected, in some way or other, with these concerns.

The Political Context

Political parties and pressure groups

To attempt to define the political culture of the Territory is no easy task. In another study undertaken by the author, it has been argued that no integrated and coherent political culture exists. Rather, it can best be depicted as an amalgam of disparate sub-cultures based on factors like race, region, occupation and ethnic origin.¹ Perhaps the only generally-shared attitude is the reliance on government assistance. In the parlance of modern political science, the Territory could be described as having a "subject" political culture - one in which the majority of the population are more interested in the outputs of government rather than in participation. Two factors should be adduced in explanation: the nature of the population, especially the large aboriginal and other ethnic groups and the fact of transience; and the limited scope of participation which has been afforded by the Territory's retarded political status. In fact the latter circumstance fostered the development of a political elite, most notably the elected members of the old Legislative Council. Even with the expansion of political awareness and of opportunities for participation in the 1970s, the political stratum remains small. As elsewhere in Australia, the major vehicles of participation and articulation in the political system are political parties and pressure groups. Through a short analysis of them an indication of the range of political attitudes and interests in the Territory can be obtained. As would be expected, the leadership of most of these groups is drawn from the political elite.

Political parties in the Territory have a long history, but not until recently did they begin to play a significant part in the political system. In fact the modern party-system did not emerge until 1966, when the Country Party (CP) was formed to oppose the Labor Party (ALP) in the electoral lists for the federal House of Representatives seat and for the Legislative Council. Up to then the Council had been composed of independents and Labor men.² During the

¹Heatley, in press: Chapt. 7.

²In the 1965 election, a candidate from the North Australia Party, an Alice Springs-based group, did win one seat. The North Australia Workers' Union also endorsed some winning candidates in the 1950s. Between 1968-70, there was a Territory Liberal Party, but it failed to elect any of its candidates.

life of the Council, the ALP had from two to four members and the CP, from 1968, four to five. In federal electoral contests, the major parties were joined by the Australia Party (AP) in 1972 and the Workers Party, later to become the Progress Party (PP), in 1975. Before the introduction of the Legislative Assembly and the prospect of executive responsibility, the parties were basically electoral organizations and pressure groups; they were unable to develop those additional functions which depended upon a party's ability to wield real legislative and executive power. Territory parties are small in terms of membership; in 1976, only 1,500 of the electorate, at most, were members.

The major non-Labor party in the Territory is the Country-Liberal Party (CLP); the change of name from CP in 1974 was made at the behest of several of its branches in an attempt to widen its electoral appeal in the urban centres. In 1976, it had about 900 members in its eight branches, but that figure declined in 1977. It is affiliated with the National Country Party federally. The CLP's philosophy and policy attempt to blend those of the two major anti-Labor national parties and to adapt that mix to fit Territory circumstances. As the CP, it had returned candidates consistently from Alice Springs and the rural areas of the Territory.

The second major party, the ALP, had, in 1976-77, about 400 members in its six active sub-branches. In addition, four trade unions are affiliated to the party.¹ The ALP, in the Council era, received its most consistent support from Darwin electorates and the Tennant Creek area.

In 1977 there were three minor parties: the PP, the Communist Party of Australia (CPA) and the Australian Democrats, none of which had fielded candidates in local elections before 1977. The PP, after its establishment in the Territory in 1975, grew fairly quickly in terms of membership; at the time of the election it had about 130 members in four branches. Its organization and general policy follow the lines of other state divisions of the party. Until 1977, the Territory AP struggled along with a small group of adherents (twenty, mainly in Darwin), but it now no longer exists, having been absorbed into the Australian Democrats in 1977. That new party has currently about fifty

¹The Amalgamated Metal Workers and Shipwrights Union, the Miscellaneous Workers Union, the Waterside Workers Federation and the Electrical Trades Union.

members in its Darwin branch and it is confident of establishing other Territory branches and attracting more members in the future. The Communist Party is very small, and its importance is largely confined to trade union politics, particularly in the Waterside Workers Federation in Darwin.

As agents of demand-articulation in political systems, parties have traditionally been less important than pressure groups, although that situation will change as constitutional reform progresses. In an area of scattered and scant population the pressure group system in the Territory is characterized by the small size of its constituent parts, but the range of group activities is as wide as in the rest of Australia. The major pressure groups are associated with the prime economic interests in the Territory; the primary producer groups, business groups and employee organizations. In the pastoral industry, there are a number of organizations: The Northern Territory Pastoral Lessees Association, the Cattleman's Association of North Australia, the Centralian Pastoralists' Association, all of which are affiliated to the Northern Territory Cattle Producers' Council. More recently, the more militant Cattlemen's Union has established itself in the Territory. The Northern Territory Chamber of Mines (Inc.) represents the mining industry and the most important business groups are the Chamber of Industries and Commerce (N.T.) Inc., the Chambers of Commerce, and the Master Builders' Association. Besides the various unions representing employees, there is the Northern Territory Trades and Labour Council. Of some note, also, because of the numbers of public servants in the Territory, are the powerful Administrative and Clerical Officers' Association and the Australian Public Service Association. The majority of the leaders of these groups are also closely associated with political parties, and thus in election campaigns, many of these groups actively give their support to one or another of the contending parties. There is also a host of "promotional" groups in the Territory which exist to represent community interests or to advocate various policies or attitudes. Some are more politically-oriented than others and where their interests are closely linked with electoral issues, such as uranium and land-rights, their activities at election-time generally become more pronounced.

Special note should be made of the leading aboriginal pressure groups - particularly the two Land Councils, the Central Australian Aboriginal Congress (CAAC) and the legal aid services - which, since 1973, have been growing in assertiveness and confidence. They, and some of the church

organizations which were historically associated with aboriginal missions, played an important role in the 1977 election campaign and its outcome.

Political developments, 1973-77

In order to understand the 1977 election and its issues it is necessary to examine in some detail the prior relationships not only of the political forces inside the Territory, but also the relations between the local legislature and the federal government. As a great deal was made in the 1977 election campaign of the past performances, both nationally and in the Territory, of the Whitlam and Fraser governments, the starting point of this survey of political developments is the advent of Labor to power in December 1972.

Before 1973, Territory politics had been notable for a curious dichotomy. On the one hand, the relationship between the elected element in the Legislative Council and the national administration (including its instruments in the Territory) had been characterized by conflict; on the other, friction between the elected members themselves, regardless of affiliation, had been relatively absent. On most issues, particularly the constitutional one, they had maintained, more often than not, a united front. Party rivalry only emerged at federal or local elections. After 1973, conflict continued as a feature of the Territory/federal relationship and also began to intrude increasingly into the matrix of local politics. The central political reality of the post-1973 years was the sharpened party rivalry fostered by the higher political stakes produced by constitutional advance.

The period under review can usefully be divided into three distinct parts. From December 1972 to October 1974 there was a conjunction of a Labor national government with the old Legislative Council; from October 1974 to December 1975 Labor had to contend with a Legislative Assembly dominated by the CLP; and from December 1975 to August 1977 the national government and the Assembly were controlled by parties of a similar political complexion.

As in other areas of its competence, Labor approached its Territory responsibility with vigour and confidence. Prime Minister Whitlam, in mid-1973, claimed that his government would bring in an era of "enlightened administration" for the Territory.¹ Certainly Labor greatly increased spending

¹Speech reported in the *News*, 8.6.77.

in the Territory, mainly in the areas of aboriginal advancement, health and education and, in doing so, gave an impetus to business and population growth. Much of the latter, however, was in the form of a larger public service - in 1973-4 alone numbers of government officers rose by 14.5 per cent. Although Territorians welcomed the higher expenditure, there was considerable disquiet on many of Labor's policy initiatives or their implementation.

Labor's treatment of the pastoral and mining industries was a good case in point. Soon after Labor came to office the pastoral industry entered a period of slump. While the basic cause was depressed markets, the pastoral community laid some of the blame on the federal government's removal of many concessions and subsidies and its apparent continuing disregard of the problems of the industry. The mining sector, while not suffering the same downturn, was also disenchanted with Labor's policies in respect to incentives and the lack of realistic guidelines for future development. One particular case, which was used to attack the government's insensitivity, was the decision to increase the freight rates on the North Australian Railway, the prime user of which was the Frances Creek iron ore mine. As a result, the company was forced to cease operations and the railway itself became even less economically viable and, in fact, was finally closed on 30 June 1976.¹

One of Labor's major thrusts in the Territory was its commitment to improve the aborigines' standard of life. Its policy was based upon the concept of self-determination, land-rights and vastly improved social and economic conditions. To those ends administrative arrangements were re-ordered, large sums of money were allocated, and the Woodward Commission was appointed to inquire into land-rights. Although most white Territorians welcomed the new policies and broadly supported Woodward's proposals, there was eventually a chorus of criticism, especially from the rural areas, on several grounds. Particular opposition was expressed to the amounts of money devoted to aboriginal welfare compared with the assistance given to other sections of the population. Allegations of waste, inefficiency and corruption and questioning of the wisdom of the forced pace of development were prevalent. Moreover, given the sensitive nature of

¹To be fair, it should be noted that the railway was effectively subsidizing the company's operation and, even then, the company had incurred a large debt to the railway.

racial relationships in the Territory, the penchant of Labor spokesmen to lambast white attitudes was not highly appreciated. Nor, too, was the growing assertiveness of the newly-created aboriginal organizations which were another fruit of Labor's aboriginal policy.

Labor also won disfavour with some electors by its decision to acquire compulsorily freehold land around Darwin (the so-called "32 square mile acquisition") for future urban expansion. The case of the small-holders was taken up by the Legislative Council and later by the Opposition in Parliament; during 1973 and 1974 it remained a source of friction between Darwin and Canberra. Critics denounced this issue as yet another example of Labor's attempt to use the Territory as a laboratory for social and economic experiments.

The elected composition of the last Legislative Council was three ALP, three Independents and five CP. With the support of the six official members and sometimes of an Independent, the Labor members were able to pass a number of controversial measures which were opposed by the majority of the elected group. Ordinances dealing with the abolition of the death penalty, the introduction of rent control, the reactivation of price control and the tightening of company control were secured in that way, the votes usually resulting in a ten/seven division. Party rivalry during that period increased dramatically and the debates were among the bitterest in the Council's history.

The first test of Labor's popularity in the Territory came in October 1974 with the first elections for the whole Legislative Assembly. In two ways, the election was unusual. Not only did the candidates not know how much they would be paid as members but also, more important, there had been no indication of how much, if any, executive responsibility would be given to the new Assembly. Without the ability to define specific local platforms, the major election issue became simply the approval or disapproval of Labor's performance nationally and in the Territory. The result, was a decided rebuff to Labor; the CLP, standing candidates in all nineteen electorates, won seventeen seats and the ALP, contesting seventeen electorates, won none. Independent candidates secured the remaining two seats. Based on valid primary votes, the CLP polled 49 per cent, the ALP 30.5 per cent, and the twenty-nine Independents, together, 20.5 per cent. In two-party-preferred terms, although the exercise is difficult because of the optional preferential voting-system used, the proportion was approximately 61 per cent for the CLP and 39 per cent for the ALP. Labor polled badly

all over the Territory but especially badly in the mining and pastoral areas. The aboriginal vote in the southern electorates favoured the ALP but not enough to offset the loss of other sections; in the north the bulk of the aboriginal vote remained with the CLP. Darwin, traditionally one of Labor's strongest areas, saw the ALP share drop to 31 per cent, with 41 per cent going to the CLP and 28 per cent to Independents.

With the CLP monopolizing the Assembly, relations with the federal government were strained throughout the following year. Labor did improve its image in the Territory by its swift and generous response to the problems of post-Tracy Darwin and its commitment to rebuild the city. Moreover, its treatment of pastoral problems, with a price support scheme and the provision of carry-on finance, was a welcome, albeit belated, attempt to resuscitate that industry; it went some way to reviving confidence among pastoralists. Moves in the mining sector, particularly the delineation of clearer guidelines for the development of uranium, had a similar effect. Nevertheless, the stocks of the Labor government in the Territory remained low and nowhere was that better exemplified than in the attitude of the Legislative Assembly.

Soon after the Assembly first met the CLP, the Majority Party, set up an Executive Committee of seven members, each allocated a "portfolio." Five of the Executive Members formed the Administrator's Council (later redesignated as a "Cabinet"). That Committee orchestrated the almost constant sniping at the activities of the Whitlam government in its last year of office. Of most note in the CLP's criticism were the methods of implementing the programme of Darwin reconstruction, Labor's attitude to constitutional reform, and the legislative proposals on aboriginal affairs, especially on land-rights.

In the federal election of December 1975, Labor's electoral fortunes improved somewhat from the nadir of October 1974, but it did not poll well. The proportions of valid primary votes in the House of Representatives contest were 53.9 per cent for the CLP, 43.7 per cent for the ALP, and 2.4 per cent to the AP.¹ For the Senate, the two CLP

¹As a basis for comparison, the equivalent percentages for the major parties in earlier elections were:

1972 - 47.3 (CP), 39.3 (ALP);

1974 - 49.3 (CP), 45.5 (ALP).

candidates secured 54.6 per cent and the two ALP candidates 35.9 per cent. If the House of Representatives figures were analysed in terms of local electoral divisions, however, Labor obtained a majority in five Darwin seats and in Macdonnell, a southern seat with a large majority of aboriginal voters.

From December 1975, the Majority Party in the Assembly had to deal with a like-minded government in Canberra. Understandably, their relationship was considerably less acrimonious than it had been with Labor. The constitutional stances of Canberra and Darwin were similar and, despite some early frustration at the slowness of negotiations, the issue of constitutional reform ceased to be a major area of conflict. Some aspects of the aboriginal policy of the new government also tended to defuse tensions initially. In its version of the land-rights legislation the Coalition, unlike Labor, was prepared to cede responsibility for making complementary laws on access to aboriginal land and adjoining waters, protection of sacred sites and wildlife conservation to the Assembly.

Historically, the experience of the interaction between central and state governments in Australia, even between those controlled by politically-compatible parties, has shown that some conflict cannot be avoided. So it was in the Territory in 1976-77. The main conflict areas were in aboriginal policy, in the allocation of federal resources to the Territory, in the closure of the North Australian Railway and in the level of support given to the pastoral and mining industries. In each it was apparent that differences in opinion, sometimes acute, existed. The presence of dispute and the issues themselves were to become part of the debate in the 1977 election campaign.

Having no representation in the Assembly, the ALP, during 1975-76, was unable to mount consistent pressure on the CLP. Only in the federal election campaign of 1975 was the Territory Labor viewpoint loudly expressed. The election of an ALP Senator in 1975 provided the party with a local spokesman. The most effective opposition to the CLP came, however, from the federal Opposition, the Territory trade union movement, and other pressure groups. With the onset of the election-year, the local political scene was transformed. In 1977 the ALP became increasingly more vocal and energetic in promoting an alternative image and policy.

Some mention should be made of the record of the first Legislative Assembly. Its composition made for little

parliamentary conflict, although the two Independents did act as a *de facto* Opposition. The level of intra-party dispute is difficult to gauge, but there were indications, both in actual debate and in rumour and speculation, that there was some disunity on several policy and administrative decisions and on styles of leadership and co-ordination. In any event, such problems seem endemic in a situation where one party so monopolizes the parliamentary arena. Moreover differences in personalities, in policy stances and expectations and between back-benchers and executive members seem to exist in all parliamentary parties. The legislative output of the Assembly was reasonably high: of the 224 bills introduced, 155 were eventually passed as Ordinances. A number of Select Committees and inquiries were initiated. Of the latter, special note should be made of the inquiries on the supply of electricity in the Territory and on the gaming industry. Perhaps the greatest achievement of the Assembly was the successful accomplishment of the first transfer of executive authority with the concomitant establishment of a new and expanded Northern Territory Public Service to administer the new responsibilities. A landmark, also, was the passing of the first-ever local supply legislation in June 1977. Certainly there were criticisms that could be levelled at the Assembly - for example, the lacklustre debate, its apparent complacency, and instances of poorly conceived legislation which had to be withdrawn - but much can be explained by the inexperience of most of its members, the inadequacy of facilities and supporting staff and, above all, the size of the Majority Party. A proper assessment of the Assembly's performance must, however, await the efflux of time; only when it can be compared with its successors will its virtues and vices be adequately exposed. At this stage judgements are primarily based upon the particular political perspective from which the Assembly is viewed.

PART II

THE CAMPAIGN

The Onset of the Election

In a sense, political parties are always campaigning. The party which controls the legislature and the government seeks, by its performance, to entrench itself in office, whilst the Opposition attempts to persuade the electorate of its right to govern. Officially, campaigns begin only a few weeks before polling day but, in reality, parties gird themselves for elections long before. As has been indicated, the ALP in the Territory lacked a parliamentary base from which it could assert its claims for government and, up to 1977, had generally kept a low political profile. Thus for tactical reasons the ALP was obliged, in 1977, to begin its unofficial campaign well before the anticipated election date in October. Effectively, it started in late March with the announcement of its first batch of candidates. On the other hand the CLP, with the parliamentary forum at its disposal and, one suspects, a high degree of complacency, was much less active in the first part of the year. The third party which eventually contested the election, the PP, although not as openly active as the ALP, had also begun to prepare at an early stage. As a minor party, it could not command the media coverage accorded to the ALP, and its efforts were mainly directed to building up strength at the local branch level and planning for the later campaign.

Until 1958 Territory elections were synchronized with federal House of Representatives elections. With the exception of the 1958 contest, which was caused by the mass resignation of the elected members, subsequent elections for the Council and the first Assembly were held each three years. The calling of an election was vested in the Administrator through his powers of dissolution. In 1977, for the first time, the timing of an election was determined on the advice of a Territory party leader. That particular power is one of the weightiest in the armory of the leader of the government in any Westminster type of Parliament.

He can choose the time which, subject to its acceptance by the Governor-General (Governor or Administrator), he deems most beneficial to his party's chances of re-election.

In the usual course of events October would have been the month of the poll. As early as March, however, the ALP was publicly canvassing the possibility of an earlier date in August.¹ The federal budget was due to be presented on 16 August and, as it was widely tipped to be financially stringent, the ALP reasoned that the Majority Party would opt for an early election to escape the political consequences of severe cutbacks in Territory allocations. In late June, the Chief Secretary, Dr Goff Letts, lent credence to that possibility when he hinted that he had little relish for an election after the budget which might "smother the issues relevant to the Northern Territory."² Although at that time he still considered his options open, two weeks later he announced the election date as 13 August, arguing again that he did not want the budget to overshadow local issues.³ The writs were to be issued on 14 July and nominations were to close on 22 July. Reactions in the Darwin press were unfavourable: *The Northern Territory News* deemed it "a neat trick" and *The Darwin Star* supported the ALP's claims that it was a pointer to a bad budget and part of a CLP deal with the federal government to speed up constitutional reforms in return for increased local revenue. To *The Star*, the CLP "had little to offer the electorate by standing on its achievements."⁴

Three other issues relating to electoral arrangements should be considered: the redistribution, the change in voting procedure, and the payment of MLAs and office holders in the Assembly. The first will be dealt with, in some detail, in the next section.

Before 1974, voting in the Territory had been carried out, as in other parts of Australia, on the full preferential

¹*News*, 25.5.77 and 10.6.77 (Isaacs), and *Advocate*, 10.3.77 (Waters).

²*News*, 20.6.77.

³*ibid.*, 5.7.77.

⁴*News*, 7.7.77; *Star*, 7.7.77. Later, the political columnist in the *Star*, "Pandanus," attacked the decision as "politically pragmatic and morally bankrupt," *Star*, 21.7.77.

system. For the 1974 election, however, optional preferential¹ had been introduced by the Labor Government on the grounds of simplicity and suitability for illiterate or semi-literate voters. It was reversed in June 1977 when the federal government decreed a return to a full preferential system. The decision attracted a furious chorus of criticism from the anti-CLP forces, who attacked the lack of prior public discussion, the manner in which it was announced (in a Special Commonwealth Government Gazette, 15 June 1977) and its possible effects on aboriginal and migrant voting. To the critics, the move was patently designed to advantage the CLP in the coming election by making it more difficult for potential opposition to cast valid votes, and in the days which followed the announcement, reports in the Darwin newspapers highlighted the criticism.² Defending the action, the Minister for the Northern Territory and the CLP argued that the change was not sudden or secretive, that it had been consistent government policy to restore full preferential voting to ensure that the Territory came back into line with the traditional system, that it was not

¹In an optional preferential system, a voter can cast a valid ballot by indicating any number of preferences. While it turned out to be an academic exercise, the JPC also advocated optional preferential voting based largely, it seems, on the advice of the Chief Commonwealth Electoral Officer. (JPC, 1974:17 and Transcript of Evidence, JPC:2621-79). The Report, however, also added the somewhat contradictory phrasing that it "stresses that the method of voting in the Territory should be consistent with that of Federal elections."

²See the responses by

Jon Isaacs, *News*, 15.6.77, 20.6.77, 21.6.77 and *Star* 16.6.77;

aboriginal organizations in Alice Springs, *News*, 8.7.77; Rev. Jim Downer, Director of the Institute for Aboriginal Development in Alice Springs, *News*, 19.6.77;

Dawn Lawrie, the Independent MLA, *Star*, 16.6.77;

Sen. Jim Keefe, the federal ALP spokesman on Northern Australia and aboriginal affairs, *News*, 17.6.77;

Ted Giblin of the AP, *News*, 17.6.77, and the Committee for Aboriginal Voter Enrolment, *News*, 21.6.77 and *Star*, 23.6.77.

In an editorial the *News* (17.6.77) also considered the change unwise and politically motivated.

politically-inspired, that it would allow voters to support Independents and minority parties and that it would not disadvantage aborigines and migrants. They pointed out, moreover, that in the original change in 1974 there had been no consultation with the CLP.¹

When the 1974 Assembly election was conducted, the basic salary for MLAs was \$7,350 per year. In 1975, it was raised to \$12,000 and, in 1976, to \$13,250. The setting of pay-scales was the responsibility of the Remuneration Tribunal. As part of its pre-campaign activity, the ALP launched an attack on the CLP parliamentary leaders for demanding a salary-increase from the Tribunal at a time when a pay- and prices-freeze was in operation. Jon Isaacs, the leader of the ALP election team, labelled the claims as "sheer hypocrisy" and suggested that the Cabinet should be setting an example for the rest of the Territory.² Letts and his Deputy Leader, Grant Tambling, denied the allegations, deriding Isaacs' allegations as "immature fantasy." The approach to the Tribunal, they argued, was a routine matter and a revision of rates was well over-due. In any case, no increase would be brought in during the freeze.³ The salary increases were eventually announced in June. *The Northern Territory News* deemed them "long overdue," appropriate and timely and stressed that better salaries would help to attract better candidates for the Assembly.⁴ The salary scales were:

¹See Adermann's statement in the *News*, 24.6.77 and Letts' comments in the same paper, 16, 21, 22.6.77, in the *Star*, 16.6.77, and in *The Parliamentary Record*, No. 19 (16.6.77): 439-40.

²*News*, 27.4.77 and 5.5.77.

³*News*, 28.4.77 and 3.5.77 (Letts); *The Parliamentary Record*, No. 18 (5.5.77):293 (Tambling). In June, there was also a small flurry of claim and counter-claim on another matter relating to the expenses of the CLP Cabinet and MLAs. The ALP, through Isaacs and John Waters, the Territory Secretary of the party, accused the CLP of "scandalous" misuse of travelling allowances. *Star*, 23.6.77 (Waters) and the *News*, 8.6.77 (Isaacs).

⁴*News*, 21.6.77.

- (a) Base Salary: \$17,000.
- (b) Electoral Allowances: Urban members, \$2,500,
rural members, \$5,000.
- (c) Other Allowances:
- | | <i>Additional
Salary</i> | <i>Special
Allowance</i> |
|--|------------------------------|------------------------------|
| (i) Chief Secretary: | \$12,000 | \$5,000 |
| (ii) Deputy Majority
Leader: | \$9,000 | \$3,000 |
| (iii) Cabinet Members: | \$7,000 | \$1,100 |
| (iv) Non-Executive Cabi-
net Members: | \$4,000 | \$1,000 |
| (v) Speaker: | \$4,000 | \$1,100 |
| (vi) Leader of Opposi-
tion: | \$7,000 | \$1,000 |
- (paid only if there were five or more in the Minority Party).

The Electorates and the Voters

Although the total Territory population did not significantly increase between 1974 and 1977, the disruption of Darwin's demographic pattern caused by Cyclone Tracy, population growth elsewhere, and increased aboriginal enrolments necessitated another redistribution in 1977. Since the first redistribution of Territory electorates took place in 1959, the task of deciding on appropriate changes has been vested in a Redistribution Committee. In 1977 a committee of three - L.I. Noble, a recently-retired senior Commonwealth electoral officer, P.J. Wells, the Surveyor-General in the Territory, and E. Quong, a Darwin businessman - was appointed to recommend on boundary changes based on the existing criteria for federal redistributions. The Committee was, therefore, required to take account of factors such as the size of electorates, community of interest and geographic features and apply the 10 per cent weighting for rural electorates. As it sat in the early part of the year, it had perforce to base its proposals on the number of voters on the electoral rolls at the time, irrespective of possible future increases.

In its submission, published in mid-May, the Committee preserved the 1974 proportion of nine Darwin seats, two Alice Springs seats and eight rural seats. That latter designation is, however, rather misleading; as well as having a strictly rural population, the seats in the "rural" category also incorporated smaller urban centres, the large aboriginal settlements, some suburban residents and urban

fringe-dwellers. The final state of the 1974 and 1977 distributions is shown on Maps 1 to 4.

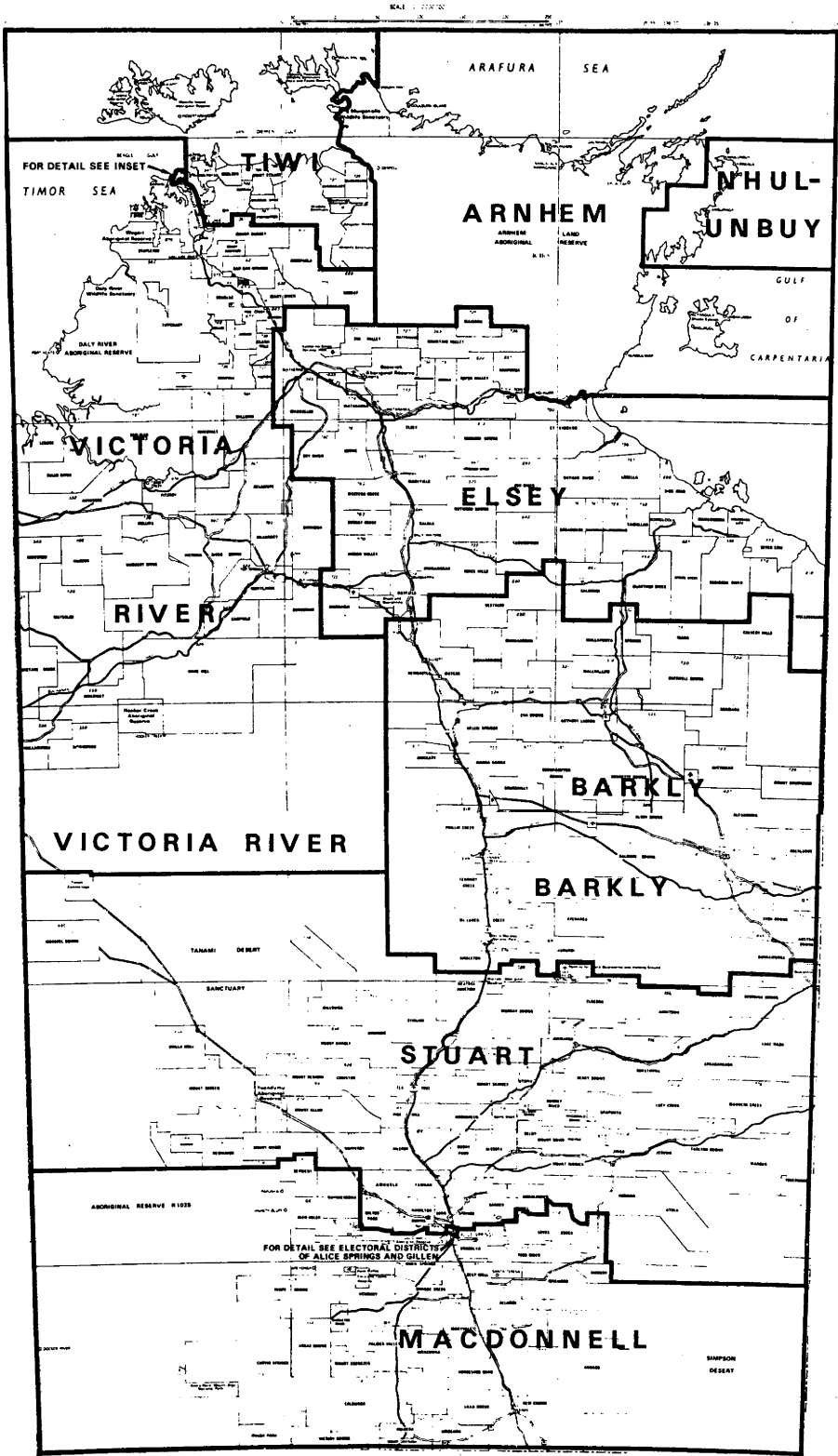
The four southern seats were left relatively intact, Alice Springs and Macdonnell being almost totally so. The geographic extent of Gillen was reduced by a southward movement of its northern boundary which contributed more urban voters to the neighbouring Stuart electorate. That, however, was compensated by the loss of some votes in the north to Barkly. Barkly itself gained the Boorooloola area, in the Gulf region, from Elsey which, in turn, gained a number of aboriginal communities in the Roper River/Rose River area from Arnhem. The latter electorate was extended north-eastwards to take in the Cobourg Peninsula and Croker Island from Tiwi. Nhulunbuy remained virtually the same. In the remaining non-Darwin electorate, Victoria River, some of its urban fringe voters in the Berrimah area were transferred to the urban seat of Stuart Park.

As a comparison of the 1974 and 1977 maps indicates, the Darwin seats underwent the most significant alterations although the names of the seats were unchanged. Nightcliff and Casuarina were reduced in geographic size while Stuart Park and Fannie Bay were increased. They, however, did retain a good part of their 1974 areas. In other electorates, changes were more fundamental. Sanderson, in fact, was almost a completely new electorate, taking in the new suburbs created since Tracy and a part of the old Casuarina district (Wanguri). Similarly Jingili was transformed with the loss of most of its 1974 area to Millner and the accretion of former Sanderson territory. With the move of the RAAF base from Ludmilla to Millner, the two new seats were almost unrecognizable in terms of their 1974 shape. Not unnaturally, in the circumstances, the sitting MLAs who felt that the changes diminished their chances of re-election lodged appeals.¹ When the final results were approved by the Minister in late June, however, only a few minor changes had been made and, in substance, the preliminary proposals stood.

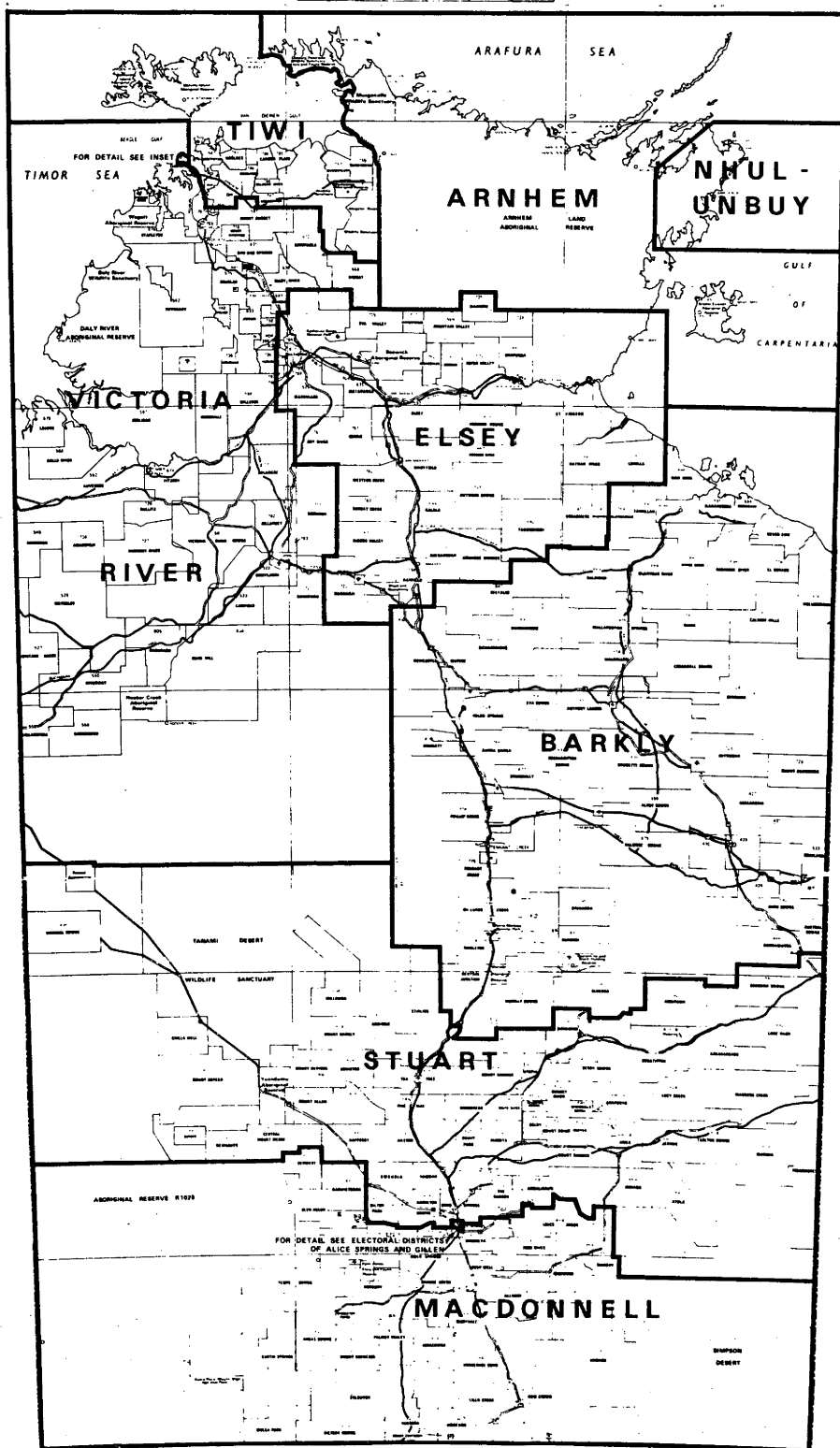
Table 1 sets out in detail some basic characteristics of the 1977 electorates in terms of their size. Several points of comment emerge from the data. In the first place the nine Darwin seats, although there was some variation in their sizes, almost exactly matched the July average. (In 1974, they had averaged about 20 per cent above). On the

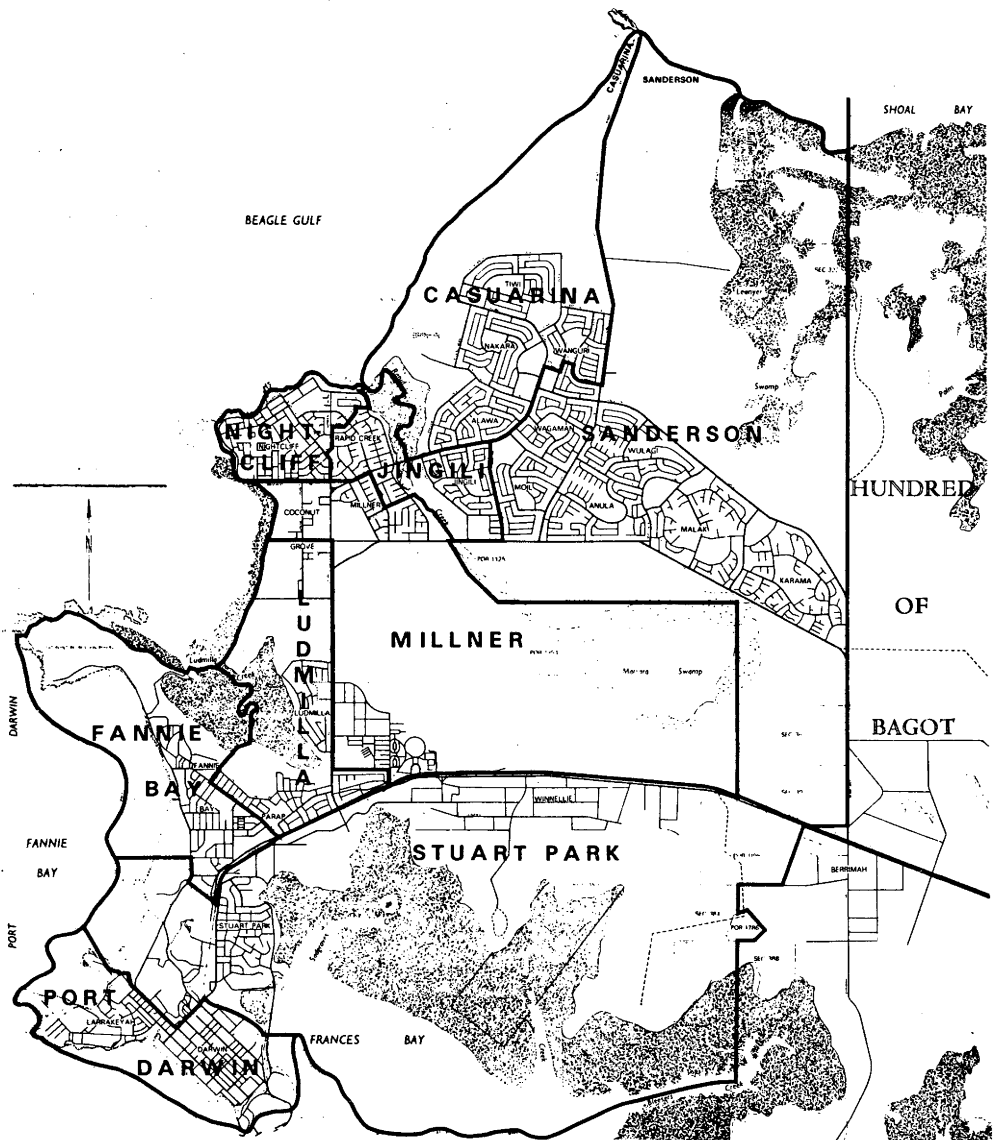
¹Paul Everingham (Jingili), Roger Ryan (Millner) and Grant Tambling (Fannie Bay).

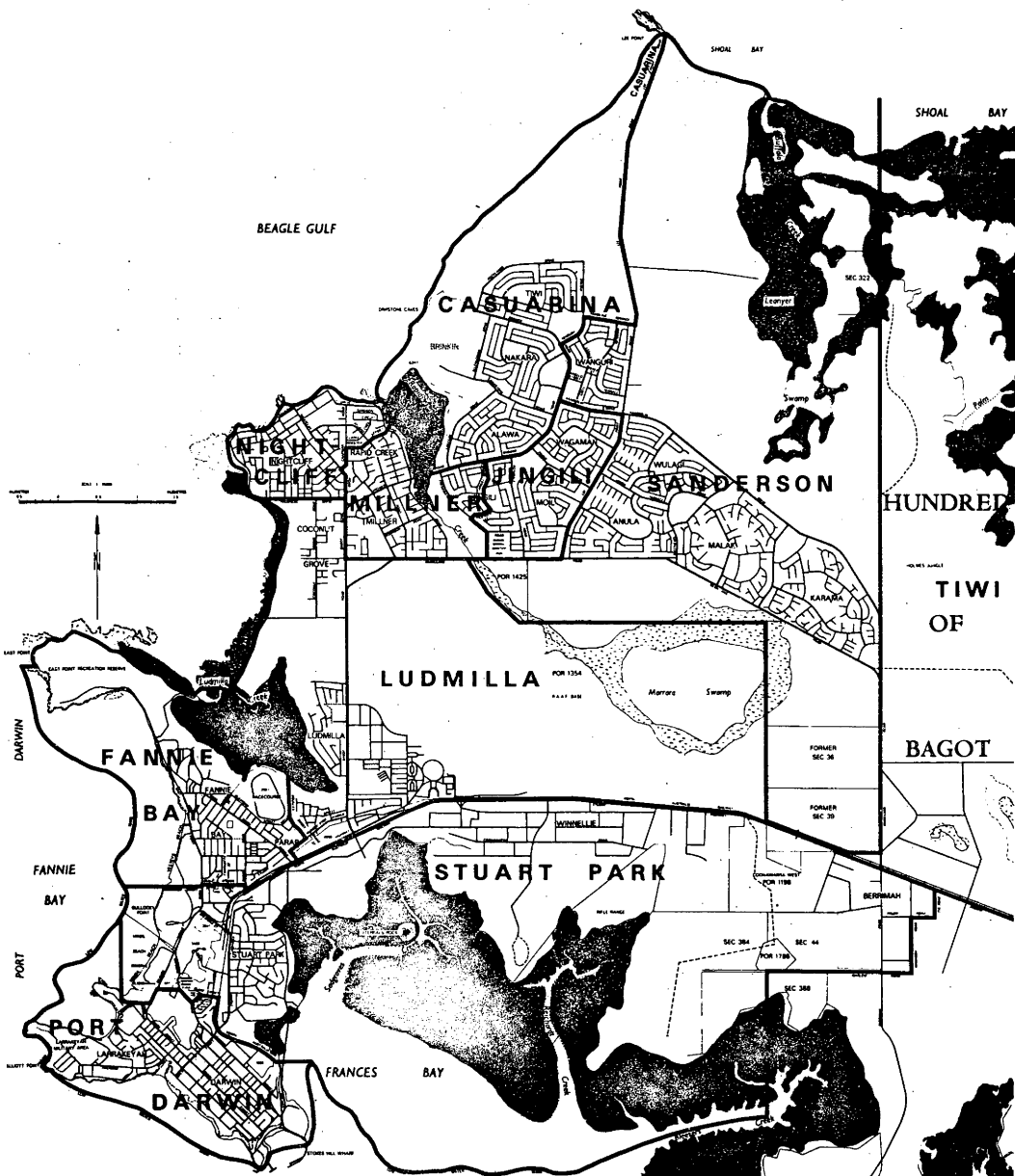
MAPS OF
NORTHERN TERRITORY
ELECTORAL BOUNDARIES
1974 AND 1977

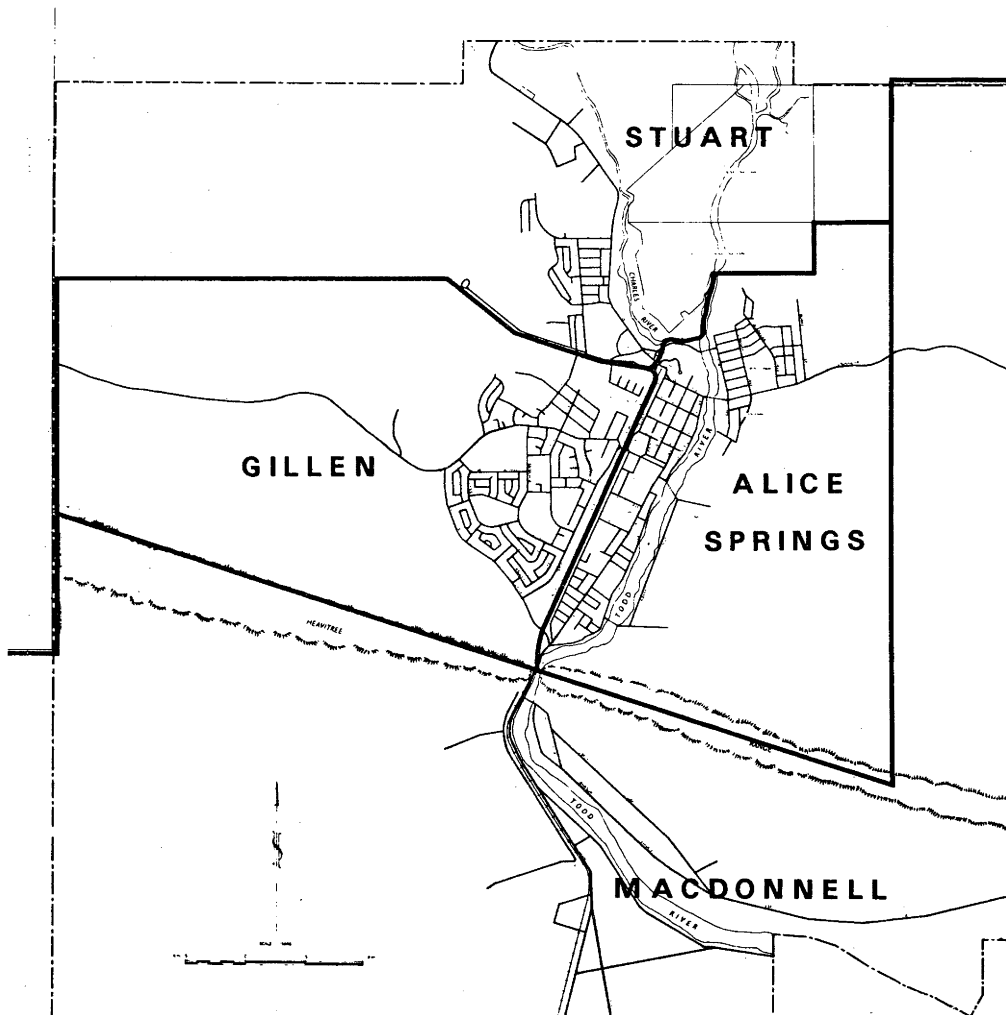


Boundaries of the Electoral Districts shown thus 









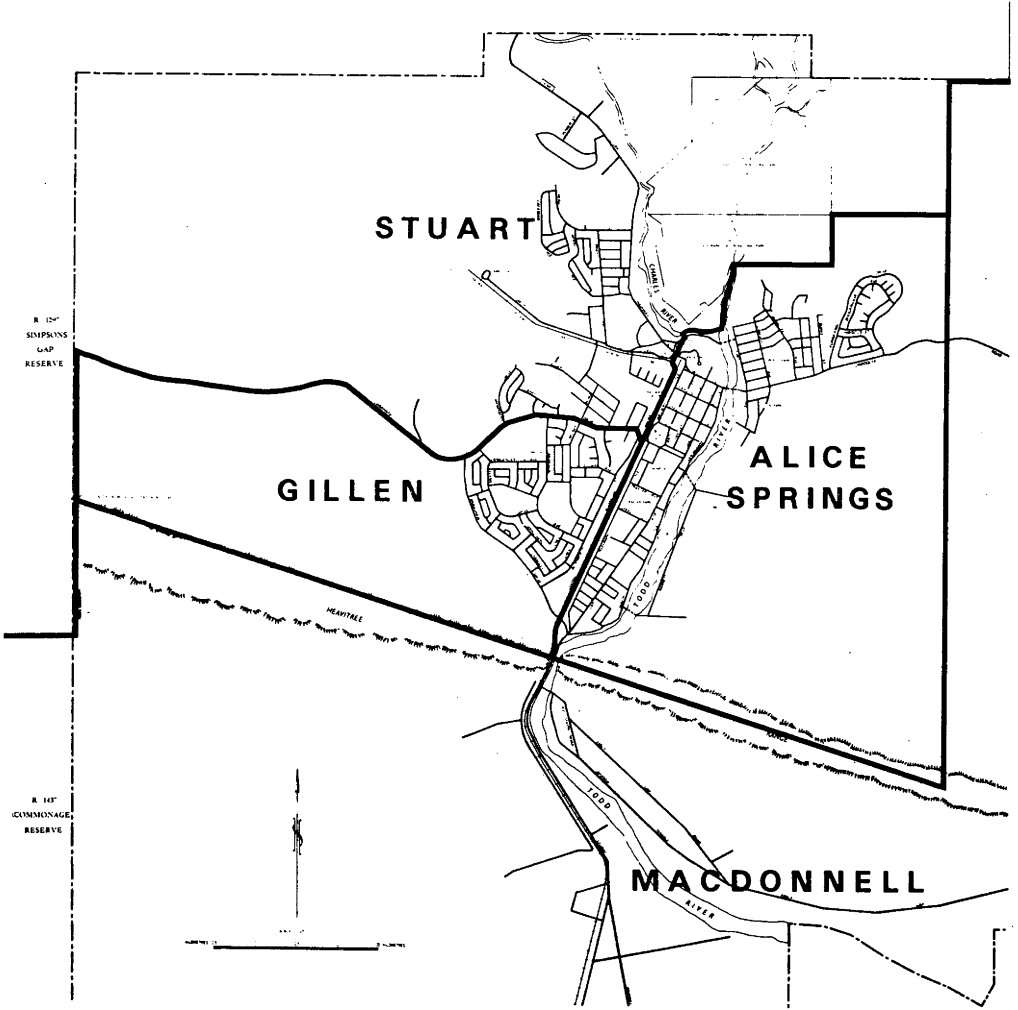


TABLE 1
Size of 1977 Electorates

Average: { April 1977 - 2020
July 1977 - 2276

Electorate	Size October 1974	Size April 1977 (Old dis- tribution)	Size July 1977 (New dis- tribution)	% Deviation from average enrolment		Approximate size in km ² (July 1977)
				April 1977	July 1977	
Alice Springs	2552	2533	2571	+25.40	+12.96	23
Arnhem	1509	1741	2053	-13.81	- 9.80	95,090
Barkly	1645	1587	2096	-21.44	- 7.91	221,660
*Casuarina	2339	2290	2440	+13.37	+ 7.21	8
Elsey	1884	1921	2063	- 4.90	- 9.36	156,650
*Fannie Bay	2242	1667	2210	-17.48	- 2.90	5
Gillen	2308	3211	2658	+58.96	+16.78	14
*Jingili	2295	1769	2236	-12.43	- 1.76	2
*Ludmilla	2042	1755	2455	-13.12	+ 7.86	20
Macdonnell	1658	2000	2486	- 0.10	+ 9.23	261,400
*Millner	2081	1515	2063	-25.00	- 9.36	2
Nhulunbuy	1888	2004	2122	- 0.08	- 6.77	2,890
*Nightcliff	2444	1910	2272	- 5.45	- 0.02	2
*Port Darwin	2550	1748	2207	-13.47	- 3.03	4
*Sanderson	2344	2814	2370	+39.31	+ 4.13	34
Stuart	1549	2294	2922	+13.56	+28.38	325,420
*Stuart Park	2385	1993	2215	- 1.34	- 2.68	18
Tiwi	1572	1699	1686	-15.89	-25.92	30,180
Victoria River	1740	1937	2128	- 4.11	- 6.50	254,100

*Indicates Darwin urban seat

Source: Northern Territory Electoral Rolls, 1974 and 1977

other hand, the Alice Springs seats - Alice Springs, Gillen and Stuart, which included the northern suburbs - were far above the average. Second, it is difficult to generalize about the other seats. Tiwi was well below; others, like Arnhem, Elsey, Nhulunbuy and Victoria River, were in the region of 6 per cent to 10 per cent below, and Macdonnell was over 9 per cent above. Thirdly, the distribution demonstrated the major problems of effecting an equitable division of votes in a region with a sparse and scattered population and widely-separated major centres. The large Alice Springs electorates reflected in great part the inability of the Committee to justify a further seat there on population grounds and their reluctance to swamp another rural seat with urban voters. To preserve a community of interest in each electorate in the Territory is well-nigh impossible, given the diversity of population in the rural areas and without creating more seats in the Assembly. The latter option, while it would have parliamentary advantages as well, would reduce the size of electorates to an unreasonable level. As good examples of the lack of community of interest, Stuart and Tiwi stand out. In the former, Alice Springs suburban areas are mixed in with a vast rural area with a large population of aborigines and, in the latter, basically white urban fringe-dwellers co-exist with aborigines in the northern islands. To a lesser degree, moreover, all the rural electorates excepting Arnhem, have racial and economic diversity.¹ Finally, there is the problem of late enrolments after the distribution has been struck. In the three months prior to the election in August, some seats experienced a large increase in numbers. As a result of a concerted drive to enrol aboriginal voters, the size of some rural seats increased dramatically; Arnhem, Macdonnell and Stuart, in particular, rose sharply. No Committee could have been expected to measure accurately these later trends.

It must be conceded that, in the circumstances, the Redistribution Committee did a creditable job. Indeed, none of the political parties, despite the individual appeals, publicly criticized the proposals. On the whole, they were reasonably satisfied that their electoral prospects would not be seriously disadvantaged.²

¹The composition of the electorates will be examined in greater detail in Part III of this study.

²That was the view expressed to the author by each of the three party leaders during the campaign. There was one vigorous criticism by Bob Collins, the new ALP candidate for

One further point about the electorate should be made. In the 1977 election, out of a total population of over 100,000 residents, 43,002 were on the roll on polling day.¹ If less than 40 per cent of the population is not old enough to vote, that leaves about 65,000 eligible. Thus only approximately two-thirds of that number registered as voters. Several reasons are usually put forward in explanation. Aborigines are not required to enrol; for them it is a voluntary operation. Of their number, it has been calculated that about 13,000 were eligible but it is likely that no more than 8,500 were on the roll.² Unnaturalized migrants also cannot vote. Even with those two factors, there are still a lot of eligible voters who fail to register. Some may be registered elsewhere, some may be too apathetic, but it is widely believed that many actively do not wish to be enrolled because they want to remain anonymous. Suggestions for this attitude are easy to come by: escape from the law, from creditors and from matrimonial difficulties are the most widely bruited. For whatever reason, in all electorates the number of those enrolled is much less than the number of potential voters. In Darwin, for example, only about 46 per cent of the population is on the roll, whereas nearer 70 per cent would be eligible. In Arnhem, a predominantly aboriginal seat, less than 30 per cent of the population enrolled although there, based on the age-structure of the aborigines, about 50 per cent would be of voting age.

The Candidates

The 1977 election attracted a record field of seventy-two candidates. In 1974, there had been sixty-six made up of nineteen CLP, eighteen ALP and twenty-nine Independents.

Arnhem, who described the redistribution as "blatantly racist" and seriously disadvantaging aborigines. In his view, the redistribution should have been based on the size of the population rather than on the number of electors (*Star*, 7.7.77).

¹The July roll numbered 43,253. In the election, 313 additional voters cast a regulation vote, leaving a total assumed electorate of 43,315.

²In the 1973 National Aboriginal Consultative Committee, 7,415 were registered and 5,434 cast ballots. The National Aboriginal Congress election in November 1977 attracted only 5,731 electors.

Although the number of Independents declined to fourteen in 1977, the entry of the PP into the electoral fray more than compensated for that decrease. Of the remaining fifty-eight contenders, the CLP put up twenty, the ALP eighteen, the PP nineteen and the CPA, one. If the AP had, as it initially stated it would, announced candidates, the field would have been somewhat larger.¹

The ALP, as part of their pre-election strategy, was the first party to nominate candidates; its first batch were announced in late March, more than three months before the other two parties. Long before that, however, the processes of finding candidates had been under way. The procedures for Labor preselection and selection for Assembly candidates are relatively involved. Each sub-branch of the party is responsible for one or more electorates in its immediate area. If there is a contest of eligible party members for a particular seat, an electoral college of twelve (five from the sub-branch concerned and seven chosen at random from the region in which the seat is located) is formed to decide the candidate. For the purposes of preselection, the Territory is divided into a southern region (Tennant Creek and south) and a northern region. Seats which are not attached to any sub-branch are the responsibility of the ALP Executive; in 1977, three seats were in that category. Where there is no nomination for an electorate the Executive may make one. In fact only two seats were contested for preselection - Jingili and Barkly - although Sanderson would have been another if one nominee had not withdrawn. The rest were either filled by a single nomination or by the decision of the Executive.

Thirteen ALP candidates were in the first batch announced, four in the southern region and nine in the "Top End." Subsequently, three withdrew: Pearce (Stuart Park), the sole survivor of the 1974 campaign, cited personal reasons as an explanation, Liddle (Stuart) claimed that, even if elected, an MLA's salary would not be sufficient for his needs,² and Gatjil, whose reasons were not publicly aired.³ Gatjil's

¹Report of AP meeting in the *News*, 5.7.77. During early July, the AP became a foundation part of the Australian Democrats and the subsequent problems of organization and planning decided the new party against entering candidates.

²*Advocate*, 19.5.77. However, there was also a strong rumour to the effect that Liddle was not acceptable to the aboriginal voters in Stuart and, on that ground, he withdrew.

³Isaacs refused to comment on Gatjil's withdrawal (*Star*, 2.6.77). On this occasion it was rumoured that pressure

place in Arnhem was filled by the previously endorsed candidate for Tiwi, Collins, in early July, at his own request, because of his deep concern with the issue of land-rights.¹ Similarly, Cutter (Alice Springs) opted to replace Liddle in Stuart and another candidate, McDonald, was endorsed in June for Alice Springs. In mid-July, the team was filled when candidates for Port Darwin, Stuart Park and Tiwi were announced. The ALP followed the CLP precedent in Tiwi by endorsing two candidates, one from the Darwin fringe-area and the other from the northern islands. One additional change was made: on the ground that the insertion of the RAAF base into Ludmilla made the seat unfavourable to the ALP, the party leader, Jon Isaacs, switched to Millner, with Draffin taking his former place. Two seats were not contested, Nightcliff and Elsey. In the former, the ALP did not want to oppose the sitting Independent, and in the latter, there was no candidate "simply because no-one has come forward."²

Table 2 sets out the ages and occupations of the ALP team. As can be seen, it was relatively young, with an average age of about thirty-two. Judged in occupational terms, it was drawn largely from professional ranks; there were few, if any, who could be classed as traditional working-class Labor stock. Eight, in fact, held university degrees. There were seven women in the final line-up, a high proportion by any standard. Three candidates of aboriginal descent (Tipiloura, Havnen and Perkins) were included.³ Of the four originally nominated in the south, three were closely associated with aboriginal pressure groups in Alice Springs, a factor given prominence in early assessments.⁴ In terms of experience, no candidate had prior parliamentary service although a few had some grounding in administrative practice through their occupations.⁵ The candidates' average length of residence in the Territory was about ten years, but that average was inflated by the presence of three who were Territory-

from colleagues in Yirrkala and in the Uniting Church may have been factors in his decision.

¹*Star*, 7.7.77.

²Isaacs' comment in the *News*, 13.7.77.

³The three candidates who withdrew were also of aboriginal descent (Liddle, Gatjil and Pearce).

⁴*News*, 6.4.77.

⁵Thomas had been Deputy Mayor of Port Moresby.

TABLE 2
ALP Candidates

Electorate	Candidate(s)	Age	Occupation
Alice Springs	1. Trevor Cutter ¹	32	Doctor, Aboriginal Med. Serv. Home Duties
	2. Rosalie McDonald	36	
Arnhem	1. Gatjil Djerrwurkburb ¹	29	Community Develop. Officer Technical Officer, CSIRO
	2. Bob Collins	31	
Barkly	"Peg" Havnen	42	Student at James Cook University
Casuarina	Dennis Bree	25	Engineer, Public Servant
Fannie Bay	Pamela O'Neil	31	Biochemist
Gillen	John Thomas	35	Senior Technical Officer, Dept of Construction
Jingili	Diana Rickard	27	Student at Darwin Community College
Ludmilla	1. Jon Isaacs ¹	27	Trade Union Official
	2. Chris Draffin		
Macdonnell	Neville Perkins	25	Executive Director, CAAC
Millner	1. Chris Draffin ¹ 2. Jon Isaacs	29	Wharf Observer
Nhulunbuy	Denise Fincham	23	Stock Control Officer at Nabalco
Port Darwin	Michael Scott	32	Statistician, Public Servant
Sanderson	June D'Rozario	28	Town Planner, DNT
Stuart	1. Bob Liddle ¹	38	Regional Manager, Aboriginal Hostels
	2. Trevor Cutter		
Stuart Park	1. Betty Pearce ¹	43	Shop Assistant Administrative Office, DNT
	2. Judith Muras	31	
Tiwi	a. Harry Maschke	41	Sheet-metal Worker Teacher
	b. Bernard Tipiloura	32(?)	
Victoria River	Jack Doolan	49	Retired, ex-Aboriginal Welfare Officer

¹indicates a candidate who withdrew from that particular electorate

born; only two others had been in the Territory for ten years.¹

When the first candidates were announced, Jon Isaacs was announced as Leader and John Thomas as Deputy-Leader. Thomas was made spokesman for police, local government, tourism and transport; Bree was responsible for minerals and energy, secondary industry and rural affairs; O'Neil was to look after health, education, housing, consumer affairs and prisons; and Perkins had aboriginal affairs and law reform in his "portfolio." Isaacs himself was to concentrate on general issues, especially in the fields of constitutional development and finance.

Not unnaturally, ALP leaders viewed the team as a strong one; Isaacs labelled it (the first batch) "an extremely formidable line up...young, keen, intelligent and energetic ...all fighters for particular causes"² and Waters saw it as "highly motivated, articulate" and "tuned in to the special needs of the Territory."³ The ALP's political opponents were not impressed with the selections. They pointed out that many were not well-known, that some were tainted by trade union activities and welfare activism, and that the better candidates were in seats that were hardest for the ALP to win. To the CLP, the early announcements were yet another reason for its complacency at the time.⁴

With seventeen MLAs, the CLP's task of selecting candidates was easier. Its procedures are also simpler. After nominations have been received, the Central Council, usually assisted by some recommendation from the Branch responsible for a particular seat, determines a candidate. In 1977, only four seats required new candidates - the two seats, Port Darwin and Nightcliff, held by Independents and two, Tiwi and Alice Springs, in which the sitting members did not

¹The 1974 ALP team of eighteen included three women and three aborigines (one a woman). Its average age (in the mid-forties) and the average length of residence in the Territory were both considerably higher than in 1977. Two sitting MLCs stood. Although there were more candidates of traditional working-class stock, the 1974 slate included many from the "white-collar" occupations.

²*News*, 31.3.77

³*News*, 30.3.77. See also the comments of "Pandanus" in the *Star*, 31.3.77.

⁴Based on private interviews with CLP MLAs and party officials.

TABLE 3
CLP Candidates

Electorate	Candidate(s)	Age	Occupation
Alice Springs	Rod Oliver	47	Public Servant
Arnhem	Rupert Kentish	63	MLA
Barkly	Ian Tuxworth ¹	35	MLA
Casuarina	Nick Dondas	37	MLA
Elsey	Les MacFarlane	58	MLA (Pastoralist)
Fannie Bay	Grant Tambling ¹	35	MLA
Gillen	Jim Robertson	32	MLA (Business prop.)
Jingili	Paul Everingham	34	MLA (Solicitor)
Ludmilla	Roger Steele	38	MLA
Macdonnell	David Pollock ¹	34	MLA
Millner	Roger Ryan ¹	38	MLA
Nhulunbuy	Milton Ballantyne	48	MLA
Nightcliff	Ron Nobbs	37	Public Servant
Port Darwin	Tom Harris	37	Company Director
Sanderson	Elizabeth Andrew ¹	29	MLA
Stuart	Roger Vale	35	MLA
Stuart Park	Marshall Perron ¹	35	MLA
Tiwi	a. Noel Padgham-Purich b. Cyril Rioli	48 39	Agriculturalist Store Manager
Victoria River	Goff Letts ¹	49	MLA

¹Denotes Cabinet Member

The occupations in parentheses indicate the style used on nomination forms.

renominate.¹ Alice Springs received five nominations and Nightcliff two. When the candidates were announced on 7 July, twenty were named, including two for Tiwi in order to maximize the vote.²

In the months before the election there had been some newspaper and ALP speculation about rifts in the CLP, and the possibility that the Chief Secretary might not renominate because of disputes with the federal government particularly over the issue of land-rights. Although Letts scotched the rumour and defended the unity of the CLP, differences in the MLAs' attitudes to drug legislation re-kindled talk of party rifts. Echoes of those claims were heard in the official campaign.³

Table 3 lists the CLP team's ages and occupations. Its average age was about forty-one, with thirteen in the thirty to forty year age-limit, and the average period of residence in the Territory was over twenty years. Taking into account the prior occupation for those listed as MLAs, they came from a wide variety of Territory interests - the public service, the rural and mining industries, the professions and commerce. As a group, they were fairly affluent; indeed, the ALP had criticized eight of the CLP MLAs for having private incomes either directly or through their wives.⁴ There were two women and one candidate of aboriginal descent. As fifteen had served in the Council or Assembly, the CLP could lay claim to much greater parliamentary and executive experience than the ALP. Kentish and MacFarlane had served in the legislature since 1968 and Letts, as an official and an elected member, for eight years. Seventeen of the twenty had contested elections before, sixteen for the legislature

¹The two MLAs, Hyacinth Tungaltalum (Tiwi) and Eric Manuell (Alice Springs) were widely reported as not being asked to renominate because of their lack-lustre performances. See comments in the *News*, 15.7.77, "Pandanus" in the *Star*, 7.7.77.

²The dual endorsement in Tiwi was criticized in both Darwin newspapers. See the editorial in the *News*, 7.7.77 and "Pandanus" in the *Star*, 7.7.77.

³On these questions see the *News*, 16.6.77 (Isaacs), 21.6.77 (Ryan and Letts) and 1.6.77 (Letts), and Barry Everingham's (political correspondent) story in the *News*, 15.7.77.

⁴Statement by Waters in the *Star*, 23.6.77.

TABLE 4
PP Candidates

Electorate	Candidate(s)	Age	Occupation
Alice Springs	Brian Evans	38	Managing Director of Building Company
Arnhem	Phillip Brain	49	Works Supervisor, Maningrida
Barkly	Neville Andrews	43	Contractor
Casuarina	Robert Hoey	30	Workshop Supervisor
Elsey	Deidre Killen	30	Home Duties (Pharmacist)
Fannie Bay	Ossie Osgood	49	Owner of Charter Air Company
Gillen	Peter Johncock	35	Maintenance Contractor
Jingili	David Cooper	32	Pilot
Ludmilla	1. Brian Smith ³ 2. Terry Johnson	38 24	Businessman Taxidriver
Macdonnell	Mark Fidler	31	Garage-owner, Motor Mechanic
Millner	Elva Pearce	40s(?)	Businesswoman
Nhulunbuy	Jack De Vries	30	Consulting Engineer
Nightcliff	Tony Blums ²	32	Manager of Building Company
Port Darwin	Ian Smith	30	Owner of Plumbing Business
Sanderson	David Bennett	28	Manager for Finance Company
Stuart	Ken Kitto	39	Accountant
Stuart Park	Ken Day ¹	33	Owner of Building Company
Tiwi	Rob Ryan	45	Geologist
Victoria River	Frank Favaro	42	Businessman

¹Leader

²Deputy-Leader

³Stood as Independent in Ludmilla in 1974

and four for local government (Harris, Tambling, Tuxworth and Everingham).¹

The third party, the PP, entered a full slate of candidates including two women. The bulk (fifteen) were announced on 6 July and the rest somewhat later. One original candidate (Brian Smith) had to be replaced because he could not nominate as he was overseas. In selection policy, the PP broadly followed the CLP procedures. The candidates' ages and occupations are set out in Table 4; their average age was about thirty-five years and they were drawn largely from commercial or professional ranks. Average residency was nearly nine years, although there were several long-term Territorians (Andrews, Osgood, Fidler and Favaro). Being a new party, the candidates were all first-time contenders for elected office. Like the ALP, the PP also appointed spokesmen for various areas of policy: the leader, Day, was responsible for statehood, taxation, education, secondary and primary industry, price and rent control; Osgood was in charge of transport, mining and aboriginal land-rights; Cooper was spokesman on tourism, gaming, free port and local government; Blums, the deputy-leader, was responsible for health, welfare, land tenure and the public service; Ian Smith was spokesman on industrial relations, employment and electricity supply; Bennett was in charge of consumer finance and credit control.

The only other party contender was Brian Manning, standing in Port Darwin as the first endorsed candidate for the CPA. A long-time Darwinite and party-member, Manning was an active force in the militant Waterside Workers Federation, in general trade union politics, and in various protest movements in the Territory. He had stood for the same seat as an Independent in 1974.

It had been expected that a large contingent of Independents would nominate. In the event, however, only fourteen came forward. Being Independents, it is more difficult to generalize about them than the party candidates. They were concentrated in "Top End" electorates particularly in Darwin; the only southern electorate in which Independents stood was Barkly. Details of the candidates are presented in Table 5. Generally speaking, they were older than the party teams, but most were Territorians of long-standing. Their number included two sitting MLAs - Lawrie had been in the

¹Padgham-Purich had stood in 1974 for Tiwi as an Independent.

TABLE 5
Independent Candidates
(incl. one CPA Candidate)

Electorate	Candidate(s)	Age	Occupation
Barkly	1. Margaret Conway 2. Billy Boy Foster	40(?) mid 50s	Shopkeeper Warrabri Council Pres.
Elsey	1. Patricia Davies 2. Davies Daniels	40s(?) 45	Community Develop. Officer Courier
Fannie Bay	Joe Fisher	58	Mining Engineer
Jingili	1. John McCormack 2. George Tarasidis	44 43(?)	Lawyer Carpenter
Nightcliff	Dawn Lawrie	40s(?)	MLA
Port Darwin	Ron Withnall Brian Manning (CPA)	63 44	MLA (Barrister) Waterside Worker
Sanderson	1. Kitty Fischer 2. Bert Sinclair	50 58	Sociologist, DRC Retired
Stuart Park	Ernie Chin	35	Company Director
Tiwi	1. Terry O'Brien 2. Strider	28 33	Manager Naturalist

Legislature since 1971 and Withnall, with twenty-three years' service as an official and an elected member, was the veteran of Territory politics. Joe Fisher also had spent thirteen years in the Council between 1961 and 1974, first as an unofficial nominee and later as an elected member. Two Darwin aldermen, Chin and Sinclair (the Deputy-Mayor), nominated. In addition to Fisher and the MLAs, Sinclair and McCormack had also contested the 1974 election and Strider, as Bill Walsh, had run, as an AP candidate, in the 1972 federal election.

This profile of the candidates has been couched in very general terms. More specific details on individuals will emerge in later sections of this study, particularly in Part III when the results of each electorate are assessed.

Platforms

Platforms provide the general base on which political parties appeal to the electorate for support, but there is always some difficulty in deciding their actual significance in campaigns or in election results. They are rather esoteric documents comprehended in their entirety only by a handful of party officials, candidates, academics and other devotees; at the most, the public-at-large obtains merely a partial conspectus coloured by the various interpretations of advocates or critics. Even if everyone had access to and interest in platforms, understanding the mixture of high political rhetoric, general policy statements, specific promises and party philosophy is a hazardous task. In a typical election campaign, moreover, the major issues may be related to sections of platforms, but often deal with extraneous concerns. Other circumstances, such as the style of campaigning, the role of the media and the influence of personality, must also be taken into account. Elections, in short, are not usually won or lost on the merits or demerits of party platforms; their outcome depends on an amalgam of factors. In this respect, the 1977 Territory election was no exception.

All three parties compiled comprehensive platforms for the election. The ALP version, based on input from party branches, study groups and the federal platform, was adopted at the party's Biennial Conference in Katherine in early April. Various parts of the platform, usually accompanied by criticism of the federal government's and the Majority Party's performance in the area concerned, were released at

intervals after April by ALP spokesmen.¹ The CLP platform, the general philosophy of which was modelled on the Victorian Liberal statement, was thrashed out at the party's conference in Alice Springs in late May. Publication of its salient features was largely confined to the period of the official election campaign in July and August because the party was so tardy in completing them.² Much of its election policy, however, had already been outlined by the Majority Party's statements and actions in the Legislative Assembly and in its debates.³ As part of its campaign literature, the CLP widely distributed a brochure which contained a brief of the platform.

As can be seen from Table 6, there were many similarities in the approaches taken by the two major parties towards Territory affairs. On the questions of health, education, transport, tourism, power supply and rural industries, there appeared to be a broad consensus. Even on constitutional and political development, at least on paper, there was agreement on the need for some sort of local self-government. In the articulation of their respective stances during the election, however, the two parties dispelled that impression. The major divergences related to uranium mining, some aspects of aboriginal and foreign policy, consumer affairs and land tenure.

The PP policy statement was issued when its candidates were first announced in early July; in the form of a brochure, it formed the major single item of the PP campaign literature, as well as being published in its entirety several times in the local press. Its general philosophy was geared to the freedom of the individual and of social and economic activities from government control; its specific

¹See, for example, energy supply (Isaacs - *Star*, 21.4.77; Bree - *News*, 5.5.77); education (O'Neil - *News*, 11.5.77); rural industries (Bree - *News*, 22, 28.4.77); consumer affairs (O'Neil - *News*, 30.6.77); correctional services (O'Neil - *Star*, 16.6.77); death duties (O'Neil and Perkins - *News*, 6.6.77).

²See the opening speech by Letts, *News*, 20.7.77. Detailed segments were also published: education (Perron - *News*, 5.8.77); housing (Tambling - *News*, 29.7.77); land and town planning (Perron - *News*, 11.8.77).

³See, for example, the CLP's stance on uranium mining in the debates on 15-16 June 1977, *The Parliamentary Record*, No. 19 (15, 16.6.77):373-92, 419-30.

TABLE 6
Major Points of Party Policies

Topic	ALP	CLP	PP
Constitutional and Political Development	- Rejects statehood for time being. - Supports greater self-government on lines of JPC reports. - Implement realistic freedom of government information. - Extend local government. - Ensure free transfer of Australian public servants into and out of NTPS.	- Implement self-government in second Assembly. - Accept recognition of N.T. as separate constitutional and political entity. - Expand local government and review present system. - Expand NTPS, free transfer of public servants.	- Supports concept of statehood. - Expand local government. - Improve efficiency, accountability of public service; change promotion system to one of merit, modify tenure provisions to be similar to private industry.
Education	- Adopt local education authority. - Develop N.T. curricula. - Expansion of educational facilities in N.T., incl. Teacher Education. - Improve facilities for aborigines and migrants, remote areas.	- Adopt local education authority. - Improve education for minority groups, remote communities. - Progressively expand all areas of Territory education.	- Adopt local education authority. - Introduce voucher system for secondary education. - Retain state funded compulsory primary system. - Foster basic education skills.
Health	- Establish a Health Commission. - Expand training courses. - Improve aboriginal and community health services. - Public enquiry into health services and standards in N.T.	- Establish a Health Commission. - Stringent control of drug abuse. - Promote maximum freedom of choice in health services. - Improve health standards and facilities.	- Promote widest freedom of choice of health services. - Establish private hospitals and clinics. - Implement educational policy on drug hazards.

[continued on next page]

Table 6 continued

Topic	ALP	CLP	PP
Transport	- Press for efficient price-equalization scheme for fuel. - Encourage establishment of new port near Darwin. - Better year-round communications.	- Establish public transport Commission. - Develop year-round communications. - Upgrade port facilities.	- Improve all transport avenues. - Promote real competition.
Tourism	- Encourage development. - Support Reserves Board and N.T. Tourist Bureau.	- Expand tourist industry. - Introduce tourist training school. - Establish development loans scheme.	- Improve tourism by establishing free port in Darwin and casinos. - Encourage utilization of natural assets.
Primary Industries	- Establish N.T. Co-operative marketing authority. - Provide credit facilities at reasonable rates. - Review of land-use policies. - Improve transport and community facilities. - Set up Katherine Abattoirs as co-operative and encourage year-round production. - Establish Katherine Rural College.	- Provide incentives to agriculture. - Protect fishing industry. - Improve credit facilities. - Promote active marketing policies, co-operatives. - Improve water resources utilization in rural areas. - Improve standard of rural facilities. - Set up marketing co-operatives.	- Support all enterprise to obtain markets. - Free port, reduction of tariffs with S.E. Asia.
Mining Industry	- Defer uranium mining, suspension of existing contracts. - Encourage exploration and development of other resources and treatment in N.T. - Establish Institute of Mining Studies.	- Encourage development and expansion. - Provide adequate security of land tenure. - Support to immediate uranium mining. - Support for maximum local processing.	- Prepare stable, long-term irrevocable mining laws. - Support uranium mining. - Encourage new mining ventures.

[continued on next page]

Table 6 continued

Topic	ALP	CLP	PP
Aboriginal Affairs	- Support Federal ALP policy, support full recommendations of Woodward Commission. - 2 km adjacent sea to aboriginal control. - Improved electoral process.	- Land to be granted under N.T. laws. - Aborigines to control entry to land. - Adjacent sea open to whole community. - Aboriginal legislation not to prejudice rest of community.	- Reserves to be freeholded to aborigines and alienable. - No special rights for aborigines over waterways and mineral rights.
Miscellaneous	- Abolish death duties on estate to spouse, on gifts to approved organizations. - Support self-determination to East Timor. - Oppose foreign bases in N.T. - Upgrade industrial legislation and encourage worker participation. - Protect heritage of N.T. - Foster expanded secondary industry, give incentives to development, survey industrial potential. - Improve provision of welfare services. - Reform corrective services in N.T. - Improve protection for consumers. - Set up Energy Commission, encourage exploration and research.	- Abolish death duties completely. - Develop single Housing Authority, encourage private developers, freehold tenure in urban areas. - Improve sporting and recreation facilities. - Give incentives for development in all economic areas, reduce unemployment, encourage better industrial relations, ensure democratic control of unions and other organizations. - Establish office for ethnic affairs. - Establish Electricity Supply Authority, expand service.	- Abolish death duties completely. - No increase in taxation. - Encourage secondary industry, establish Dept of Industrial Development, reduce tariffs. - No compulsory unionism. - Promote general development and create employment, provide incentives. - No gambling controls. - All leasehold land to be freeholded. - Abolish price and rent control. - Review of existing legislation, sunset laws. - Dismantle welfare system and replace with better system. - Establish an Electric Power Authority, construction of nuclear power station if feasible.

Territory proposals are also noted in Table 6. Of particular note was its unequivocal support for statehood and uranium mining, its approach to development of the Territory's economic resources, its advocacy of a free port, unrestricted gambling and sunset laws, its aboriginal land policy and its proposal for a nuclear power station in Darwin. Its philosophy was clearly apparent in its policy positions on the public service, education, industrial relations, land tenure and welfare services.¹

Although neither the sole CPA candidate nor the Independents had the resources nor the need to compile substantial written platforms, their campaign literature advertising and their press coverage set out their particular policies. It is difficult to generalize on their policies because of their disparate interests and characters, but all stressed the need for independent voices in the Assembly, to combat what they deemed as the inability of the political parties to recognize or correct the problems of the Territory. As they were angling for support from a single electorate, their "Platforms" were, to a much greater extent than the parties, constituency-oriented, tailored to the perceived needs of the particular locality. Many, however, also advocated wider solutions and programmes; some had special interests which they tended to emphasize; and all, because of the salience of issues like constitutional development, uranium and unemployment in the election, had to declare their positions on these matters.

The Issues

In every election campaign there are a number of subjects on which the contending parties or candidates differ. They can relate to essentially internal matters, to external matters, or a mixture of both; to global, regional or constituency concerns. They can be ephemeral or long-lasting; real or contrived; important or not-so-important. In its particular issues, the 1977 Territory election was certainly typical.

When he launched the ALP's unofficial campaign in late-March, Isaacs was certain that the key to the election would be the state of the Territory's economy and the lack of concern in the Territory's welfare exhibited by the federal

¹For clear and concise statements of its general policy, see the *Star*, 7.7.77 and the *News*, 12.8.77.

government. To him, the major issues would be statehood, the economy, consumer affairs, the power supply, education and industrial legislation. As uranium and aboriginal land-rights were clearly federal responsibilities, they would and should not become election issues.¹ Although other concerns arose as or were made into issues, the ALP resolutely stuck to the first two - statehood and the economy - as its major weapons in the campaign.

In late 1976 Isaacs had clearly enunciated the intention to use the statehood issue for all it was worth: "...now that they [the CLP] have the Statehood argument and concept with them, we must ensure that the Statehood that they talk about is equivalent to Statehood as we know it."² Simply translated, that meant that the ALP would ignore any protestations from its opponents that they were not advocating statehood but rather local self-government, and would concentrate on the sensitive subject of the costs associated with "statehood" which it assumed was feared by the majority of Territorians and thus a certain vote-catcher. Isaacs, as spokesman on constitutional and financial affairs, sometimes aided by interstate ALP speakers, hammered at the issue at every opportunity. The catalogue of the disadvantages of "statehood" compiled by the ALP was a long one: statehood was a device by which the federal government could escape from its financial responsibility to develop the Territory; the CLP were rushing the Territory against its wishes into "statehood" and insolvency; state-type changes would increase markedly; there would be massive "double taxation" forced on Territorians. In its use of the issue, the ALP employed skilful tactics; its advertising powerfully reinforced the message of its leaders, as did the publication of detailed costs contingent on the granting of local autonomy and the leaking of alleged documents on the same subject.³ It was also assisted by what was, to it, the timely announcement of the timetable and guidelines for self-rule before the election and an unfortunate prediction by

¹*News*, 31.3.77. See also Thomas' comments in the *Advocate*, 7.4.77. Thomas, however, gave greater prominence to land-rights than had Isaacs.

²Paper presented to the ALP Northern Regional Assembly in Darwin, mimeo, 11.12.76.

³A full coverage of the ALP's use of the issue is difficult to acknowledge as, on nearly every day during the official campaign, there were press reports on the subject. My own dossier on the issue extends to many pages.

Adermann, the Minister of the Northern Territory, that increased costs would be necessary to upgrade existing services in the Territory.¹ Both enabled the ALP to keep on the offensive on the issue.

The CLP posture on the issue was substantially defensive. It consisted in the main of an attempt to parry the ALP's thrusts and, at the same time, to justify its own actions. Letts, as Isaacs had done for the ALP, carried the burden of the defence, although he too was aided occasionally by his Majority Party colleagues and by visiting federal politicians and party officials. Although it frankly conceded that statehood was the longer-term objective, the CLP consistently denied that it should be seen as an immediate election issue. In fact Letts on a number of occasions emphatically declared that the CLP would not drag the Territory into statehood against the wishes of the electorate.² On the overriding question of cost, he was adamant that Territory charges would not rise steeply, that the federal government would continue its financial responsibility, and that the ALP disclosures were simply scare-mongering and baseless tactics. To counter the constructions that the ALP had placed upon the self-government offer and the Adermann statement, Letts arranged for the full text of the federal government's proposals to be published.³ Not all of Letts' responses were purely defensive; several times he attempted to counter-attack by attack. He often accused the ALP of being the most conservative party in the Territory on constitutional matters and of repudiating past ALP policies which had been geared to the winning of self-government. Moreover, he maintained that the ALP were an anti-federalist party and unsympathetic to any sort of significant constitutional development and that the local ALP were singularly ignorant of federal financial relationships and local processes of financial administration. In the latter stages of the campaign, there were several impassioned clashes between Isaacs and Letts on the cost question in the press and in a face-to-face confrontation at a political forum held at the Darwin Community College. The point at issue was Isaacs' claim that to fund the first stages of self-government, the CLP had agreed to or been forced to, accept a \$15m rise in Territory charges. Letts angrily responded that if that

¹*News*, 27.7.77.

²See Letts' statements in the *News*, 19.7; 2, 12.8.77.

³*News*, 4.8.77.

were true he would contribute \$1000 to the ALP and, for good measure, would run the thirteen kilometres or so from Night-cliff to the middle of Darwin. In turn, Isaacs offered to give \$1000 to a nominated charity if he were proved wrong.¹

Because of its generally offensive posture and the tactical superiority which it maintained, the ALP was not compelled to detail fully and openly its own policy on the question of constitutional development. However, with the use of its catchy slogan, "First Things First, Statehood Later," and in several press comments, the ALP gave the impression that, once the population and economic resources of the Territory warranted it, statehood was a possible end.² Although it supported in its platform the gradual transfer of executive authority to the Assembly along the lines recommended by the JPC reports, a position rather different from the 1977 constitutional offer, it never repudiated the latter publicly except in relation to the financial arrangement which, if elected, it promised to renegotiate on more satisfactory terms.

The constitutional issue was primarily fought out between the two major parties. While the PP supported statehood, it seldom became involved and did not push the issue hard. Of those in the Independent ranks, some came out firmly against statehood and others saw it only as an eventual goal, but most gave support to greater local control under appropriate financial conditions.³

The second major campaign issue was the state of the Territory economy, specifically the level of unemployment, the federal government's alleged cutbacks of expenditure and the disregard of the problems of the important Territory industries. In a wider sense, it also entailed a debate on the national economic policies of the Fraser government. As in the statehood issue, the ALP made and retained the front-

¹*News*, 10, 11.8.77. As far as the author knows the debts were never paid, as both interpreted the Budget figures as supporting his own case.

²*News*, 10.6.77 and *Star*, 4, 11.8.77.

³Of those who expressed definite views on statehood Manning and Strider opposed it; Lawrie, Fisher, Withnall, O'Brien, McCormack, Sinclair, Tarasidis, Davies and Conway saw it only as a long-term objective. Fischer expressed doubts even on the efficacy of the contemporary move to self-government; privately she opposed statehood.

running position and, in defining the scope of the debate, was again able to keep the CLP in a defensive situation. In this case, however, the roles were more traditional; in any election, a governing party must defend its prior policies and associations in the face of criticism. The CLP was not well-favoured by economic conditions in the Territory, with its depressed rural industries, the rate of unemployment, the slow-down of the important construction sector and the high level of the price structure. Although the root causes of these problems lay with market forces, inflation, the winding-up of the Darwin Reconstruction Commission activities and the policy of the federal government, the ALP was able to reap considerable political capital out of them, to the detriment of the CLP.

For the CLP, unemployment was uncomfortably high in 1977; by July, it had reached 9.6 per cent in the Territory and the ALP used it as evidence of economic mismanagement.¹ In its defence, the CLP argued that the figures were misleading in that they included many aborigines in settlements and reflected the influx into Darwin of unwanted unskilled labour. It was claimed that the real work-force was relatively stable except in the building industry and in the rural areas, the two sections most affected by outside economic factors. Moreover, the CLP pointed to recent proposals to ameliorate the aboriginal unemployment problem.²

Several other economic topics were also aired during the campaign: the state of the small business community, the closure of the North Australia Railway in 1976, the plight of the pastoral industry and the level of Home Trustee housing loans as compared with the A.C.T. amount. On each, the familiar pattern of ALP accusation and CLP defence was evident. Of some note was the rather strange neglect by the CLP, at least in its media statements, to enlist the record of the previous Labor federal government as part of its defence tactics in the refutation of ALP claims on economic issues.

Another issue which gained prominence from time to time was the power supply for the Territory. The ALP used this as another example of the incompetence of the Majority Party. Although the power utility had been scheduled for early transfer to the Assembly, the CLP had refused it, claiming

¹*News*, 10.5.77 (Bree) and 13.7.77; 4, 11.8.77 (Isaacs).

²*News*, 5.8.77 and *Star*, 11.8.77 (Perron); *News*, 12.8.77 (Letts).

that the necessary groundwork had not been done and its operational and administrative problems should be rectified before transfer. Later, the ALP bitterly attacked that refusal, adding that the CLP, unlike itself, had no long-term policy to improve the electrical supply.¹ In turn, the CLP rejected the criticism and categorized the ALP proposals as disastrous.² Although the issue was defused somewhat by the announcement in June that the electric power function would be transferred in mid-1978, the ALP continued to refer to it during the official campaign.³

Nearly every policy statement or comment by ALP spokesmen was accompanied by scathing criticism of the CLP's actions and programmes; housing and consumer affairs were two good examples. Even when the two parties were substantially in agreement, as in the cases of health and education policy, that tactic was employed. Rumours, like the CLP's plan to slash the NTPS, were treated in a similar fashion.

An important area of campaign activity was the debate on the performance of the CLP as the Majority Party in the first Assembly. Implicit in the ALP's attitude on the previous issues was a direct criticism of the CLP's role in defending the Territory's interests and of knuckling under to pressure exerted by the federal government. To the ALP, moreover, the Majority Party had a dismal legislative record, it had "failed to produce the goods" and there was a long string of broken promises to answer for.⁴ In his final pre-election statement, Isaacs claimed that the CLP had "failed to turn the lights on" and he caustically reviewed the CLP's "no-record."⁵ For its part, the CLP naturally defended its record, emphasizing the status of the Assembly for much of its first term as "largely a talking gallery" without the means to accomplish a party programme.⁶ In spite of the constraints, however, the CLP, it was claimed, had proved itself an excellent guardian of Territory interests.

¹*News*, 31.3.77 and *Star*, 21.4.77 (Isaacs); *Star*, 9.6.77 and *News*, 5.5.77 (Bree).

²*News*, 24.4.77 (Perron).

³*News*, 29.7.77 and 5, 11.8.77 (Bree).

⁴*News*, 10.8.77 (Isaacs).

⁵*News*, 12.8.77.

⁶*Star*, 11.8.77.

Two significant questions have not yet been mentioned - aboriginal land-rights and uranium mining. As issues, they did not generate much inter-party rivalry because the ALP refused, for the most part, to treat them as important local concerns; it stuck to its early conviction that they were essentially national problems. However much the other parties attempted to raise them, the ALP did not rise to the bait except on very specific grounds.

Land-rights had been well in the news in the early part of 1977 with the abortive Legislative Assembly draft legislation, the work of the Joint Parliamentary Select Committee on Aboriginal Land Rights in the Northern Territory, and the clashes between local and federal politicians and between the CLP and aboriginal pressure group leaders. There was also in the platforms of the three parties room for campaign rivalry, but land-rights never really surfaced as an issue. Only the PP really tried to push it and then primarily in the sense that aboriginal land should be treated no differently from other land in the Territory.¹ The two aboriginal Independent candidates, not unnaturally, gave priority to land-rights and, in the constituency setting, the ALP candidates standing in seats with large aboriginal populations also made considerable use of the subject, advocating the ALP policy as greatly superior to that of the CLP.

The CLP, the PP and a majority of the Independent candidates supported the mining of uranium with appropriate safeguards. To them it was essential for the future development of the Territory, would create jobs and stimulate business and population growth, and provide much-needed revenue. From mid-June the CLP and its interstate supporters plugged the pro-uranium line; it was featured prominently in CLP statements and advertising. The most vocal and determined opposition to uranium mining came from the Territory Trades and Labour Council (TLC) which argued that the pro-uranium claims were "not only grossly exaggerated, but short-sighted, hypocritical and morally indefensible."² On the uranium question, the Territory ALP was in a tricky position. Early in the official campaign Isaacs had reaffirmed his stance that uranium was not a local issue, that it was not the answer to the Territory's problems, and that the CLP had "jumped blindly on the bandwagon" to raise money to pay for

¹See the PP Policy Statement, July 1977, *Star*, 14.7.77. (Osgood), and the statement by the PP in the *News*, 12.8.77.

²*News*, 14.7.77 (Cavenagh, Acting-Secretary).

statehood.¹ However, both he and Bree had also been reported as saying that a Labor Majority Party would "probably cooperate" if uranium mining went ahead,² statements which provoked an angry response from the TLC. Although the CLP tried to stir the pot of discontent between the TLC and the ALP, it was unsuccessful and the apparent disunity in the Labor ranks was quickly healed (at least from prying eyes). The way in which the ALP handled the issue, despite the occasional blemishes, was skilful. From its market research it knew that the bulk of the Territory's population supported uranium mining, and it had to tread a wary path between alienating that support and moving outside the constraints of Federal ALP policy which, in July, had been determined as a moratorium on the mining of uranium. Nor did it wish to antagonize unduly the trade union movement in the Territory.

At the constituency level there were many additional issues which concerned local problems and conditions. There, both party and Independent candidates attempted in their electioneering to identify and submit appropriate answers to those issues in an endeavour to secure support. The same could also be said about the regional level, either on a geographic basis such as suburban districts, urban fringe-dwellers, or rural regions or in terms of racial background or occupational status. These factors will be more closely examined in the detailed analyses of electoral results in Part III.

As a final comment on this subject, it must be remembered that issues in themselves do not provide a full answer to the riddle of voting behaviour. Many people vote by habit or instinct, or even sheer bloody-mindedness, paying little or no attention to issues. Others rate personality as superior to issues in determining their vote.

The Style of the Campaign

This concluding section relating to the campaign will have an omnibus character; it will bring together the remaining aspects of the campaign which warrant attention.

¹Statement reported in the *News*, 7.7.77. He also reiterated that position in a comment reported in the same newspaper, 19, 20.7.77.

²Statements by Isaacs in the *News*, 20.7.77 and in the *Advocate*, 28.7.77, and Bree, in his exposition of ALP mining policy in the *News*, 19.7.77.

A fair proportion will be devoted to the organization and the conduct of the campaigns of the three parties and the other candidates. Following that, there will be short assessments of the role of pressure groups and the media.

Several characteristics of the ALP campaign have already been mentioned - its early beginning in terms of the selection of candidates, the adoption of its platform and the definition and publication of issues, its aggressive and innovative style of campaigning and its responses to political developments in 1977. Without repeating them in detail, they must be welded into a general account.

Organization for the coming election also began at an early stage. At the official announcement of the candidates in Darwin, the Federal Secretary of the ALP, David Combe, was present to meet the candidates and assist in the organization of the campaign. Isaacs, in a press conference on 31 March, suggested that the campaign would cost the ALP about \$50,000 and that, for urban voters, it would be "specifically aimed at TV." The rural seats, however, without complete TV access, would require different tactics.¹ Both he and Waters intimated that the style of campaigning would not follow the example of 1974 when the ALP was woefully underfinanced (\$6-7000) and there was little concerted teamwork.² Campaign committees, Territory-wide and regionally- or constituency-based, were set up, and regular meetings of candidates were instituted. Isaacs himself began, from April, a regular programme of press conferences to make public the ALP line. Because of the great distances in the Territory there was a *de facto* organizational division between the "Top End" and the southern electorates. In the south the campaign was orchestrated by the local candidates, although there always remained close collaboration in the party as a whole. The tedious, time-consuming but necessary canvassing of individual electorates by the candidates was also begun earlier; it intensified after the results of the redistribution were announced in May. Thus in all aspects of its early organization the ALP far surpassed its major rival.

The official ALP campaign was professionally organized and presented; it left very little to chance. The ALP commissioned a market research group, Australian National

¹*News*, 1.4.77. An appeal was launched in early April to raise \$50,000 for the campaign.

²*News*, 30.3.77 (Waters).

Opinion Polls, to survey the Darwin area in late May and early June; on the basis of that report, it constructed its campaign policy. The report indicated that electoral support was apportioned 45 per cent to the ALP, 43 per cent to the CLP and 12 per cent to other candidates. Approval ratings for the federal government were 28 per cent; for Prime Minister Fraser, 35 per cent; for Whitlam, 50 per cent; for Sam Calder, the Territory MHR, 31 per cent; and for Adermann, a bare 14 per cent. On the question of perceived major issues, the top-rank order was unemployment, the electrical power supply, uranium, cost of living and the condition of the roads. Curiously, statehood was placed well down the list. The approval ratings on three important subjects were: land-rights 44 per cent (49 per cent against), uranium 68 per cent (25 per cent against) and statehood 45 per cent (53 per cent against).¹ Using these findings, it is easy to see why the ALP emphasized particular issues in its campaign and steered clear of others.

In total, the ALP spent about \$40,000 on its campaign, most of which came from Territory sources - party members, trade unions, businesses, other supporters and fund-raising activities.² It devoted a high proportion of that sum to TV advertising. In terms of air-time, the ALP, in fact, out-screened its major opponent³ and its advertisements were immeasurably superior in quality and impact, reflecting the fact that they had largely been prepared by an interstate advertising agency. The cost of production of the ALP

¹Some data were published as comments by Combe in the *Star*, 4.8.77. Isaacs, in addition, allowed the author access to the survey.

²Because of its commitment not to sanction a TAB system in the Territory, it was rumoured that local bookmakers contributed healthily to ALP funds. The 1977 ALP stance represented a volte-face in that, in 1974, it had strongly supported the establishment of a TAB.

³On commercial TV, the ALP had 124 minutes (cost, \$3,250) and the CLP 80 minutes (cost, \$6,961). The difference in cost reflects variations in the use of prime time and the fact that the ALP received a 30-minute free time slot. Altogether, the electronic media charged the ALP \$5,044 and the CLP \$10,241. Full details of radio-TV coverage can be found in House of Representatives, *Debates*, Daily Hansard, 23.5.78, Question No. 164, pp.2343-4.

advertisements was thus significantly higher than the CLP's. However, the ALP was accorded only half the free time on ABC TV and radio that was given to the CLP.¹ In its electronic media advertising, the ALP concentrated on the major issues of statehood, on the performance of the federal government and the Majority Party, and on the seriousness of the Territory economy (especially the cost of living and unemployment). Around those concerns, it coined its campaign slogans: "It's our Assembly - Make it Work," "First Things First - Statehood Later" and "Send Canberra and the CLP a Message." The TV and radio presentation, at least in the Darwin area, was highly personalized around the ALP leader, Isaacs, and every attempt was made to portray him as a moderate, responsible and compassionate man; the remainder of the team received little publicity. Little use was made of newspaper advertising; indeed, in Darwin, it was even less than the PP. Unlike the Darwin experience, where newspaper advertisements were on general subjects, the non-Darwin press primarily featured the virtues of the local candidates. In its less formal advertising, the ALP used the traditional means of publicity for its candidates and policies - posters, car-stickers, profiles of candidates, personal letters to constituents, a campaign newsletter, press statements and attendance at political meetings and forums. During the campaign, notably in Darwin and Alice Springs, there were several inter-party debates sponsored by community organizations to discuss specific issues or general policies.² In addition, there was the persistent and ubiquitous canvassing.

The ALP had decided at an early stage to conduct its campaign as much as possible on a local basis, with a relatively small contribution from federal politicians and non-Territory Labor leaders. Some cynics suggested that the real reason for that tactic was to avoid the embarrassment of inviting unpopular people like Whitlam ("People in the

¹*News*, 5.8.77 (Waters). The ALP had made representations to the ABC to increase its share on the basis of its share of the vote in 1974. The ABC maintained that the ALP allocation was appropriate for a party with no members in the Assembly. On radio, the ALP received 20 minutes, the CLP 40 minutes, and the Independent MLAs 3 minutes; on TV, the ALP received 10 minutes, the CLP 20 minutes and the Independents 3 minutes.

²Perhaps the most important was the forum featuring the three party leaders at the Darwin Community College on 11 August.

Territory have long memories - he is just not wanted") and visiting in the Territory "the faction-ridden, disunited mess" of the ALP federal parliamentary team.¹ Be that as it may, several visitors actively took part in the Labor campaign whether or not they were specifically invited for that purpose.² Isaacs himself did not travel much during the campaign, spending less than five days outside Darwin (three days in Alice Springs and one in Nhulunbuy). With the Darwin seats so important, he preferred to concentrate on that area.

As Isaacs had suggested, the tactics in the "rural" electorates had to be different from those used in the urban areas. There, the emphasis was on the efforts of the candidates themselves, of their supporters and of pressure groups with ALP sympathies. Special consideration was given to the enrolment of aborigines who, it was firmly believed, would support the ALP in substantial numbers and provide the key to the winning of the seats.

A final comment on the nature of the ALP campaign concerns its distribution of preferences. As the ALP was one of the two major contenders, it was confident that, in all seats, it would figure in the final count. Thus, with the exception of Tiwi which had two Labor candidates, its distribution was academic except as a guide to casting a valid vote or in identifying the ALP candidate. In Tiwi, the ALP were seemingly favoured with the top and bottom spot enabling it to construct 1,7,6,5,4,3,2 and 2,3,4,5,6,7,1 how-to-vote cards. Most of the other cards seemed designed for simplicity following logical sequences. Only in Stuart Park

¹Barry Everingham in the *News*, 14.7.77 and 8.8.77. The ALP Secretary, Waters, in a letter to the Editor on the latter date, hotly denied the claim that the local ALP was reluctant to invite Whitlam to the Territory.

²Among them were Senator Ruth Coleman (Darwin), Bob Hawke (who was the major speaker at the ALP official campaign at a lunch-time rally in the Gardens Amphitheatre on 18 July and who later visited Nhulunbuy), Don Dunstan (speaker at fund-raising dinners in Darwin and Alice Springs in late May), Bill Hayden (Alice Springs), Tom Uren (Arnhem Land, Darwin and Alice Springs), Senator Jim Keefe (Aboriginal settlements, Katherine and Alice Springs), as well as some State Labor ministers. Senator Robertson, the ALP Territory Senator, took very little public part in the campaign.

did there appear to be an obvious variation.¹ The ALP held top rank in six electorates and, in another six, was above the CLP candidate. Thus it was better placed to be advantaged by "the donkey vote."

In a review of his party's performance, the CLP Campaign Director, Merv Elliott, stated:

The situation was one of too little, too late. Five or six weeks before the election we were still selecting candidates... The decision of the date was made too late for this campaign... Fund raising - too late... Platform - too late... Printing machine - too late for the campaign... Assessment of the issues - too late... Redistribution - too late... Workers - too few... Candidates - some were too busy with Government responsibilities... Some candidates too complacent.²

Albeit brief, that assessment summed up the CLP campaign more than adequately. Compared with the ALP, the CLP was disorganized, was seldom, if ever, on the initiative and, although it retained a degree of confidence until polling-day, showed some signs of becoming rattled and desperate towards the end of the campaign.

In total, the CLP spent about \$45,000 on its election efforts. Unlike 1974, the two major parties, in terms of campaign finance, were far better balanced. The CLP did experience, however, greater difficulty in raising funds from its traditional sources in the Territory; whether because of over-confidence or loss of support is a moot question. Nevertheless, the bulk of its resources did eventually come from the Territory, although generous contributions were also forthcoming from the National Country Party Executive.

¹The Stuart Park card (2,4,1,3) placed Day, the leader of the PP, last. However, it should be noted that the majority of the cards lent themselves particularly well to the ALP to set up "logical sequences" and, at the same time, to favour certain candidates over others. In ten electorates the PP was favoured by a higher place than the CLP, and, in another six the reverse was true. (Tiwi is not included).

²*Focus-N.T.*, No. 1 (October 1977) p.3. The broadsheet is a new project of the CLP.

The party, however, is still in the red for its election commitment.

For the 1977 election, it was decided that the campaign would be locally directed,¹ a situation that, in great part, accounted for its lack-lustre style; the experiment is not likely to be one followed in the future. The home-spun effort was clearly evident in the CLP's advertising which, although in bulk was considerably more than the ALP,² lacked focus and impact. In short, it was patently unprofessional and, what was worse, frequently boring and over-exposed.

Certain generalizations can be made about the advertising techniques. They were oftendefensive in character, aimed at rebutting ALP charges. The scatter-gun method in promoting policies and candidates was used, with the result that there was no clear direction in the advertising and inadequate reinforcement of basic principles and programmes. The format, moreover, was sometimes cluttered and unappealing. Although Letts was featured widely, other candidates were also given plenty of coverage. The major theme of the CLP approach was to stress the collective strength of the candidates; one of their slogans was "The Team of Experience - you compare them with the opposition."³ The sheer bulk of the CLP advertising was notable; in the three weeks before the elections, the Darwin airwaves and press were inundated. While the non-Darwin press was less dominated, there the CLP also bought the most political space. Like the other parties, the bulk of the CLP finances was devoted to its advertising campaign; perhaps it got the least return for its

¹Although the Campaign Committee dealt with the whole of the Territory, there was some regionalization of activities which was particularly evident in advertising content in the Alice Springs area.

²On commercial radio (8DN in Darwin, 8HA in Alice Springs), the CLP bought 367 minutes at a cost of \$3,270 (250 on 8HA - \$1,613; 117 on 8DN - \$1,667); the ALP bought 166 minutes costing \$1,794 (115 on 8HA - \$1,042; 51 on 8DN - \$752). In terms of time purchased on TV and radio, the CLP had 46.1 per cent, the ALP 25.4 per cent, the PP 21 per cent and Independents 7.5 per cent.

³Other slogans included: "Team up with the CLP," "Let's stand on our own feet," "Join in the Recovery," "Truly Territorian," "The Performance Party."

money. Other techniques of getting the party's message across to the voters were similar to those used by the ALP.

Early in the campaign the CLP had emphasized that, as far as possible, local resources would be used. However, as the polling-day approached, there was a large influx of southern visitors to assist the CLP. Some had been scheduled to arrive, but to critics in the ALP and the press, the large contingent was evidence that the CLP were "panicking" and calling in "the heavies" to bolster up the ailing local efforts.¹ Local candidates did not move around the Territory much - Letts and Tambling restricted their campaigning to the "Top End" and in their own electorates. However, the Territory CLP federal members, MHR Sam Calder and Senator Bernie Kilgariff did work diligently for the party's cause.

The campaigns of the PP and the Independents can be dealt with at less length. As a minor party standing candidates in a local election for the first time, the PP was largely an unknown force and, by and large, the major parties tended to ignore its existence in public debate, each concentrating on what it considered to be its major opposition. But the PP did mount an aggressive and relatively well-financed (about \$17,000) campaign in its quest to make a creditable initial impact on Territory politics. Its tactics were to lambast the policies of the major parties and establish some awareness of its alternative programmes, hoping also to benefit by vote disillusionment with both. Its most vehement strictures were aimed at the ALP and part of its advertising was directed to promoting the PP "as the only sensible choice for an Opposition."² Again, most of its financial sources were devoted to media advertising;³ in fact, Territory-wide, its press space exceeded that of the ALP. Generally, its advertising product was simply and effectively presented. Despite a veritable stream of press releases from party sources, the PP received little news coverage in the Darwin press although it seems to have been

¹Barry Everingham in the *News*, 2, 8.8.77. At some stage during the campaign Fraser, Adermann, Nixon, Sinclair, Anthony, Webster, Ellicott, Snedden and most of the NCP MPs campaigned in the Territory.

²Its other slogans were "A Return to Common Sense," "Give Progress a Go," "For Sensible and Stable Government."

³The PP spent \$1,866 on commercial radio (163 minutes, all in Darwin) and \$2,664 on commercial TV (42 minutes).

better treated elsewhere.¹ Its campaign was assisted by several southern speakers, notably John Singelton and his wife, who addressed meetings in several Territory centres. Day, who also spent some time out of Darwin, declared himself happy with the support which his party was given by interstate branches. As would be expected of a party with a "right wing" image, the PP gave most of its preferences to the CLP over the ALP.²

Naturally, the efforts of the Independents were centred on their respective electorates. Some were more active than others, but all concentrated on the personal touch - door-knocking, personal letters and the like; some bought time on TV and radio,³ and most took space in the press to advertise their wares to local electors. In Tennant Creek and Katherine the four Independent candidates received a considerable amount of exposure in the local papers. The majority of Darwin candidates were accorded occasional news items in the newspapers; a few even got feature articles.⁴

Pressure group activities during election campaigns can vary from open involvement to indirect support to neutrality. There was little of the latter in the Territory elections. On the non-Labor side, pressure group support for the CLP and its policies was less open than it was for the ALP. Although Isaacs claimed often that the traditional bases of CLP support had been seriously eroded,⁵ the organized groups associated with them generally supported CLP

¹However, the PP and its leader, Ken Day, did feature in an article, "Party seems a serious matter now," the *News*, 20.8.77 and it was accorded the space to present its final message on 12.8.77.

²In Stuart and Macdonnell, no preferences were directed and in Fannie Bay, Fisher was given second preference. The CLP, in most cases, also gave their second preferences to the PP. The PP was favoured by being top of the voting card on seven occasions.

³Fischer spent \$182 (15 minutes) on radio advertising and \$340 (2 minutes) on TV; Sinclair \$168 (18 minutes) on radio; Daniels \$30 (2 minutes) on radio; Withnall \$468 (5 minutes) on TV; Tarasidis \$304 (6 minutes) on TV; Lawrie \$280 (3 minutes) on TV; Fisher \$880 (14 minutes) on TV; and McCormack \$300 (3 minutes) on TV.

⁴Strider and Manning were featured in the *Star*, 11.8.77.

⁵See, for example, his comment at the ALP campaign opening, *News*, 19.7.77.

policies, particularly its emphasis on development and its stances on self-government, uranium and land-rights.¹ Whether or not the organizational comments reflected the members' views completely, of course, is problematical; what is not open to doubt was the fact that nearly all the spokesmen of the bodies were members of the CLP or the PP. Except for the brief altercation over uranium, the trade union movement loyally supported the ALP as, one suspects, did the large public service unions, albeit at a subdued level. It was in the area of aboriginal voters that the most open involvement occurred. There the Land Councils, the CAAC with its associated bodies and the Committee for Aboriginal Voter Enrolment (certainly, with its membership, a Labor-front organization) worked hard both to enrol voters and spread the Labor message. The political activities of the Alice Springs-based aboriginal groups were often criticized and defended.² On the uranium issue, the anti-mining lobby (the Environment Council, the Uranium Action Group, The Friends of the Earth and Women for Survival) also supported the ALP. Again, it should be pointed out that the leaders of the pro-ALP groups were closely associated with the party either as candidates, members, or known sympathizers.

The contribution of the Territory newspapers to the campaign was hardly a notable one. Not that much was expected, given the fact that there was only one daily - *The Northern Territory News*³ - and its recent reputation as a font of political analysis was not high. Other Territory papers were weeklies, catering basically for local news coverage. During the campaign, all presented the major issues in a factual, non-interpretative fashion and provided considerable

¹See, for example, the response of the Chamber of Industries, the Darwin Chamber of Commerce, the Chamber of Mines, to the TLC decision on uranium, the *News*, 8.7.77; the view of the Centralian Pastoralists Association in the *Advocate*, 11.8.77; the earlier views of the Territory cattle producers reported in the *Star*, 8.4.77; and statements by the Master Builders' Association in the *News*, 12.8.77.

²See the editorial in the *Advocate*, 2.6.77, the comments by Vale in *The Parliamentary Record*, No.19 (16.6.77):440-3 and the response from the aboriginal organizations and the ALP in the *News*, 20.6.77, and the *Advocate*, 7.7.77.

³The *News*, since the cyclone, was not published on Saturdays.

space for local candidates' activities and pronouncements.¹ *The Darwin Star*, in addition, had a political columnist, "Pandanus," whose articles exhibited a pro-ALP position and a degree of acerbity which was not matched at all times by his perception or accuracy.² *The Northern Territory News*, part of the Murdoch stable, was the only paper to attempt continuous interpretative comment mainly through its (infrequent) editorials and the work of two journalists, Neil Naessens and Barry Everingham, the latter being imported from Canberra for the purpose. Their work was uneven, with a mixture of some insight and a lot of humdrum and speculation. Editorially, *The Northern Territory News* favoured the CLP largely, it seems, on its uranium policy which, for much of the campaign, it saw as the outstanding issue.³ Everingham's position was harder to fathom; although at various times he criticized all parties, the ALP and the CLP both divined that he had Labor sympathies.⁴ Letts certainly was rather upset, late in the campaign, over Everingham's handling of the self-government issue, labelling the correspondent as an outsider from Canberra and accusing him of "pontificating" and misrepresenting the situation.⁵ Perhaps the best comment on the performance of the press was Isaacs' view that he was certainly not unhappy with his party's treatment.⁶

While the 1977 campaign was undoubtedly the costliest (more than \$100,000 was spent by the three parties alone) and the hardest-fought of any held in the Territory, it was little different from other Australian elections in its style. Similar techniques were employed; the same party

¹*The Centralian Advocate*, a Murdoch newspaper, was more partisan than most. In its last issue before polling-day it included a CLP brochure, "The Truth about Statehood." *The Alice Springs Star* perhaps gave the most comprehensive and systematic coverage to the major issues.

²See his columns on the uranium issue, 30.6.77; on statehood/self-government, 21.7.77; and the significance of the PP's role, 28.7.77.

³See its editorials on 8, 14, 20.7.77, 12.8.77 and its electoral survey reported on 5.8.77.

⁴Based on conversations with party leaders.

⁵See the editions of 11, 12.8.77.

⁶Comment by Isaacs to the author after the election.

rivalry with its pattern of charge and counter-charge, its use of rumour, speculation and innuendo, and its penchant to view everything in absolute terms of right and wrong was evident. Yet, despite the enthusiasm and hard work of the parties and the Independents, there was little open evidence that the general electorate was much enthralled with the campaign - the debate over issues, candidates, campaign tactics and performances remained largely a party affair. Attendance at the campaign openings (about 300 for each of the two major parties), however much the parties pronounced themselves satisfied, was sparse even by Territory standards. With a couple of exceptions, the campaign was free from excessive personal vituperation and there was little overt animosity revealed. While the language used was often hard-hitting and biting, it was generally of a traditional political hue. What effect the campaign had on the outcome of the election, as in all similar exercises, is a difficult question to answer. On the one hand, the indifference of the electorate may have been an indication that its voting intentions had already been decided; on the other, the developing attitudes of the parties during the campaign were evidence that they at least considered it of some importance in determining voter allegiance.

PART III

THE OUTCOMEGeneral Survey

As had been widely forecast during the campaign, the result of the election saw the end of the CLP's near monopoly of the Assembly. Pre-election predictions by political parties are usually noted more for their optimism than their accuracy. In its early assessment, the ALP was confident of winning "at least six seats;"¹ as it turned out, that was fairly prescient. Later, however, its estimate was much higher; Isaacs, for example, in Alice Springs in late July, discussed the possibility of winning as many as twelve seats,² a reflection of his growing conviction that the campaign was proving successful. For its part the CLP, for most of the campaign, although it would not put forward a precise figure publicly, was sure it would suffer only minimal losses, if any. As polling-day approached, its mood became less optimistic, even though the CLP considered it inconceivable that the party would lose its majority entirely.³ The PP, in its pre-election assessment, expected its candidates to poll strongly with a distinct possibility of picking up two to three seats.⁴ Barry Everingham of *The Northern Territory News* saw the ALP gaining five seats.⁵ The actual outcome, which took nearly two weeks to decide because of the number of absentee and postal votes and the necessity to distribute preferences, was twelve seats to the CLP, six to the ALP and one to a sitting Independent.⁶

¹*News*, 30.3.77 (Waters).

²*Advocate*, 28.8.77.

³Based on discussions with CLP leaders before the election.

⁴Day's comments to the author in early August.

⁵*News*, 8.8.77.

⁶If a plurality (first-past-the-post) voting system had been used, each of the major parties would have won nine seats, the other going to the Independent, Lawrie. Under a proportional representation system, the major parties would have secured eight seats each, the PP two seats and Independents one.

Initial party reactions to the results, as would be expected, varied according to the political perspective from which they were viewed. To the ALP, although it failed to become the Majority Party, the election was highly satisfactory; it represented a return from political oblivion in local politics and a significant pointer to the revival of electoral support for Labor in the federal sphere. Despite the loss of seats and, more important, the demise of most of the former Cabinet, the CLP congratulated itself on retaining a comfortable majority and denied that the results were a serious rebuff to its policies. Although it failed to win any seats, the PP was content with its share of the vote, which it interpreted as presaging a bright political future for the party.

Out of the 43,253 on the roll, 32,861 or about 76 per cent, voted;¹ the percentage was almost exactly that of the 1974 Assembly elections. In Table 7, details of the turnout and informal votes in each electorate are given. The turnout figures must be approached with some caution, as with a relatively volatile population there is always some proportion of those on the roll who no longer reside in the Territory. As the table indicates, the lowest turnouts were generally in the "rural" electorates, as were the highest levels of informal votes.² The notably higher proportion in Tiwi was caused by the large number of candidates and the propensity of many aboriginal voters to vote only for the two aborigines on the ballot. Compared with the 1974 figure of about 5 per cent, the 1977 level of 3.2 per cent was significantly lower. Those who had prophesied a higher proportion with the introduction of full preferential voting were incorrect, although they could still point to the "rural" electorate figures as being disturbingly high.³

¹The total on the July roll is used in the following tables although, by election day, the number had declined to 43,002. There were, in addition, 313 regulation votes, giving an actual total of 43,315.

²Editorial in *The Tennant Times*, 18.8.77 - a critical comment on the low turnout in the Barkly electorate.

³The 1974 rural totals were: 10.9 per cent in Arnhem, 5.8 per cent in Barkly, 4.8 per cent in Elsey, 7.9 per cent in Macdonnell, 5.5 per cent in Stuart, 6.1 per cent in Tiwi and 5.9 per cent in Victoria River.

TABLE 7

Turnout and Informal Votes by Electorate

Electorate	Total on Roll	Turnout (per cent)	Informal Votes (per cent)
Alice Springs	2,571	72.9	3.1
Arnhem	2,953	66.1	5.7
Barkly	2,096	67.9	5.2
Casuarina	2,440	83.3	1.8
Elsey	2,063	68.7	1.8
Fannie Bay	2,210	83.9	2.0
Gillen	2,658	79.9	2.3
Jingili	2,236	82.5	2.8
Ludmilla	2,455	78.6	2.3
Macdonnell	2,486	62.3	6.1
Millner	2,063	80.5	2.0
Nhulunbuy	2,122	75.0	2.6
Nightcliff	2,272	80.0	2.0
Port Darwin	2,207	73.6	2.3
Sanderson	2,370	92.1	1.5
Stuart	2,922	70.2	3.3
Stuart Park	2,215	72.9	2.2
Tiwi	1,686	77.1	10.9
Victoria River	2,128	67.3	4.2
Total	42,253	75.97	3.2

Table 8 sets out in percentages the candidates' share of the valid primary vote in each electorate. Labor increased its share by 7.77 per cent over 1974 and the CLP dropped by 8.87 per cent, giving a swing of 8.32 per cent in terms of the major party vote. The percentage would have been slightly less if the Alice Springs by-election result had been used in preference to the 1974 general election. However, it must be remembered that the ALP did not contest one seat

TABLE 8
Valid Primary Votes
(in percentage terms)

Electorate	CLP	ALP	PP	Ind.	% Change from 1974	
					CLP	ALP
Alice Springs	51.1	35.4	13.5	-	-21.1 *- 0.6	+19.8 *+ 0.4
Arnhem	28.9	63.4	7.7	-	-38.0	+30.3
Barkly	44.5	26.9	17.2	11.4(2)	- 8.5	-20.1
Casuarina	46.0	46.7	7.4	-	+ 4.2	+11.8
Elsey	44.2	-	6.0	49.8(2)	-21.3	-
Fannie Bay	34.9	42.1	5.2	17.8	-12.7	+ 9.8
Gillen	49.9	39.0	11.1	-	-15.8	+ 4.7
Jingili	35.1	36.4	18.6	9.9(2)	-16.7	-11.8
Ludmilla	46.9	39.3	13.8	-	+10.5	+10.5
Macdonnell	33.3	60.8	5.9	-	-20.1	+21.4
Millner	33.2	57.6	9.2	-	-13.2	+30.5
Nhulunbuy	56.1	41.2	2.8	-	+ 7.8	- 2.9
Nightcliff	25.4	-	12.7	61.9	-12.1	-
Pt Darwin	33.2	27.8	9.1	29.9(2)	- 0.9	- 0.7
Sanderson	26.2	45.6	8.4	19.8(2)	-15.3	+11.1
Stuart	52.0	42.4	5.5	-	+ 4.3	+13.6
Stuart Pk	40.7	30.7	11.9	16.7	+ 7.7	+ 1.9
Tiwi	33.7(2)	42.5(2)	11.4	11.4(2)	-11.7	+26.9
Victoria R.	42.7	50.0	7.3	-	-27.0	-
Total	40.13	38.23	9.76	11.88	- 8.87	+ 7.77

The figure in parenthesis indicates the number of candidates
 *represents change from February 1976 by-election

in 1974 and two in 1977. The two columns in the table which detail the percentage change between the two elections are included largely for academic reasons, as the boundary changes make such a comparison very unreliable as does the

TABLE 9
Two-Party-Preferred Vote
1974-1977

Electorate	1974		1977		Swing 1974-1977
	CLP	ALP	CLP	ALP	
Alice (i)	76.90*	23.10	61.88*	38.12	15.02 to ALP
Springs (ii)	59.98*	40.02			1.90 to CLP
Arnhem	66.89	33.11	34.06*	65.94	32.83 to ALP
Barkly	52.99	47.01	60.22	39.78	7.23 to CLP
Casuarina	53.28*	46.72	50.67	49.33	2.61 to ALP
Elsey†	67.83*	32.17	51.97	48.03	15.86 to ALP
Fannie Bay	60.33*	39.67	48.88	51.12	11.45 to ALP
Gillen	65.70	34.30	58.63	41.37	7.07 to ALP
Jingili	51.81	48.19	53.38	46.62	1.57 to CLP
Ludmilla	56.39*	43.61	55.54	44.46	0.85 to ALP
Macdonnell	58.18*	41.82	38.02*	61.98	20.16 to ALP
Millner	63.41*	36.59	39.33*	60.67	24.08 to ALP
Nhulunbuy	55.29*	44.71	58.11*	41.89	2.82 to CLP
Nightcliff†	60.00	40.00	55.00*	45.00	5.00 to ALP
Pt Darwin	57.87*	42.12	61.12	38.88	3.25 to CLP
Sanderson	56.07*	43.93	41.73	58.27	14.34 to ALP
Stuart	65.26	34.74	56.44*	43.56	8.82 to ALP
Stuart Pk	57.97	42.03	56.34	43.56	1.53 to ALP
Tiwi	68.93	31.07	52.53	47.47	16.40 to ALP
Victoria R.†	77.75	22.25	46.05	53.95	31.70 to ALP
Total	61.08	38.92	51.91	48.09	9.25 to ALP

*estimated figure

†As these seats did not have a Labor candidate in one election, the breakdown is rather more arbitrary.

differing number of candidates in many electorates in the two elections.

Of more relevance is a regional survey. In the nine Darwin electorates, the 1974 vote went 41 per cent to the CLP, 31 per cent to the ALP and 28 per cent to the Independents; in 1977, the shares were CLP 35.7 per cent, ALP (contesting only eight seats) 36.6 per cent, PP 10.6 per cent and the Independents (plus one CPA) 17.1 per cent. There, the swing was about 5 per cent. The two Alice Springs urban electorates and the Teppa Hill booth of Stuart, where presumably most suburban residents voted, produced proportions of 51.8 per cent for the CLP, 36.7 per cent for the ALP and 11.5 per cent for the PP. In 1974, they had been CLP 68.2 per cent, ALP 25.7 per cent and Independents 6.1 per cent. Again, the ALP improved markedly among "rural" voters; compared with 56.5 per cent for the CLP, 31 per cent for the ALP and 12.5 per cent for the Independents, the 1977 figures were 41.5 per cent for each of the major parties, 7.5 per cent for the PP and 9.5 per cent for the Independents. (In each election, the ALP did not have a candidate in one rural seat).

The figures above have been expressed in terms which do not really measure the degree of overall swing between the major parties. Table 9 uses the concept of the two-party-preferred vote as an indicator. This technique allocates the preferences of other candidates to the two major parties. In 1977, preferences were distributed in eleven electorates, thus providing an actual figure; in the others, an estimate had to be made, based on the experience of the seats in which preferences were distributed, the advice of party scrutineers, the ballot order and the judgement of the author. The figures therefore have a subjective component in them. Because of the optional preferential system used in 1974, the problems are exacerbated by the need to distribute exhausted votes. However, it is the author's opinion that the swing of 9.25 per cent represents a reasonable approximation of the real swing.¹ As in the previous exercise, the figures given for each electorate must be put into the perspective of the effects of redistribution.

In Table 10 the actual distribution of PP preferences is summarized. Although the PP had asked its supporters to

¹The calculation for 1977 has been matched almost exactly by one undertaken by Jon Isaacs. His swing, however, was nearer 12 per cent because his 1974 figures for the ALP were lower. The use of the by-election in Alice Springs would, of course, reduce the swing somewhat.

give their second preferences to the CLP, there was plenty of leakage to the ALP or to Independents.¹ But the rate of leakage varied: in Gillen, it was lowest with 21.6 per cent; in Tiwi, nearly half went to the two ALP candidates. Indeed, in Victoria River, where no distribution was needed, scrutineers for the ALP found that over half (52 to 48) were given to Labor. PP preferences were of benefit to the CLP in all eleven seats but in two, Jingili and Casuarina, where the ALP led up to the last count; there they were especially crucial.

TABLE 10
PP Preference Distribution

Electorate	When distributed	Percentage Distribution		
		ALP	CLP	Ind.
Barkly	Last (of three)	33.5	66.5	-
Casuarina	Only	36.2	63.8	-
Elsay	First (of two)	29.8	59.5	10.7
Fannie Bay	First (of two)	13.0	32.5	54.5
Gillen	Only	21.6	78.4	-
Jingili	Last (of three)	27.0	73.0	-
Ludmilla	Only	37.4	62.6	-
Port Darwin	Second (of three)	10.0	62.0	28.0
Sanderson	First (of three)	17.0	54.4	28.6
Stuart Park	First (of two)	17.3	61.8	20.9
Tiwi	Fourth (of five)	44.9	55.1	-
Total		27.5	63.75	8.75

Why did the election go the way it did? Before attempting to answer that question it would be instructive to look at the real significance of the 1974 election. In a sense, it was an aberration in the context of earlier Territory federal elections. The December 1972 contest had seen the CP gain 47.33 per cent and the ALP, with none too attractive a candidate, 39.28 per cent of the valid primary vote. In May

¹In Fannie Bay, in fact, the second preference was directed to Joe Fisher, the Independent candidate.

1974, the proportions were 49.26 per cent to 45.46 per cent. A year after the 1974 elections, the December 1975 poll had given an indication of a Labor revival.¹ Thus the 1977 result was a return to a more normal level of Labor support. It is interesting to note that in the December 1977 House of Representatives federal election, the level of support for the ALP and the CLP was almost the same as in the local poll (47.46 per cent to 52.54 per cent). Still there is no doubt that in that year Labor benefited by a number of factors which helped spur its resurgence.

Two were of special significance - the self-government issue and the aboriginal vote. The first explains why the ALP did so well in Darwin, especially in those seats with large public service populations; the second is the key to the results in Macdonnell, Arnhem and Victoria River, the Labor gains in the rural area. More will be said about these factors in the constituency survey in the next section.

Some general aspects of the aboriginal role should, however, be noted here. Very little scholarly work has been done on the voting behaviour of the "rural" tribal aborigines but it is widely accepted that the personalities of the candidates have a much greater influence on the way aborigines vote than they do on the non-aboriginal voter in the Territory. Moreover, in the past, there has been considerable criticism of the pressure brought to bear on aborigines to vote in a particular way. In this regard, the ALP had consistently accused the pastoralists of abusing the automatic postal vote system to advantage the non-Labor party and, more infrequently, the role of certain missionaries and settlement officials in some aboriginal centres. In 1977, the criticism came mainly from the CLP and the PP, who claimed that the aboriginal vote had been manipulated in the interests of the ALP.² As has already been indicated, another factor was the effort which had been expended, primarily by the ALP, to enrol aboriginal voters for the 1977 elections. Aboriginal voting patterns in the federal

¹In the House of Representatives election, the ALP got 43.70 per cent to the CLP's 53.93 per cent; in the Senate poll, the ALP did worse with 35.9 per cent, but there the CLP candidates were better draw-cards than their ALP opponents and the votes (4.5 per cent) attained by Charles Perkins should, on past experience, be credited to the ALP.

²*Star*, 25.8.77 (letter by Day) and *News*, 23.8.77 (Letts).

polls in the 1970s and the 1974 Territory election allow some generalization; in the north, the aboriginal vote had consistently favoured non-Labor candidates while, in the south, with the surprising exception of October 1974, Labor was more successful. However, the August 1977 experience saw the ALP commanding wide-scale support in all areas.

An assessment of change in party support by aborigines is contained in a recent report by Shann Turnbull.¹ On the basis of "a guesstimate made by Department of Aboriginal Affairs community advisers," he constructed a table illustrating that change between the 1974 and 1977 local elections.

TABLE 11

Changes in Aboriginal and Non-Aboriginal
Voting Patterns, 1974-1977

Party	1974			1977		
	Non- Ab.	Ab.	Total	Non- Ab.	Ab.	Total
ALP	6,588	1,921	8,509	7,458	4,707	12,165
CLP	11,568	2,305	13,873	11,274	1,495	12,769
Others	5,043	512	5,555	6,365	518	6,883
Informal	-	-	1,490	-	-	1,044
Totals	23,199	4,738	29,427	25,097	6,720	32,861
% of Electorate	78.84	21.16	100.00	76.37	23.63	100.00

The figures indicate that aboriginal support for the CLP decreased from 48.6 per cent to 22.3 per cent and the ALP share of the aboriginal vote rose from 40.5 per cent to 70 per cent. How much reliance can be placed on the accuracy of these figures is, however, problematical.

In their assessments of the outcome, the parties pointed to similar factors. The CLP's Campaign Director cited five reasons for his party's reduced support: the voters' reaction to the virtual monopoly of the first Assembly, the backlash against federal cutbacks, the organized aboriginal vote, the professional campaign of the ALP and the fighting of the election on two complex and sensitive issues - self-

¹Turnbull, 1977:33

government and uranium.¹ Isaacs attributed it to his candidates and the ALP campaign, the impending budget and the support of the aborigines who voted for his party as a condemnation of previous paternalistic policies and because they recognized that the ALP was the only party that would help them.² In its post-election editorial, *The Northern Territory News* credited the ALP's performance on Isaacs' hard work and the stark comparison between the quality of the major parties' campaigns. Rather belatedly, it recognized that the dominant issue had been self-government after all.³ Ken Day of the PP, in his interpretation of the result, emphasized similar reasons; to him, moreover, the PP's creditable share of the vote spoke of disillusionment with the major parties.⁴ Although Letts denied that the PP had much to do with his party's disappointing showing, he conceded that many ex-CLP voters had switched votes.⁵ On the evidence of preference distribution, it was obvious that, in fact, switches occurred and it must be assumed further that, for a majority, it was a form of protest against the CLP on the federal government's performance. But Letts was correct in his implicit view that it was really the increased support that the ALP gained which was more important.

Such then was the outcome of the election in general. To explore the reasons behind the results in more detail is the task of the next section which will involve a brief electorate by electorate analysis.

The Electorates in Detail

Alice Springs

Since the late 1960s, the Alice Springs area has been the heartland of CP/CLP support. With a well-known and well-liked candidate who was active in community affairs, the CLP had little trouble in holding the seat. Its share of the vote was significantly less than in 1974, when the candidate had been the extremely popular veteran, Bernie Kilgariff

¹Comments by Elliott in *Focus - NT*, No. 1 (October 1977) p.3.

²*News*, 17.8.77.

³*News*, 15.8.77. See also *The Financial Review*, 19.8.77 for similar views.

⁴Based on personal communication with the author.

⁵*News*, 15.8.77.

TABLE 12

Polling Place	Evans (PP)	McDonald (ALP)	Oliver (CLP)	No. of 1st Pref. votes	No. Invalid	Total votes
Alice Springs	49	123	166	338	8	346
East Side	72	203	373	648	25	673
Traegar Park	93	249	293	635	16	651
Absents	20	41	44	105	8	113
Postals	10	28	52	90	2	92
Regulation	1	-	1	2	-	2
Total	245	644	929	1818	59	1877

(now a Senator); the loss of his personal vote had also been evident in the 1976 by-election. By all accounts, the CLP cause was assisted by the lack-lustre campaign of the replacement ALP candidate and the strong showing of the PP contender. If the experience of Gillen, the neighbouring seat, where the PP preferences split nearly four to one in the CLP's favour, held good for Alice Springs, then the CLP had improved its support marginally since the by-election. The PP performance, as in other parts of Alice Springs, reflected its aggressive campaign and its stronger stand on sensitive aboriginal issues which, to the white community, was appealing. Local issues, which were much bruited by local candidates, did not really seem to have a significant impact on the result; general concerns were more important. The self-government issue in Alice Springs was not as damaging to the CLP as it was in Darwin with its much higher proportion of public servants.

Arnhem

The Arnhem electorate was basically an aboriginal one, covering the settlements in Arnhem Land and Groote Eylandt. The white component consisted of a sizeable body of residents in the aboriginal communities and, more significant, in Alyangula, where the GEMCO mining operation was centred. Since 1968, the area had been represented by Rupert Kentish, who, through his past missionary work and his aboriginal wife, had maintained a high level of support in the area. In 1977, however, a combination of factors ensured his comprehensive defeat. First and foremost was the organization of the aboriginal vote by the ALP candidate, who worked assiduously in the electorate and who was well-liked and respected,¹ and his many white supporters in the communities. As can be seen from Table 13, the ALP succeeded in marshalling the postal votes overwhelmingly. The methods used to organize the postal votes of the outstations around Maningrida came into considerable criticism from the other parties.² But there is little doubt that the Labor stances on land-rights and uranium mining and its use of federal cut-backs in aboriginal expenditure also played their parts. Kentish's campaign was slow to get under way and he seemed, until too late, to be complacent and over-reliant on his past record. Only in Alyangula and Elcho Island did he eventually win a respectable share of the vote. Brain, the PP candidate and a resident of Maningrida, did not poll well either.³ In Arnhem, as in Macdonnell in the south where similar factors operated, the ALP were first and the opponents nowhere.

¹Collins had wide contacts, especially in Maningrida where he had established the market gardens.

²*News*, 2.8.77 (Brain) and 10.8.77 (letter, M.R. Elliott, misprinted as M.R. Einott). Specific items of complaint were the activities of outstation and community advisers in assisting illiterate voters to fill in ballots along ALP lines, the by-passing of normal postal procedures (which was later admitted to have occurred), and the lack of non-Labor scrutineers. For a defence, see the letter by V. Jermacans, the *News*, 29.8.77.

³Brain had been partly instrumental, earlier in the year, in creating a furore over the administration of Maningrida and the state of morale in the township.

TABLE 13

Polling Place	Brain (PP)	Collins (ALP)	Kentish (CLP)	No. of 1st Pref. votes	No. Invalid	Total votes
Alyangula	26	115	95	236	8	244
Angurugu } 83 Umbakumba } 52	13	88	29	130	5	135
Maningrida	21	110	22	153	10	163
Elcho I.	6	63	69	138	9	147
Croker I. } 75 Goulburn I. } 77	13	72	55	140	12	152
Oenpelli } 82 Milingimbi } 172	9	151	70	230	27	257
Absents	3	16	13	32	1	33
Postals	7	196	16	219	3	222
Regulation	-	1	1	2	2	4
Total	98	812	370	1280	77	1357

Barkly

Barkly was, like Elsey, a mixed electorate. It consisted of a relatively large town, Tennant Creek; the mining community of Warrego; a number of small white communities; two concentrations of aborigines at Warrabri and Borroloola; and a vast pastoral area. From 1951 to 1974 the seat centred on Tennant Creek had been held by the ALP; in 1974, after being unsuccessful in 1971, Ian Tuxworth, a motel operator and a long-time resident, won it for the CLP. His victory largely coincided with the loss of Labor support in mining communities generally, partly as a result of the ALP federal government's mineral policies and, of peculiar importance to Tennant Creek, the depressed copper market which led to an exodus of miners from the area. Tuxworth, who conducted his campaign primarily in Tennant Creek, owed his victory to the support he received from that area, the traditional overwhelming margin in postal votes from the pastoral regions and, finally, the preferences of the PP candidate. Despite an intensive campaign effort which carried her around the constituency the Labor hopeful, Havnen, another long-term resident of Tennant Creek in whom the ALP had some confidence for success, did not fare well in Tennant Creek. She did, however, poll reasonably in the smaller rural communities partly through her emphasis on rural concerns (the state of roads, postal and television services) and also through aboriginal support. The two Independents gained the bulk of their votes from their local bases - Foster from Warrabri and Conway, in spite of campaigning in the Barkly region, from Tennant Creek.

During the campaign the PP saw Andrews as one of the best hopes for a seat in the Assembly and, in fact, he performed particularly well, gaining the second highest total of PP votes; his showing reflected his local popularity and his wide contacts in the electorate stemming from his occupation. Aboriginal voting, where it could be isolated, exhibited similar trends to the rest of the Territory, with most support going either to the ALP or aboriginal candidates. In Barkly the result of the election depended more on local concerns, personalities, the health of the mining industry and established voting patterns than on the major general issues.

TABLE 14

Polling Place	Andrews (PP)	Conway (Ind.)	Foster (Ind.)	Havnen (ALP)	Tuxworth (CLP)	No. of 1st Pref. votes	No. Invalid	Total
Tennant Ck } 768	159	44	11	239	391	844	34	878
Warrego } 110								
Warrabri	7	7	64	48	15	141	29	170
Borrooloola } 60	28	1	2	48	38	117	5	122
Elliot } 49								
Newcastle Waters } 13								
Absents	13	1	5	9	26	54	3	57
Postals	24	14	5	18	131	192	2	192
Regulation	2	-	-	3	2	7	1	8
Total	233	67	87	365	603	1355	74	1429
<u>Distribution of Preferences</u>								
Conway	15	-	12	23	17			
Total	248		99	388	620			
Foster	27		-	59	13			
Total	275			447	633			
Andrews	-			92	183			
Total				539	816	1355		

Casuarina

Casuarina was one seat where personal factors were crucial in the election. The personal popularity of the incumbent, Dondas, who had been an indefatigable worker for his constituents, was just sufficient to ward off a determined challenge by an ALP candidate who worked extremely hard and was generally seen as one of Labor's more attractive personalities. By the results of the 1975 federal poll and by the composition of the electorate with its large numbers of public servants and Housing Commission tenants, Casuarina should by rights have been an ALP gain, especially given the tide of opinion in other parts of the northern suburbs of Darwin. There, the ALP campaign on constitutional development and the high cost of living had made its greatest impact. In the end, Dondas trailed on primary votes and had to rely upon PP preferences to squeeze out a narrow victory. After the election, he did admit to over-complacency and a rueful acceptance that he had not worked as hard as he should have during the campaign; to him, the result was something of a shock.

TABLE 15

Polling Place	Bree (ALP)	Dondas (CLP)	Hoey (PP)	No. of 1st Pref. votes	No. Invalid	Total
Alawa	395	400	65	860	19	879
Casuarina	448	410	57	915	13	928
Absents	53	57	17	127	4	131
Postals	31	52	6	89	1	90
Regulation	14	8	4	26	1	27
Total	941	927	149	2017	38	2055
<u>Distribution of Preferences</u>						
Hoey	54	95	-			
Total	995	1022				

Elsey

MacFarlane, the Speaker of the Assembly, had been the CP/CLP member for the area since 1968; in the past, the town of Katherine and the adjoining pastoral areas had provided the bulk of his support. The 1977 election was a more close-run race than any of his previous contests. His share of the vote in Katherine dropped sharply in face of a determined campaign by the Independent, Davies, a woman active in the town's community affairs, who concentrated heavily upon local issues and the government's and MacFarlane's disregard for the problems of Katherine and the smaller communities "along the track." She also employed a positive anti-statehood stance in her advertising. During and after the campaign there was some debate on Davies' status - whether she was truly an Independent or a Labor-front candidate capitalizing on her independence to win additional support in the Katherine area.¹ The second Independent candidate, Daniels, captured a large proportion of the aboriginal votes in the electorate and his preferences were directed to Davies. Another example of CLP criticism of the alleged manipulation of aboriginal votes occurred in Elsey; MacFarlane demanded that all votes at Numbulwar be declared invalid on the grounds that he had been denied access and that the community's Council had told voters how to cast their ballots.² Eventually, the seat was decided in favour of MacFarlane on PP preferences, the leakage of Daniels' preferences and the support of the postal votes, presumably largely from the pastoral areas.

¹Letter to the Editor by Ken Day, *The Katherine Informer*, 26.8.77, and the claim attributed to Daniels reported in the *News*, 16.8.77. Davies herself denied the rumours in a letter in the same paper on 16.9.77, although she conceded that she was sympathetic to some ALP policies, especially in the social welfare area. See also the letter by M. Beresford (Davies' campaign staff member), *The Katherine Informer*, 5.8.77, for similar statements. The ALP Branch in Katherine asked ALP voters in the area to vote first for the Independents; see Hale's letter in *The Katherine Informer*, 5.8.77.

²*News*, 16.8.77. Significantly, the accusation was made at a time when it appeared as if MacFarlane could be in trouble holding his seat.

TABLE 16

Polling Place	Daniels (Ind.)	Davies (Ind.)	Killen (PP)	MacFarlane (CLP)	No. of 1st Pref. votes	No. Invalid	Total
Katherine	51	374	56	451	932	10	942
Bamyili } 67	129	36	2	26	193	12	205
Numbulwar } 50							
Roper R. } 88							
Absents	18	26	5	25	74	1	75
Postals	19	40	21	110	190	2	192
Regulation	1	2	-	5	8	1	9
Total	218	478	84	617	1397	26	1423
<u>Distribution of Preferences</u>							
Killen Total	9 227	25 503	-	50 667			
Daniels Total	-	168 671		59 726			

Fannie Bay

In Fannie Bay, the Deputy Leader of the Majority Party was pitted against an attractive, articulate and dedicated ALP candidate, an Independent who was a veteran of Territory politics and who had held the seat of Fannie Bay in the old Council, and a PP representative. After many nail-biting days as the votes were counted Tambling finally succumbed by forty votes. In his assessment of the loss, Tambling cited the weakening of the old seat for the CLP by the redistribution, the high turnover of population (he considered that 70 per cent were new voters), his commitments as a Cabinet Member, the strong ALP candidate, the ALP's professional media campaign and "a meddling and interfering Independent."¹ His summation was fairly accurate. Fannie Bay, far from being a blue-ribbon seat in 1977, was vulnerable with its many public servants, its hostels and Housing Commission flats. There were, moreover, many local issues on which the ALP candidate capitalized, particularly the projected arterial by-pass through the electorate to ease traffic congestion from some northern suburbs, and the problem of the sewerage outfall in the bay. Fisher, standing on a pro-mining platform and also promoting local issues, did apparently siphon off some of Tambling's support; the leakage of Fisher's preferences to O'Neil was sufficient to defeat Tambling in the final distribution.

¹*Star*, 18.8.77.

TABLE 17

Polling Place	Fisher (Ind.)	O'Neil (ALP)	Osgood (PP)	Tambling (CLP)	No. of 1st Pref. votes	No. Invalid	Total
Fannie Bay	53	75	6	87	221	4	225
Parap	231	596	76	456	1359	29	1388
Absents	16	37	3	26	82	4	86
Postals	14	28	6	42	90	-	90
Regulation	4	16	1	11	32	1	33
Total	318	752	92	622	1784	38	1822
<u>Distribution of Preferences</u>							
Osgood Total	50 368	12 764	-	30 652			
Fisher Total	-	148 912		220 872			

Gillen

The CLP comfortably retained Gillen, the second Alice Springs urban seat, although the Labor candidate, John Thomas, the Deputy-Leader, secured a slightly higher proportion of the vote. Similar factors operated as in Alice Springs: a strong, shrewd incumbent, attuned to the attitudes of the area; an electorate with traditional CLP ties; and a good performance by the PP representative. The relatively better showing by the ALP in Gillen was perhaps a product of a more vigorous campaign and a more popular and well-known candidate.

TABLE 18

Polling Place	Johncock (PP)	Robertson (CLP)	Thomas (ALP)	No. of 1st Pref. votes	No. in-valid	Total
Bradshaw	51	170	142	363	8	371
Gillen	162	753	604	1519	36	1555
Absents	10	61	39	110	4	114
Postals	8	51	21	80	2	82
Regulation	-	-	2	2	-	2
Total	231	1035	808	2074	50	2124
<u>Distribution of Preferences</u>						
Johncock	-	181	50			
Total		1216	858			

Jingili

Consisting of three suburbs, Jingili was another of the north Darwin seats. Radically reconstructed in the redistribution, the electorate, in socio-economic terms, was somewhat more well-endowed than Casuarina. There were many public servants and some Commission blocks, but it also included many more private flats and houses. Like Casuarina, it also withstood the ALP swing. However, the reasons have more to do with the weak ALP candidate than a popular CLP incumbent. Everingham, soon to become the new Majority Leader and Chief Secretary, had been a vocal, unconventional MLA, but he lived outside the electorate and seemed but occasionally to relate to the problems of the northern suburbs. He had, moreover, after his withdrawal from the Executive, often been criticized as a dilettante, devoting far more time to his legal practice than to "affairs of state." The two Independents were comparative light-weights, although McCormack must receive the accolade for the most unusual press advertising in the campaign. While he obtained the highest percentage of votes of all the PP candidates, Cooper benefited by "the donkey vote" and, like the Independents to a lesser extent, was also assisted by the reluctance of many voters to support either of the two major contenders. His preferences, when distributed, were enough to ensure Everingham's victory. It is interesting to speculate on the possible result in Jingili if Bree, the ALP Casuarina candidate, had not been defeated by Rickard in the pre-selection vote. Many observers, including the author, believed that he would have beaten Everingham.

TABLE 19

Polling Place	Cooper (PP)	Everingham (CLP)	McCormack (Ind.)	Rickard (ALP)	Tarasides (Ind.)	No. of 1st Pref. votes	No. In- valid	Total
Jingili	112	215	27	210	31	595	17	612
Moil	115	203	32	223	20	593	15	608
Wagaman	90	159	24	181	25	479	14	493
Absents	8	35	6	24	-	73	5	78
Postals	10	15	6	17	-	48	1	49
Regulation	3	12	6	7	5	33	-	33
Total	338	639	101	662	81	1821	52	1873
<u>Distribution of Preferences</u>								
Tarasides	10	11	8	52	-			
Total	348	650	109	714	-			
McCormack	33	44	-	32				
Total	381	694		746				
Cooper	-	278		103				
Total		972		849				

Ludmilla

The seat of Ludmilla was won in 1974 by Roger Steele, who later became the CLP Whip in the Assembly. Its boundaries also were changed in the redistribution, most significantly to include the RAAF base; its suburban component included a mix of socio-economic groups and comparatively less government servants than in the northern areas of the city. Also included was the Bagot Aboriginal Reserve. Because of these changes, Isaacs vacated the seat in the expectation that it would be difficult to win for the ALP. Compared with 1974, the number of voters in the RAAF base in 1977 was much lower (682 to 394); their anti-Labor allegiance was also lower in 1977 (49.7 per cent to 58.6 per cent). In the event, the result was rather closer than most observers had predicted. Again, it is a moot point what would have happened if Isaacs had decided to stand for Ludmilla rather than move to Millner, as the ALP certainly increased its support everywhere over 1974. To win, Steele needed the PP preferences, which split in this case more equally than in any other electorate except Tiwi. In fact, the PP primary vote was one of the highest recorded in the election (13.8 per cent), being especially prominent in the RAAF base. The swing to the ALP in Ludmilla, albeit disguised somewhat by the new boundaries, must be credited to the same factors at work in the north of Darwin.

TABLE 20

Polling Place	Draffin (ALP)	Johnson (PP)	Steele (CLP)	No. of 1st Pref. votes	No. Invalid	Total
Ludmilla 1249 Bagot } 50	543	143	589	1275	24	1299
RAAF Base	127	71	196	394	9	403
Absents	37	27	55	119	9	128
Postals	29	19	45	93	3	96
Regulation	9	2	4	15	-	15
Total	745	262	889	1896	45	1941
<u>Distribution of Preferences</u>						
Johnson	98	-	164			
Total	843		1053			

Macdonnell

In Macdonnell there was a large majority of aboriginal voters; the only significant white populations were in the Heavitree Gap fringe area and the pastoral areas. Pollock, the CLP incumbent and an Executive Member, secured his best tallies in those areas. Elsewhere, the aboriginal vote went comprehensively to Perkins. To the ALP, the victory was attributable to aboriginal disillusionment with government policies and the personality and past performance of the ALP candidate; to non-Labor circles, it was the product of regimentation, active organization by aboriginal pressure-groups and many illicit tactics.¹ Perhaps the real answer lies somewhere between the two. Unlike Arnhem, where a similar result occurred, the southern electorate had, in the past, been more inclined to the ALP; in 1974, Breaden, another aboriginal candidate, had polled in the majority in most aboriginal centres. By 1977, however, the aboriginal vote had increased significantly² and the CLP strength in the pastoral areas and fringe areas could not again carry it to victory. Pollock, in fact, had conceded victory long before polling day.

¹Similar allegations were later made by Bob Liddle after he had been dismissed as Director of the CAAC, *News*, 7.7.78. Not unexpectedly, the charges were subsequently denied by Perkins, *News*, 11.7.78.

²Some comparative voting figures were:

<u>Place</u>	<u>1974</u>	<u>1977</u>
Santa Teresa	168	184
Hermannsburg	193	245
Papunya	79	153
Areyonga	60	96
Finke	12	54

It must also be realized that Macdonnell had the lowest turnout and the majority of absentees would be aborigines.

TABLE 21

Polling Place	Fidler (PP)	Perkins (ALP)	Pollock (CLP)	No. of 1st Pref. votes	No. Invalid	Total
Heavitree Gap	30	90	126	246	16	262
Amoonguna } 60	6	83	6	95	5	100
Jay Creek } 40						
Haasts Bluff } 51	2	59	28	89	14	103
Maryvale } 52						
Papunya	4	127	22	153	11	164
Areyonga	-	85	11	96	7	103
Santa Teresa	4	144	36	184	9	193
Hermannsburg	9	167	69	245	18	263
Finke } 54	2	72	18	92	8	100
Docker River } 46						
Absents	8	28	21	57	3	60
Postals	21	28	148	197	3	200
Regulation	-	3	-	3	1	4
Total	86	886	485	1457	95	1552

Millner

The contest in Millner must rank as the bitterest of the election. The Labor Leader was faced by Roger Ryan, a Cabinet Member and the most abrasive of the CLP team. From May, Ryan continued to snipe at Isaacs and his tactics culminated with the issue of a broadsheet distributed in the electorate on polling-day eve. In his attack, Ryan emphasized the fact that Isaacs was a union official who, unlike himself, had never actually worked for a living and pointed to his record as a militant leader of the Miscellaneous Workers' Union in the Territory. Comment was also made in the broadsheet on Isaacs' Jewish heritage. Nevertheless, Isaacs scored a resounding victory in an electorate which, shorn of the RAAF base, was Darwin's closest resemblance to a traditional Labor-oriented working-class electorate. The wonder of the contest was that Ryan retained, outwardly at least, a high degree of confidence in the outcome. Next to Arnhem and Victoria River, the ALP recorded its highest swing in Millner. Neither of the two prime candidates, because of their positions, was able to devote as much time to the wooing of the voters as were less busy candidates.

TABLE 22

Polling Place	Isaacs (ALP)	Pearce (PP)	Ryan (CLP)	No. of 1st Pref. votes	No. In- valid	Total
Rapid Creek	159	27	113	299	4	303
Millner	681	102	367	1150	21	1171
Absents	74	16	42	132	7	139
Postals	23	5	13	41	-	41
Regulation	14	1	13	28	2	30
Total	951	151	548	1650	34	1684

Nhulunbuy

Nhulunbuy, centred on the mining enterprise of Nabalco and including the aboriginal settlement of Yirrkala, was the electorate in which, without benefit of boundary revisions or adventitious distortion caused by other candidates, the CLP actually increased its share of the vote. Most of the credit for that result should be given to the industrious MLA, Milton Ballantyne, but some, one suspects, should also be allocated to the quality of the ALP opponent and her campaign. The contest in Nhulunbuy, as was probably inevitable in a small, secluded area, was highly personal, albeit without much serious animosity; it also flitted uneasily between local and more general issues. In the pages of *The Gove Gazette*, the interplay between the major candidates was well-chronicled and Ballantyne emerged undoubtedly as the victor on points. It is difficult to judge the political allegiance of the Nhulunbuy electorate; in the federal elections of 1972 and 1974, it returned handsome majorities for the ALP; in 1975 and in the local election of 1974, it supported the CLP, whilst in December 1977 it returned to the Labor fold federally. There is no doubt that the turnover of population in Nhulunbuy is high, even by Territory standards, but that in itself is not enough to explain the sudden change of political fortunes. The switch in late 1974 probably reflected disenchantment with Federal Labor policies and its mining attitude in particular; the verdict of August 1977 seems to have been made on the respective strengths of the candidates.

TABLE 23

Polling Place	Ballan- tyne (CLP)	De Vries (PP)	Fincham (ALP)	No. of 1st Pref. votes	No. In- valid	Total
Nhulunbuy } 1418 Yirrkala } 75	808	39	605	1452	41	1493
Absents	8	4	13	25	-	25
Postals	54	-	17	71	-	71
Regulation	4	-	7	11	-	11
Total	874	43	642	1559	41	1600

Nightcliff

Little needs to be said about the Nightcliff contest, as it was practically a walkover for the incumbent Independent, Dawn Lawrie. As the results indicate, Lawrie had proved herself an extremely popular MLA, an attribute which she had earned by constant hard work and attention to her constituents' needs and problems. Lawrie had represented Nightcliff since 1971; in that election, she missed pre-selection as a Labor candidate but won as an Independent. She would acknowledge that, if pressed, she shared much more of the Labor philosophy than the CLP. Faced with what first appeared as serious opposition from Nobbs, a well-known Darwin sportsman and Blums, the Deputy-Leader of the PP, in the end she swept both aside to record one of the handiest victories of the election. Without knowing the incumbent, a student of political geography could well be perplexed, as Nightcliff contains some of the prestige areas of Darwin and it is generally populated by the private sector rather than by public servants. In the past few federal elections, it has consistently returned a majority for the non-Labor candidate.

TABLE 24

Polling Place	Blums (PP)	Lawrie (Ind.)	Nobbs (CLP)	No. of 1st Pref. votes	No. In- valid	Total
Nightcliff	199	939	395	1533	26	1559
Absents	22	110	44	176	6	182
Postals	5	52	13	70	4	74
Regulation	2	9	3	14	1	15
Total	228	1110	455	1793	37	1830

Port Darwin

Port Darwin was the second seat held by an Independent. In 1974 Ron Withnall, the old warhorse of Territory politics, managed to win the election in a four-way contest; he had trailed the CLP candidate until the distribution of ALP votes enabled him to forge ahead. However, in 1977 he was less fortunate, being eliminated before the ALP. In any case it was likely, even if he had made it to the final count, that he would not have succeeded, as the ALP card placed the CLP ahead of Withnall. The electorate incorporated the central business district of Darwin, the army base at Larrakeyah and a residential area which included nearly all shades of affluence. In sum, it was a seat which, by its composition, was vulnerable to the CLP and it had been widely predicted that, in fact, Withnall would lose his place. As in Nightcliff, all the federal elections in the 1970s had resulted in a CP/CLP majority in the area. Some criticism, also, had been levelled at Withnall's stewardship in that he concerned himself much more with general Territory affairs than he did with local issues and problems. In his electioneering, Withnall tended to rely more on his past reputation than on hard-slogging, a factor which possibly told against him in 1977. Thus the seat went rather easily to the CLP candidate, Tom Harris, a local businessman and alderman. The issues which were of particular importance in other parts of Darwin seemed less important in Port Darwin.

TABLE 25

Polling Place	Harris (CLP)	Manning (CPA)	Scott (ALP)	Smith (PP)	Withnall (Ind.)	No. of 1st Pref. votes	No. In- valid	Total
Larrakeyah 480 Darwin } Hospital 176	218	15	152	75	183	643	13	656
Darwin	246	32	232	50	182	742	18	760
Absents	33	11	33	16	22	115	3	118
Postals	29	1	23	3	26	82	1	83
Regulation	9	2	8	2	7	28	3	31
Total	535	61	448	146	420	1610	38	1648
<u>Distribution of Preferences</u>								
Manning Total	7 542	-	37 485	4 150	13 433			
Smith Total	93 635		15 500	-	42 475			
Withnall Total	349 984		126 626					

Sanderson

Liz Andrew, the sitting CLP member and the Cabinet Member for Law, found herself in an impossible situation in Sanderson and had privately conceded her defeat at an early stage in the campaign. Sanderson was virtually a new electorate taking in the suburbs constructed since Cyclone Tracy and a former part of the Casuarina district; its population was predominantly a public service one, particularly sensitive to the ALP thrusts on self-government. The importance of that issue was paramount and was best evidenced by the result in the Anula booth in the new suburbs.¹ Despite having a none too impressive candidate, the ALP romped in. By all accounts, Sanderson had the most dedicated Independent in Kitty Fischer, who relentlessly canvassed the electorate; at the end of the campaign she was a familiar figure, trudging the streets and avoiding the hundreds of dogs. Her tally was a tribute to her efforts.

¹Early in the campaign there had been some debate between Andrew and D'Rozario over community services (or the lack thereof) in the electorate, but it did not feature significantly later, *News*, 8, 14, 16.6.77). D'Rozario had also tried to make capital of the dissatisfaction of the police, of whom there were many in the electorate, *News*, 29.7.77. She felt that Andrew, as responsible for police, could be disadvantaged by the publicity.

TABLE 26

Polling Place	Andrew (CLP)	Bennett (PP)	D'Rozario (ALP)	Fischer (Ind.)	Sinclair (Ind.)	No. of 1st Pref. votes	No. Invalid	Total
Anula	356	117	689	181	127	1470	14	1484
Wanguri	153	42	203	52	40	490	14	504
Absents	24	12	41	7	8	92	3	95
Postals	28	11	48	6	5	98	-	98
Regulation	4	-	3	-	2	9	1	10
Total	565	182	984	246	182	2159	32	2191
<u>Distribution of Preferences</u>								
Bennett Total	99 664	-	31 1015	30 276	22 204			
Sinclair Total	72 736		55 1070	77 353	-			
Fischer Total	165 901		188 1258	-				

Stuart

The result in Stuart was a convincing victory for the hard-working MLA, Roger Vale. As can be seen in Table 27, Vale gained his support from the suburban Alice Springs area, for similar reasons as in the other local urban seats, and from the pastoral areas (postal votes and station booths). In the aboriginal community of Yuendumu, the ALP dominated the poll. There the comments made earlier on the Macdonnell electorate have the same relevance. The figures for Aileron/Napperby/Ti Tree, with its large majority for the CLP, was used as one example of the pastoralists' influence on local aborigines in the ALP's criticism of that practice.

TABLE 27

Polling Place	Cutter (ALP)	Kitto (PP)	Vale (CLP)	No. of 1st Pref. votes	No. In-valid	Total
Teppa Hill	349	86	579	1014	25	1039
Yuendumu	240	1	42	283	8	291
Aileron } 29	9	2	99	110	13	123
Napperby } 48						
Ti Tree } 46						
Absents	48	10	47	105	10	115
Postals	184	11	268	463	11	474
Regulation	19	1	7	27	2	29
Total	849	111	1042	2002	69	2071

Stuart Park

The electorate of Stuart Park included the fringe area of Berrimah, the naval communications base, HMAS *Coonawarra*, the industrial complex of Winnellie and inner-city suburban residents. However, the bulk of its voters was in the suburb of Stuart Park, which was an area of relatively high-density accommodation. It also had the distinguishing characteristic of being the electorate with the largest cultural mixture (about 50 per cent of the voters were of non-British stock). Befitting its longer period of establishment, Stuart Park had more privately-owned dwellings than most other suburbs and comparatively less public service presence. Helped by a lack-lustre ALP candidate and the PP preferences of Day, Perron held the seat with considerably more ease than in 1974, when he had squeezed past Joe Fisher by a bare seven votes. As in Port Darwin and Nightcliff, seats of a broadly similar type, the issues which affected the outcome in the newer and more public service-dominated districts had less impact in Stuart Park. The Independent candidate, Chin, achieved a fair share of the vote by dint of his personality, his concentration on local issues affecting the electorate¹ and the tradition of supporting Independents. The Leader of the PP, Day, polled poorly in a seat which originally he had felt gave him, by its composition and electoral history, the best opportunity of winning.

¹*News*, 14.7.77 and 11.8.77.

TABLE 28

Polling Place	Chin (Ind.)	Day (PP)	Muras (ALP)	Perron (CLP)	No. of 1st Pref. votes	No. In- valid	Total
Berrimah 165 HMAS } Coonawarra 94	39	30	65	121	255	4	259
Stuart Park	181	134	380	448	1143	21	1164
Absents	20	14	28	38	100	8	108
Postals	19	11	13	32	75	1	76
Regulation	8	2	5	13	28	2	30
Total	267	191	491	652	1601	36	1637
<u>Distribution of Preferences</u>							
Day Total	40 307	-	33 524	118 770			
Chin Total	-		175 699	132 902			

Tiwi

When the result in Tiwi was finally announced late in August, the ALP Secretary, Waters, labelled it a freak occurrence brought about by the number and rank-order of candidates on the ballot paper, and the penchant of the aborigines to vote either in an informal manner or not to follow the ALP card. (Many of Tipiloura's preferences had gone to Rioli and thence to Padgham-Purich).¹ Like Stuart, Tiwi was a split electorate with two radically different populations. On the one hand there were the rural fringe-dwellers south of Darwin, whose vote was spread among the three local candidates (O'Brien, Maschke and Padgham-Purich) and the PP candidate. The voters in this area were politically "undisciplined" and they tended to vote more on personal inclination than on issues. Moreover, many of the candidates noted that there was a large proportion of residents (some assessed it as high as 50 to 60 per cent) not on the electoral rolls and attributed it to the independence of the people and their dislike of regimentation, Darwin and, particularly, government control. On the other, there was the aboriginal vote in Bathurst and Melville Islands, which also was determined largely by personal association rather than party preference. Only a smattering of votes went to European candidates. As Waters had pointed out, the subsequent and unusual distribution of preferences in the end gave the seat to the CLP, despite the fact that Padgham-Purich had polled only 19.4 per cent of the valid primary vote. Such were the vagaries of preferential voting in an area where the voters, for whatever reason, were not amenable to party direction.

¹*News*, 26.8.77.

TABLE 29

Polling Place	Maschke (ALP)	O'Brien (Ind.)	Padgham- Purich (CLP)	Rioli (CLP)	Ryan (PP)	Strider (Ind.)	Tipiloura (ALP)	No. of 1st Pref. votes	No. In- valid	Total
Howard Springs	155	85	108	6	62	3	8	427	8	435
Snake Bay } 62	6	2	1	51	1	-	38	99	32	131
Garden Pt } 69										
Bathurst Island	11	3	4	76	2	1	131	228	98	326
Absents	27	6	24	9	21	-	8	95	-	95
Postals	104	36	88	25	47	6	2	308	3	311
Regulation	4	1	1	-	1	-	1	8	1	9
Total	307	133	226	167	134	10	188	1165	142	1307
<u>Distribution of Preferences</u>										
Strider Total	2 309	133	226	167	2 136	-	6 194			
O'Brien Total	41 350	-	37 263	9 176	44 180		2 196			
Rioli Total	13 363		76 339	-	27 207		60 256			
Ryan Total	59 422		114 453		-		34 290			
Tipiloura Total	131 553		159 612				-			

Victoria River

The last electorate to be surveyed gave the CLP its most savage blow. In Victoria River, the Chief Secretary lost his seat. Later, Letts credited his defeat to his inability as party and Cabinet Leader to canvass the voters sufficiently, to the tireless work of his ALP opponent and to the especially important factor of the organization of the aboriginal vote by the ALP.¹ On the other hand Doolan, the victor, saw the result as not only stemming from his own efforts but also, and more significantly, to the aborigines' repugnance at past policies and their sensitivity to the issues which concerned them.² He denied the imputations of manipulation and false promises and, in turn, accused his political opponents of dealing illicitly in Victoria River. Further, he submitted that less than half those enrolled were aboriginal and that his candidacy had also been well-received by white voters.³ In assessing the result, the sharp rise in aboriginal voting (for example in Port Keats it had increased from 92 to 249), the long and close association which Doolan had had with the district's aborigines, and the differences between the local campaigns of the two major contenders must be given most prominence. A close comparison between 1974 and 1977 is difficult because of the lack of an ALP candidate in 1974, but what was apparent was the increased vote despite the loss of Berrimah to Stuart Park, the rise in postal votes (259 to 503), the far higher proportion of them which went in favour of Doolan and the indication that Letts had not lost much support among white voters. The key to the election was undoubtedly the aboriginal vote.

¹*News*, 23.8.77.

²*News*, 23.8.77, Doolan's letter in the *Star*, 1.9.77, and the account of his campaign in the *Star*, 18.8.77 and the *News*, 24.8.77.

³See the *News*, 24.8.77 and the report of Doolan's first speech in the Legislative Assembly in the *Star*, 22.9.77.

TABLE 30

Polling Place		Doolan (ALP)	Favaro (PP)	Letts (CLP)	No. of 1st Pref. votes	No. In- valid	Total
Wave Hill	72	90	12	52	154	9	163
Delissaville	58						
Adelaide R.	33						
Pine Ck	45	45	16	46	107	4	111
Daly R.	66						
Batchelor		19	9	75	103	3	106
Hooker Ck	98	60	-	47	107	-	107
East Arm	9						
Victoria R.		198	12	59	269	33	302
Downs	53						
Pt Keats	249						
Absents		48	13	64	125	4	129
Postals		221	36	246	503	8	511
Regulation		9	2	-	11	-	11
Total		690	100	589	1379	61	1440

Conclusion

In their assessments of the 1977 election both major party leaders emphasized its pivotal significance. To Letts, it was "the most important election yet because for the first time ever we in the Territory are looking at a fully elected Assembly which can make decisions and take the responsibility for administering them." Moreover, it was being fought on "two issues [uranium and self-government] which are vital, not only for the next three years but for our whole future."¹ For his part, Isaacs viewed it as "an election that matters more to the future of the Northern Territory than any election ever held before," largely because it would decide the pattern of constitutional and financial advance.² Similar interpretations flowed from other Territory political and community leaders and from federal politicians. Thus there was a broad consensus, at least among the politically-conscious, of the great significance of the election.

One wonders, however, if the real significance lay in all the directions which were plotted by the party leaders. Uranium, as Isaacs had so often pointed out, was a federal concern and it had been explicitly excluded from the transfer of powers. Whatever the complexion of the Majority Party, it could not directly affect the decision on uranium if the federal government was determined to proceed. Assuming that the non-Labor parties retained office in Canberra, the path to self-government had already been charted and, to the Fraser administration, it was a *fait accompli* which would go ahead even if the ALP won the Territory elections. The task of arriving at a mutually acceptable financial scheme might, in that event, have been more difficult and longer drawn out, but eventually the local Cabinet would have been forced to settle, even if it was dictated on Canberra's terms. In short, on these two issues, the Territory was no free agent, but the election outcome did ensure that their resolution would be, at governmental level, more harmonious.

Perhaps the greatest impact of the campaign and the result was on the fabric of Territory politics itself. In its post-election editorial *The Northern Territory News* noted that the Territory had gained a parliament and had lost a

¹*Star*, 11.8.77.

²*ibid.*

forum.¹ The more balanced composition of the second Assembly will hopefully serve to strengthen the role of that institution in a time of rapid and far-reaching constitutional change; it may also gain for itself a better reputation from many Territorians which, in the past three years, it sadly lacked, be it deserved or otherwise. In a parliamentary system, the absence of a strong Opposition may not be a fatal flaw but it certainly renders it a less effective instrument for the passage of legislation and the control of government. Moreover, where a major political party lacks an adequate voice in parliament, opposition to government authority is mainly generated by extra-parliamentary forces which are unrestrained by any electoral responsibility.

Having become the official Opposition the ALP has established the necessary base for later attempts to win office. From it, the ALP MLAs will be able to gain the parliamentary experience and confidence essential for the rigours of future government. But its prospects of becoming the Majority Party are by no means assured. Clarification of its policies on uranium and self-government in the context of their development in the next few years will be needed, as will the formulation of an attractive package of alternative programmes. Much, of course, will also depend on the performance of the CLP in government - if it is dismal, then the task of the ALP will be easier. The particular concatenation of favourable circumstances which benefited the ALP in 1977 may not occur often again, although Labor is confident that the cost issue associated with self-government will rebound against the CLP in 1980. On the other hand, the issue may have receded enough by then not to embarrass the CLP electorally. An accurate prediction of the success (or otherwise) or of the political impact of the move to local autonomy is impossible, as there are far too many variables and imponderable factors which will have to be taken into account. The two groups which handsomely supported the ALP in 1977 - the public servants and the aborigines - are not absolutely certain to stay indefinitely in the Labor camp; as past experience has proved, the political and economic climate, the force of personality, the style of campaign and party organization can fashion rapid changes in their political allegiances. Another factor may also be of great influence. In 1978 the control of electoral procedures is to be transferred to the Assembly and *ipso facto* to the CLP.

¹News, 15.8.77.

If another redistribution is deemed necessary, the ensuing pattern would be likely to benefit the government of the day, especially as the 20 per cent permitted tolerance has been restored.

The CLP emerged from the election a chastened party; its complacency, bred by its predominance in the first Assembly, was rudely shattered. Although it maintained itself as the Majority Party, it lost four of its major figures in the Cabinet. The loss of Letts and Tambling, the local architects and chief negotiators in the realm of constitutional advance, was a grievous blow, as it was widely accepted that they were the most impressive of the CLP Cabinet.¹ As a consequence, the difficult challenges of the next three years will have to be faced by a new and virtually untried team; the verdict on their performance will be given in 1980 when, however, it is likely that the same mistakes made in the 1977 campaign will not be repeated.

In its initial appearance the PP performed reasonably well, but there seems little chance, to this writer at least, that it will prove an enduring force in Territory politics. In fact its role as a depository for protest votes was overtaken in the 1977 federal elections by the Australian Democrats.² Given the historical experience of minor parties in the Australian context, the chances of challenging the position of the major parties in the future appear bleak.

Similarly, those who aspire to enter the Assembly as Independents had little to rejoice about in 1977. True, Lawrie was returned overwhelmingly in Nightcliff, but the other Independents, despite valiant efforts in some cases, were unsuccessful. The day of the traditional importance of the Independent in Territory politics has gone; in the new political environment of the late 1970s, the day of party politics has arrived. While the influence of personality will still play some role in elections by directing votes to Independents or to popular party candidates, it cannot be expected to be as important as it had been in the

¹See the editorial in the *News*, 25.8.77 and the comments by "Pandanus" in the *Star*, 18.8.77 and 8.9.77.

²The Australian Democrats received 4.11 per cent of valid primary vote in the House of Representatives contest to the PP's 2.74 per cent. In the Senate poll, the proportions were 7.69 per cent and 5.07 per cent respectively.

pre-Assembly years. Lawrie's position will also bear watching in the future; much of her publicity had stemmed from her opposition to the CLP in the first Assembly. With an Opposition which shares many of her social and economic views, her voice will not be as prominently heard. That fact may serve to erode her hold on her electorate.

The 1977 ALP campaign introduced a new style of electioneering into Territory elections - more professional, more sophisticated and more dedicated. Given the higher political stakes to be won and the better salaries for MLAs and office-holders, it is inevitable that those characteristics will be used and even intensified in future campaigns.

When the results of the 1977 federal poll came through, the ALP were astonished to find not only that the CLP had held the seat, but also that many northern aborigines who had voted for Labor candidates in August supported the CLP incumbent, Sam Calder, in December. On the figures for the House of Representatives, the CLP would have regained Victoria River and even perhaps Arnhem.¹ Again, the habit of many aborigines to vote for personalities rather than for parties was evidenced. Indeed the ALP election victories in the two northern rural seats and, less certainly, in Macdonnell, were reinterpreted to give greater emphasis to the candidates' attributes rather than party or pressure group allegiance. If, however, the aboriginal vote can be marshalled permanently into the service of one political party, then it will emerge as a very significant force in Territory elections. Whether or not that potential will be realized is one of the most intriguing questions of future political developments. Another would be the reaction of the white community to the party which succeeds in doing so. There can be little doubt, however, that, in August 1977, the aborigines had a profound impact; "Pandanus" referred to it as "Black Power at Last."² Perhaps not, but the ALP certainly reaped the benefit.

In Australia all elections, be they local or state, are used to reflect on the popularity of the federal government. So too was the Territory election which was held in mounting speculation of an imminent national poll. The ALP took

¹The booth figures for Victoria River were 491 (CLP) and 247 (ALP) and for Arnhem 452 and 380. However, because postal voting is in a consolidated form, no separate postal votes can be allocated to particular electorates.

²*Star*, 18.8.77.

great heart from the Territory results and saw it as a straw in the wind of public opinion; indeed, it was widely employed as part of its federal campaign strategy. If the ALP honestly believed that interpretation, it had badly misread the distinctiveness of the Territory contest.

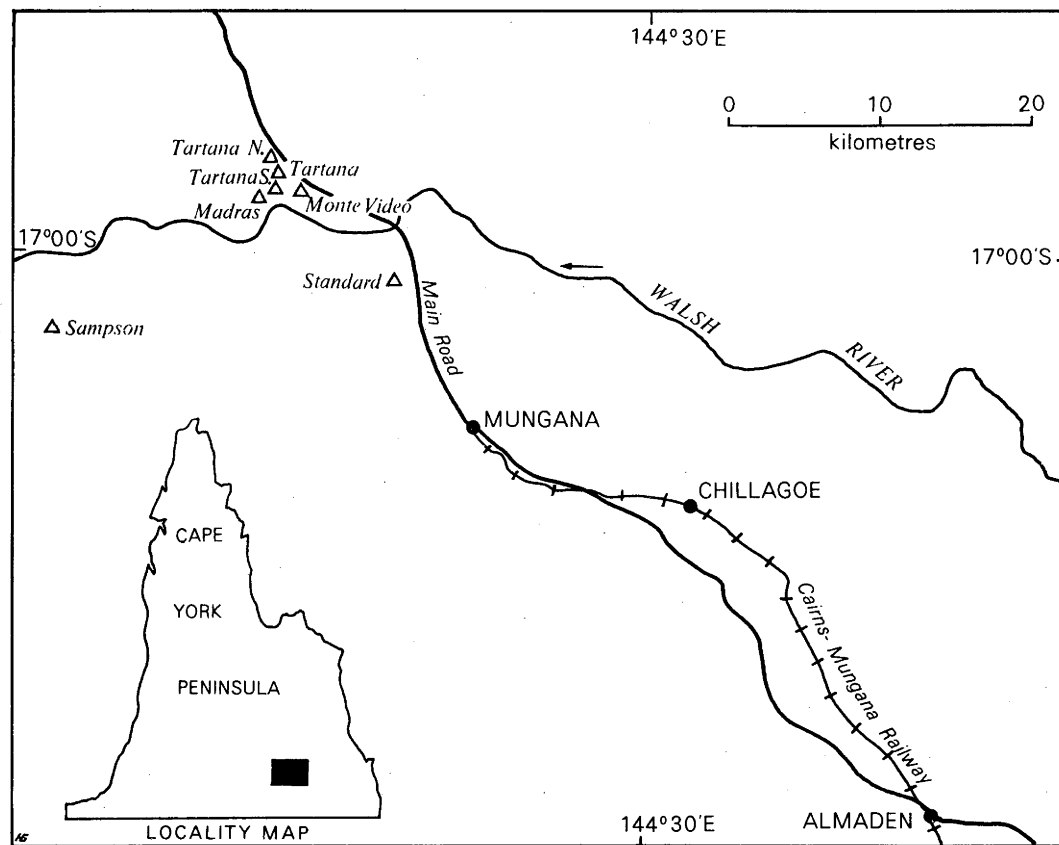
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THE NORTH CHILLAGOE MINES SCANDAL

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General Location Map of Chillagoe District

DRAMATIS PERSONAE

The North Chillagoe Mines scandal was very complex, not least because of the relationships and the roles of the central figures, who were:

(a) Directors of the Admiral Sampson Chillagoe Company:

<i>Thomas Jessep</i> (Chn)	<i>Arthur Yabsley</i>
<i>Patrick Duffy</i>	<i>W.H. Marshall Moore</i>
<i>Robert Jolly</i>	<i>Edward Johns</i>

(b) Provisional directors of the North Chillagoe Mines No Liability:

<i>A.J. Gould</i> (Chn)	<i>Bennett Johns</i>
<i>John Archibald</i>	<i>Alexander Campbell</i>
<i>Frederick Brentnall</i>	<i>Patrick Duffy</i> (Chn)
<i>Harrie Wood</i>	<i>Robert Jolly</i> (Chn)

(c) Officers of the Queensland Mines Department:

<i>Robert Philp</i>	(Minister for Mines)
<i>A.R. Macdonald</i>	(Under-Secretary)
<i>W. Rands</i>	(Govt Geologist)
<i>B. Dunstan</i>	(Asst Govt Geologist)
<i>R. Logan Jack</i>	(former Govt Geologist)

(d) Brokers and solicitor connected with the flotation:

<i>George McEvoy</i>	<i>Tom Coventry</i>
<i>Daniel Roberts</i>	(Solicitor)

(e) Labor Party members of the Queensland Parliamentary Opposition:

<i>W.H. Browne</i>	<i>Andrew Fisher</i>
<i>W.G. Higgs</i>	<i>George Jackson</i>
	<i>Tom Givens</i>

(f) Personnel connected with the Royal Commission:

<i>Judge Mansfield</i>	
<i>Arthur Rutledge</i>	(Attorney-General)
<i>A.H. Davis</i>	(Sec. to Royal Commission)

THE NORTH CHILLAGOE MINES SCANDAL

The incidence of malpractices during the mining boom of the late 1960s, confirmed by the report of the Senate Select Committee on Securities and Exchange in 1974, was far from being a new phenomenon. Dishonest share dealings, falsified assay reports and prospectuses, toothless company legislation, impotent stock exchange regulations, suspicions of government leniency towards private interests and the resultant disrepute of Australian stocks and shares abroad have close parallels in previous mining booms. The history of large-scale capital investment in Australian mining has reflected not only long-standing problems of integrity in company promotion but also the inadequacies of procedures for investigating instances of fraud and impropriety.

The boom in Australian mining at the turn of the century resulted from a combination of factors. Rising prices for base metals, particularly copper and silver-lead, attracted British investors seeking new outlets abroad after disillusioning experiences with foreign railway projects, banks and financial houses. The substantial dividends being paid by Mt Lyell, Mt Morgan, Broken Hill and numerous gold mines spurred speculation in Australian mining scrip. Promoters and mine managers competed for British money to develop new fields and, in some cases, to reopen abandoned mines. Blainey suggests that about one-quarter of British mining investment in new mines overseas in the 1890s flowed to Australia, as an increasing number of mines "were quoted or floated in London."¹ Many of the companies launched during the boom failed, giving Sydney- and Melbourne-based promoters a notorious reputation for dubious financial practices. Blainey attributes these failures to improvised methods of development, encouraged by the "No Liability" type of company:

Optimistic directors, spurred on by dividend-hungry shareholders, gambled on making enough to finance further exploration or pay a dividend. This practice was accentuated by the system of time-payment of shares which characterized the "No Liability" mining company.

¹Blainey, 1969:250.

If the mine took too long to pay, many shareholders tended to forfeit their shares and invest in a new mining company rather than pay more calls to the old company. Forfeitures were infectious, and a company which refused to erect machinery might be left with few shareholders who collectively were too poor to finance the high cost of mining difficult terrain.¹

More important was the lack of systematic exploration and testing of ore bodies prior to development. Companies rarely assessed reserves with any degree of thoroughness: once floated, they erected machinery and commenced mining with a sense of urgency. It was uncommon for any company to reserve capital sufficient for thorough development. Blainey's explanation overlooks the extent to which companies were organized to make profits for the promoters out of flotation, irrespective of the success of the mining venture. Further, while many investors in Australian mines were often left with valueless scrip, directors and promoters in most instances avoided personal losses when companies failed, or when share prices tumbled after adverse geological reports were released publicly. The North Chillagoe Mines scandal of 1900 provides a good case study of some aspects of malpractice in mining company promotion. In addition to highlighting the inadequacies of legislation governing company promotion, it was important from at least four viewpoints. First, it demonstrated an example of prospectus manufacturing to attract capital from unwary investors. Second, it brought the Queensland Mines Department into temporary disrepute when it was disclosed that public servants had not reported attempted bribery. Third, it impinged on Queensland political life by calling into question not only the probity of prominent legislative councillors, but also the integrity and competence of the Premier, Robert Philp. Fourth, it indirectly hastened the collapse of Chillagoe Railway and Mines Limited, and provided a warning to overseas investors to exercise greater caution in assessing Australian mining scrip.

The Chillagoe mineral field in far north Queensland was developed as a direct result of the revival of base metal mining. Following optimistic geological reports on the region in early 1897, a Melbourne-based syndicate acquired the bulk of the leases, floated the Chillagoe Railway and Mines

¹Blainey, 1959:42.

Limited with a registered capital of 900,000 shares of £2 each, and secured approval from the Queensland Government to construct a private railway at a cost of more than £335,000 from Mareeba to Chillagoe, a distance of 110 miles, to service its leases and proposed smelters. It was an ambitious project, more so because the ore-deposits, which had not been fully investigated, were fairly low grade; but with the metal market booming and the promise of extensive untapped lodes, it was a reasonable assumption that the field would prove to be profitable. The railway and the smelters were completed in 1900, and when a favourable geological report was released by the company Chillagoe Railway and Mines shares rose to thirty-nine shillings towards the end of the year.¹ British investors secured a significant shareholding in the company, and the Chillagoe region commanded almost as much attention as Mt Lyell and Broken Hill. At the same time, promoters registered several companies with "Chillagoe" in their titles to attract support from mining investors,² but, as Bolton has observed, "the atmosphere of over-smart speculation and queer business deals hung over the Chillagoe field."³ The North Chillagoe Mines scandal created controversy sufficient to burst the speculative bubble surrounding Chillagoe companies.

The prospectus for North Chillagoe Mines No Liability was issued in July 1900. Copies were dispatched by the vendors to brokers in Brisbane, Sydney, Melbourne and Adelaide; by early September large advertisements featuring a sketch map of the location of 230 acres of leases in the Chillagoe district and an abridged version of the prospectus appeared in mass circulation newspapers. Describing the assets of the company to be floated as "a valuable group of 12 mines...in the celebrated CHILLAGOE DISTRICT," the advertisement

¹For details, see *Queensland Government Mining Journal* (Special Edition - Glasgow Exhibition) 1901:39-46. *Brisbane Courier*, 1.10.1900:3a for monthly share prices.

²Among the registered companies were Linedale West Chillagoe Ltd (capital £16,500); Chillagoe Bedford and Mt Garnet Ltd (capital £120,000); Mt Garnet-Chillagoe Exploration Co. No Liability (capital £12,500); and Admiral Sampson Chillagoe Co. No Liability (capital £2,400). Blainey records the ingenuity with which promoters included "Lyell" in the titles of mining companies in Tasmania - thirty-eight of the forty-two companies floated by October 1898. See Blainey, 1959: 81.

³Bolton, 1963:279.

carried an endorsement attributed to the Assistant Government Geologist in Queensland, Benjamin Dunstan, which read:

The group of properties undoubtedly bear a most favorable comparison with any other group of properties in the Chillagoe District....They have been selected simply on their own merit. Their value is not in any way influenced by their proximity to other successful mining properties.

The proposed company was to be financed by a capital of £60,000 made up of 60,000 shares of £1 each, 30,000 of which were to be allotted to the vendors as full payment "for these valuable properties, on which several thousand pounds have been expended in acquiring and in exploratory work." The remaining 30,000 shares were to be offered for public subscription, "payable 2s. per share on application and 2s. per share on allotment." No contributions were required before January 1901, and calls would not exceed sixpence per share per month.

Two additional factors - the names of the provisional directors and a summary of the leases' prospects - enhanced the attractiveness of the proposition. Of the eight provisional directors, two were Sydney merchants, Patrick Duffy and Robert Jolly; three were well-known politicians, A.J. Gould, John Archibald and Frederick Brentnall;¹ and three were directly associated with the mining industry - Harrie Wood, the former Under-Secretary for Mines and Vice-President of the N.S.W. Chamber of Mines; Bennett Johns, an Adelaide broker; and Alexander Campbell, Chairman of Directors of Block 10, Broken Hill. Prospective shareholders were informed that the venture would prove a sound investment. Exploration at Tartana Hill, "the most valuable of the group," had revealed "numerous proofs of containing hundreds of thousands pounds' worth of copper alone, besides large payable quantities of gold and silver." Geological reports by government geologists, namely Dunstan and Dr R. Logan Jack, had confirmed the existence of "large bodies of ore of great value": copper averaging seven per cent metal

¹ A.J. Gould [1847-1936] MLA (N.S.W.) Patrick's Plains 1882-91; Singleton 1894-98. Minister for Justice 1889-91, 1894-98. MLC (N.S.W.) 1899-1901. Senator 1901-17. President, Senate 1906-10.

J. Archibald [1845-1907] MLC (Qld) 1897-1907.

F.T. Brentnall [1834-1925] MLC (Qld) 1886-1922. Chairman of Committees 1893-1902.

content, gold - "A rich gold mine within a rich copper mine" - and silver, which "alone would be a highly payable product." The abridged prospectus related that the ores would be treated at a central reduction works to which even the mighty Chillagoe Railway and Mines Limited "will send all their ores." It concluded with a prediction that the initial shareholders would make substantial profits:

It is estimated that after fuller and more extensive development these properties will become worth many times the present proposed small capital, and will probably command a very high value for flotation in London or elsewhere.

It is also estimated that while developing a good profit can be made.

These shares are being offered in the first place to the public instead of to capitalists, and shareholders will become the original proprietary and reap the advantages of fuller developments.

Prospectuses could be obtained from W. Marshall Moore, the venture's legal manager in Sydney.¹

The first whiff of a scandal soon followed: on 14 September 1900, a brief letter-to-the-editor appeared in both the *Brisbane Courier* and the *Telegraph*. Co-signed by two well-known Queensland legislative councillors, F.T. Brentnall, a director of a number of financial institutions, and John Archibald, a former mining warden with large flour-milling interests at Toowoomba, the letter notified their withdrawal as provisional directors from the company proposed to be registered in New South Wales as North Chillagoe Mines No Liability, on the grounds that the geological report on the company's properties, which appeared in the official prospectus, "was not a full and true copy" of the official report filed by the Assistant Government Geologist, Benjamin Dunstan. Further, Brentnall and Archibald offered to refund any moneys which they had received from subscribing public in return for allotments of shares in the proposed company.² The sudden resignation of provisional

¹For full details, see "Abridged Prospectus, North Chillagoe Mines No Liability," *The Bulletin*, 8.9.1900:29c,d.

²*Courier*, 14.9.1900:4e; *Telegraph*, 14.9.1900:4g.

directors of a company in the process of being floatedd was a rather exceptional situation; and developments over the following week demonstrated why they had been so anxious to dissociate themselves from the venture.

Subsequent issues of the *Telegraph* following the letter of resignation confirmed that some chicanery had occurred when the North Chillagoe Mines' prospectus was drafted. The *Telegraph* ascertained that North Chillagoe Mines was being promoted by the Admiral Sampson Chillagoe Company, a Sydney-based concern which held several leases in the Chillagoe region,¹ and which had arranged for the Assistant Government Geologist, Benjamin Dunstan, to report on their properties. On Saturday, 15 September 1900, both the *Telegraph* and the *Courier* published the text of Dunstan's report, noting that it had formed the basis of the North Chillagoe Mines prospectus, but with a number of alterations and selected editing. Indeed, close scrutiny of the prospectus revealed that grossly inflated values and projected yields had been substituted for Dunstan's estimates, and adverse comments deleted.² Three days later, another letter-to-the-editor appeared in the Brisbane newspapers, co-signed by Thomas Jessop, member for Waverley in the New South Wales Legislative Assembly, and Patrick Duffy, a Sydney merchant, both of whom were directors of the Admiral Sampson Chillagoe Company. As representatives of the vendors, they formally notified the withdrawal of the North Chillagoe Mines prospectus, and assured the public that neither the directors of the Admiral Sampson Chillagoe Company nor the provisional directors of North Chillagoe Mines were aware of the "stupid and unnecessary alterations" to Dunstan's report.³

Understandably, the revelations attracted immediate political attention. When the Queensland parliament resumed on

¹The leases comprised: Tartana Hill (No.1217, 40 acres), Tartana North (No.1218, 10 acres), Tartana South (No.1219, 10 acres), Lillian (No.1220, 10 acres), Madras (No.1224, 10 acres), Monte Video (No.1368, 20 acres), Madras Extended (No.1369, 80 acres), located 20 miles north-west of Chillagoe; President McKinley (No.1221, 10 acres), Wanlock (No.1222, 10 acres), Elvan (No.1223, 10 acres), located 22 miles north of Chillagoe; Royal Standard (No.1260, 10 acres), located 14 miles north-west of Chillagoe; and Admiral Sampson (No.1175, 10 acres), located 22 miles west of Chillagoe.

²*Telegraph*, 15.9.1900:13b,c,d.

³*Courier*, 18.9.1900:5c.

18 September John Newell, member for the Chillagoe region, asked the Premier, Robert Philp, whose responsibilities included the Mines Department, if he proposed to take any action against North Chillagoe Mines. Philp evasively replied that the discrepancies between Dunstan's report and the prospectus had been detected initially by the Mines Department; that Brentnall and Archibald had been subsequently informed and, as a result, had resigned as provisional directors.¹ Later in the day, the issue was resurrected by the Opposition Leader, William Browne, during debate on the Mt Garnet Railway Bill. Despite the handicaps of acute asthma, loss of sight in one eye and a pedestrian speaking manner, this former president of the Miners' Union at Croydon was without peer on subjects relating to mining and railways. Rejecting any notion of party advantage he praised Philp and Mines Department officers for making Dunstan's report available to the newspapers after the discrepancies had been detected. Browne considered that there were two possible explanations:

One is, that Mr. Dunstan had been betraying his trust and giving a report which was not strictly in accordance with the facts; and the other, which I thought a great deal more likely, was that the promoters of this Chillagoe Mines Company had been trying to use him for their own purposes.²

He criticized the provisional directors, especially Brentnall and Archibald,³ all of whom were "pretty influential names," for neglecting to check the accuracy of the prospectus before becoming associated with the company. Their oversight had thus implicated them in a scheme to exploit both local and overseas investors to the discredit of the

¹QPD, 84:824.

²QPD, 84:842.

³Browne could not resist a jibe at Brentnall's Wesleyan connection. Of the former missionary, he said: "One is a gentleman who I have been surprised lately to learn is mixed up in mining speculation. I had thought he was engaged rather in laying up treasures above than in looking for them below." Further, Browne criticized Archibald for endangering the reputation of the Mines Department, moreso because he had served as a mining warden and magistrate before entering parliament. QPD, 84:843.

state's mining industry, the government and the Mines Department. Further, he regretted that the Queensland Companies Act of 1891 was not as stringent as its British counterpart: in Queensland, provision existed for a director to be held accountable for any misstatement in a prospectus bearing his signature; in Britain, signatories to a false or misleading prospectus were not only held pecuniarily responsible, but also were liable to criminal prosecution. In conclusion, Browne deplored that Mines Department officers "have been dragged into the business, and the names of prominent members of this Parliament have been flaunted before the public in a prospectus which, on the face of it, is distinctly untrue, to say the least of it."¹

Even though Browne's remarks had little connection with the Bill, Philp could ill-afford to offer no comment on an issue impinging on his administration of the Mines Department. Instead of disclosing fully to the parliament the facts as he understood them, Philp merely commended his officers for their vigilance, and gave an assurance that future reports filed by Government Geologists would be published. He declined to apportion blame on any individuals for the falsification of the prospectus, and failed to announce that the government would have the matter thoroughly investigated. The following day the Labor member for Fortitude Valley, W.G. Higgs, a future Senator and Federal Treasurer in the short-lived Hughes Labor government, took up the question. An excitable speaker easily distracted by interjection, Higgs painstakingly read into Hansard the full prospectus, noting every typographical error, omission, interpolation and alteration made to Dunstan's report. There were twenty-eight significant instances in which the prospectus and the report varied. The more serious discrepancies included alteration of estimated copper content of ores from the Tartana leases from 1/4 per cent to 7 per cent in one instance, and from 0.12 per cent to 12 per cent in another; the omission of the word "picked" from "picked ores," the effect of which was to imply that assay results had been obtained from random rather than selected ore samples; the deletion of the phrases "poor in gold," "with no gold in either case" and "a trace of silver with no gold;" and the inclusion of a precis entitled "logical deductions from the foregoing reports" which read: "Gold contents: High. A rich gold mine within a rich copper mine at Tartana Hill (see Dunstan's report)...." Higgs noted that a highly favourable table of assays compiled by one Alexander Orr, of

¹QPD, 84:844.

Sydney, had been substituted for Dunstan's assay results, and that Dunstan's signature had been appended to the individual summaries on each of the leases, even though Dunstan had certified the entire report with only a single signature. Finally, he disclosed that an important conclusion had been deleted, one which read:

Lastly comes the question of management. The mines are not phenomenally rich, but they are full of promise, and it lies almost entirely with your management - not the mines themselves - whether or not they result in failure or success.¹

For his part, Higgs suggested that the alterations to the report and the suppression of crucial sections violated the recently enacted criminal code, in particular section 438 relating to false statements by officials of companies, and section 429 dealing with fraudulent activities.²

The interjections which punctuated the earlier portions of Higgs' speech abated as he meticulously dissected the prospectus, paragraph by paragraph. No doubt Philp and his ministerial colleagues became increasingly uncomfortable as the speech progressed, especially when it was pointed out that on the same day on which Jessep and Duffy had notified the withdrawal of the prospectus, a meeting had occurred between Brentnall, Archibald, Jessep, Tom Coventry (a Brisbane broker assisting the flotation of North Chillagoe Mines) and two officers of the Mines Department - A.R. Macdonald, the Under-Secretary and William Rands, the Government Geologist. Describing these proceedings as "most irregular," since Philp was not party to them, Higgs called for a thorough investigation of the entire affair.³

The falsification of the North Chillagoe Mines prospectus appeared to have all the ingredients of a most damaging

¹For full details of Higgs' speech, see *QPD*, 84:867-77.

²Section 438 dealt with false statements by officials of companies. It provided that any promoter, director, officer or auditor of a company circulating or publishing any material deliberately falsified with the intention of deceiving or defrauding any member, shareholder or creditor was guilty of a crime carrying a penalty of imprisonment up to seven years. Section 429 declared a misdemeanour carrying penalty of two years any action determined as a fraudulent trick or device.

³*QPD*, 84:876.

scandal for the Philp government. An editorial in the *Telegraph* strongly repudiated Philp's claim in parliament that the attempted fraud had been exposed by the Mines Department, and hinted that Philp had endeavoured to protect his political friends:

He knows very well that it was the *Telegraph* that let light into the business.

The Hon. R. Philp would have been more correct in saying that he tried to save some of his political friends and get them out of the transaction. Which he succeeded in doing. Is it not true that he sent for them and advised them to do the rat business in connection with what was thought to be a sinking ship - which they were not slow in doing.¹

On the other hand, the conservative *Courier*, a consistent supporter of Philp's government, rebuked the Labor party for pursuing the "unfortunate omissions to Mr Dunstan's report" for political mileage:

One would think that Mr. Browne and his followers were the only honest men in the colony...

There is to be no misleading of investors either by accident or intention if the Premier can help it, and the colony is at once associated with such a pronouncement. The Labour Party is, therefore, throwing mud at the colony. Labour members are deliberately befouling what they should in honour seek to keep clean.

They are advertising to the world that Queensland is run by men who admire crooked ways, whereas the incident in question gives a flat denial to the allegation.²

Most southern journals tended to ignore the disclosures initially, although the influential *Australian Mining Standard* passed comment. In contrast to the Brisbane newspapers, the tenor of its assessment tended to play down the scandal as a

¹*Telegraph*, 20.9.1900:4d.

²*Courier*, 20.9.1900:4e.

not uncommon occurrence: "...[it was] an example of the gentle art of prospectus manufacturing...to get at the pockets of unwary investors."¹

Philp acted promptly in tabling correspondence between the promoters of North Chillagoe Mines and departmental officers² which, instead of silencing the critics, cast doubts on the honesty of certain public servants. Indeed, the correspondence revealed a scheme, to which at least two principals of the Admiral Sampson Chillagoe Company were party, to defraud investors, and blatant attempts to bribe at least two officers of the Mines Department.

The Admiral Sampson Chillagoe Company had first approached the Mines Department in mid-May 1899, when a formal interview between its chairman, Jessep, and Philp was arranged to discuss the development of its leases. An agreement was concluded that a government geologist should report on the properties, at the company's expense; and that Patrick Duffy would confirm all arrangements with the Government Geologist, William Rands.³ The company repeatedly tried to hasten the report, and was eventually informed that the Assistant Government Geologist, Dunstan, had commenced the task in late July.⁴ Soon after Dunstan returned to Brisbane to write up his report, Philp received a request from Duffy "to spare neither time nor expense in getting this report, for everything depends on it...[as it will] enable us to float at once." Duffy urged that "as Mr. Dunstan has gone to the trouble of making sketches and carefully preparing plans, let them be included; they are most valuable properties, and a luke-warm report will only damage their prospect."⁵ His request for a "most exhaustive report" was supported by a telegram from the company's legal manager, Marshall Moore, seeking "a voluminous report with accompanying maps, plans and sketches so that it can be placed as a complete report

¹*Australian Mining Standard*, 27.9.1900:348a.

²The correspondence tabled in parliament is contained in *Queensland Votes and Proceedings*, 1900, Vol. 2:347-58.

³W.H.M. Moore to R. Philp, 10.5.1899, 7.6.1899, *Votes and Proceedings*, 1900, Vol. 2:349.

⁴W.H.M. Moore to R. Philp, 24.6.1899, 27.6.1899; Under-Secretary for Mines to W.H.M. Moore, 29.6.1899, *Votes and Proceedings*, 1900, Vol. 2:350.

⁵P. Duffy to R. Philp, 30.8.1899, *Votes and Proceedings*, 1900, Vol. 2:350.

and not to require any further report to place in the hands of the brokers." Philp noted on the telegram: "Inform Mr. Moore that the Minister never interferes in any way with the Geologist reports, and declines to give him any instruction whatever."¹ Moore was apologetic in reply, but re-emphasized that flotation of a new company depended on the report:

We had no intention to dictate in any way as to the Geologist report; only that we wished that the Geologist report might be as full as possible to save us after delay and expense in floating into a bigger company. We will be glad to receive your Geologist report as soon as convenient, together with an amount we have to pay for his expenses.²

This was the first indication that the Admiral Sampson Chillagoe Company intended to float a new company to acquire its leases, rather than seek additional capital to develop the leases itself, and partly explains the directors' anxiety to receive the report. Obviously, the directors of the Admiral Sampson Chillagoe Company had been observing the rise in value of Chillagoe Railway and Mines Limited shares on the Australian and London Exchanges, which augured well for the capitalization of a new enterprise in the same region. An official government report on their leases would confer the additional advantage of establishing a new company's bona fides for potential investors. By early October 1899, Dunstan's report was still outstanding. The Admiral Sampson Chillagoe Company expressed concern that the delay was impeding negotiations on the development of its leases, "which of course includes our obligations under the labour conditions."³ The chairman was advised that the Government

¹W.H.M. Moore to R. Philp, 1.9.1899, *Votes and Proceedings*, 1900, Vol.2:351. Duffy had also written to Rands on the matter, but he also declined to influence Dunstan "as to the character of the report." See P. Duffy to W. Rands, 30.8.1899; W. Rands to P. Duffy, 4.9.1899, *Votes and Proceedings*, 1900, Vol.2:356.

²W.H.M. Moore to R. Philp, 15.9.1899, *Votes and Proceedings*, 1900, Vol.2:351.

³T. Jessep to R. Philp, 4.10.1899, *Votes and Proceedings*, 1900, Vol.2:351. The company's obligations to meet labour conditions was merely a technicality. Had there have been an application for exemption from labour conditions pending

Analyst had almost completed assaying the ore samples; and on 4 November, the report was handed to the directors.

During the following weeks Duffy pressed Dunstan to add further comment on the text of the report. Duffy wrote twice, insisting on confidentiality, asking Dunstan for assistance in floating the new company and, at the same time, offering the manager's position. In the first letter, Duffy urged Dunstan to "write your opinion on the show to the *Bulletin*" and to consider an offer of "any suitable, pleasant, agreeable position in the new Company," for which he could stipulate his salary.¹ In the second letter, he appealed for an opinion which might assist flotation:

I would like you to write me - or, if you like, send it to Mr. Jessep or Marshall Moore - and tell us what you think it would cost to develop it [the Tartana lease] sufficiently to enable us to float, and about what sized company it would warrant it being floated into - that is, the whole of the properties as one. I would like you also to give us an estimate - in your opinion, the quantity - of cubic yards of stone in Tartana, above the surface - just in your opinion. No need to be correct one way or other, but "about." Our people would like you to undertake its management after flotation....Dear Dunstan, if you will do this it will help us along wonderfully.²

When Dunstan did not respond, Moore wrote directly to Philp on 25 November 1899, asking for "particulars more of a practical business nature" which would be of "great material importance" to the directors who were eager to issue a prospectus for a new company which would "develop and work the mines." He extolled the benefits which would accrue to the

flotation it would have been very unlikely that the department would have refused such a request.

¹P. Duffy to B. Dunstan, 3.11.1899, *Votes and Proceedings*, 1900, Vol. 2:357.

²P. Duffy to B. Dunstan, no date, *Votes and Proceedings*, 1900, Vol. 2:357-8. Dunstan claimed he received the letter in mid-November 1899.

state from their enterprise, and urged that Dunstan be instructed to answer a list of questions attached to the letter (see Appendix I, p.171).

This list comprised nine questions, the first and second of which sought the estimated quantities of high grade copper ore on the Tartana leases, and probable yields of silver-lead which could be expected from the Monte Video and Madras leases. The third question, referring to a "wonderful show of gold" at Tartana, asked for an estimated gold yield, and noted that some "English capitalists tell us that they do not care so much for mines which have copper without 'gold,' but with gold they are eager for them." The fourth and fifth questions referred specifically to the Tartana leases and inquired if the ore could be "treated and smelted easily;" if they could be worked by open-cut methods; and if they could "be briefly described as being to all appearances a second Mt Lyell, with its combinations of gold and silver, with large bodies of high and low grade copper ore." The sixth question asked that Dunstan "state for the information of the ignorant public" that the "impregnations" to which his report referred were characteristic of "the largest and wealthiest mines in the world." The seventh question invited Dunstan to recommend the construction of railways and smelters, and the appointment of the "very best mines manager procurable" for "one of the grandest and most promising undertakings...in Australia." The eighth and final questions sought estimated costs to develop the Tartana leases, and for an opinion on the prospects of the other leases to assist the promoters to "say all we honestly can as to what may be expected."¹ Moore's letter was referred for comment to the Government Geologist, Rands, who not only considered the questions inconsistent with Dunstan's findings, but accurately characterized them as "actually dictat[ing] statements which they wish Mr. Dunstan to put his name to for the purpose of 'puffing' the property."² It seems extraordinary that the only response to Moore's request was a polite refusal to comply from the Under-Secretary for Mines.

Clearly, the principals of the Admiral Sampson Chillagoe Company had been hoping to float the new company before the end of 1899 but, from the correspondence tabled in parliament,

¹W.H.M. Moore to R. Philp, 25.11.1899, *Votes and Proceedings*, 1900, Vol.2:353.

²Memorandum from W. Rands to R. Philp, 7.12.1899, *Votes and Proceedings*, 1900, Vol.2:354.

it seems that failure to extract additional statements from both Dunstan and the Mines Department prevented it. In a letter to Dunstan, dated 12 January 1900, Duffy attempted to explain the delay, attributing it to the slump in North Queensland mining shares, even though the downward movement was not significant. Again he invited Dunstan to consider the position of manager and informed him that "I have a lot of confidence in you," and would be prepared to "barrack" for his appointment by the directors.¹ Duffy's overtures to Dunstan to manage the proposed enterprise; his persistence in seeking approximate estimates which could have been calculated from the report; and his emphasis on confidentiality should have aroused Dunstan's suspicions. Obviously, Duffy had not been deterred by the Mines Department's refusal to allow Dunstan to answer Moore's questions, considering that his acquaintance with Dunstan could be exploited to advantage; but it appears that he did not meet with the success which he anticipated. Subsequently, Duffy met Rands with the intention of not only having him reconsider his objection to Moore's questions contained in the letter of 25 November, but also of soliciting his aid in obtaining Dunstan's compliance. Following their meeting, Duffy wrote to Rands on 12 February 1900 with the offer of an allotment of shares to "have another look at those questions":

I don't think I should have mentioned that vote our Company made, the other day, for I presume they intended to keep that until the Company was floated. But my advice is not to refuse it. It will be worth between two and three thousand to you, and it is simply a present.²

Rands did not reply to Duffy's letter, although on 26 September 1900, the same day that the correspondence was printed for tabling in the parliament on Philp's instructions, Rands noted on the letter that the offer was the upshot of a conversation in his office with Duffy who had urged that Dunstan "add to his report replies to the questions which were submitted to the Mines Department."³ The correspondence contains no clear reason why Duffy should have made

¹P. Duffy to B. Dunstan, 12.1.1900, *Votes and Proceedings*, 1900, Vol. 2:358.

²P. Duffy to W. Rands, 12.2.1900, *Votes and Proceedings*, 1900, Vol. 2:357.

³Note dated 26.9.1900, *Votes and Proceedings*, 1900, Vol. 2: 357.

so discreditable, and so risky, an approach to Rands; but leaves no doubt that it was an attempt to procure a civil servant's influence to enable the promoters to complete their prospectus.

When the correspondence was made public at the end of September, the newspapers reacted with mixed sentiments. Surprisingly, the *Telegraph*, which had unearthed the scandal by exposing the falsification of the prospectus, withheld editorial comment, and simply reprinted the letter from Duffy to Rands on the share offer, and Rands' notation on the letter.¹ The *Courier* supported the Labor party's claim "that those responsible for the alterations and omissions in Mr. Dunstan's report deserve severe castigation," "and when the chance occurs of nailing a few rogues' ears to the posts of the public pillory there should be no shrinking from the task." Yet it considered that the opposition had gone too far and had "besmirch[ed] the fair name of the colony."² Probably the most judicious assessment of the correspondence tabled in parliament came from "The Wild Cat Column" of the *Bulletin*, which commented:

The further this exposé goes the uglier it looks. Not known who is directly responsible for the omissions from and alterations of, if not additions to, Geologist Dunstan's original report, which was quite good enough to be left alone, but it is quite clear that one P. Duffy took a prominent hand in (unavailinglly) offering inducements to the Q. Govt. Geologist and his assistants. All others connected with the concern are indirectly responsible. It was the business of the provisional directors to, at any rate, read the original report. Well-known that they seldom do it, but that is no reason why, when found out, they should not suffer for the effect of their neglect.³

When Parliament resumed Browne, Higgs and other Labor members predictably seized upon the evidence of inducements to Dunstan and the bribe proffered to Rands to continue their attacks on the Philp government.

¹*Telegraph*, 27.9.1900:5a.

²*Courier*, 29.9.1900:4e,f.

³*The Bulletin*, 6.10.1900:25e.

An adjournment motion was moved on 2 October 1900 to discuss the entire affair. Opening the debate, Browne immediately called for an official inquiry, commenting: "Though we may not be able to punish the guilty individuals, we may at least be able to give a chance to those who are not guilty to clear their character from the stigma cast upon it from their connection with these transactions."¹ But his speech was far from impressive: much time was wasted reading into Hansard extracts from the correspondence already tabled in Parliament, and referring to a case in Victoria in which two men had been convicted for "salting" stone with gold to profit from the increased value of the mines' scrip after the assay results had been released. In contrast, Philp astutely handled criticisms of his department in a very brief speech. He acknowledged that "there had been an attempt to get at the Mines Department, both by Mr. Duffy and Mr. Moore." The Mines Department had merely provided a service to the Admiral Sampson Chillagoe Company which was available to many other companies. It had been Rands' assiduity, according to Philp, which had detected the falsification of Dunstan's report. He informed the House that the matter was already with the Crown Law Office: "I certainly think the best way of finding out all about this scandal would be through the law courts. Whether we can get it there or not, I do not know; but failing our getting there, I shall certainly have an inquiry held, for the sake of our own geologists."² Philp's defence of Brentnall and Archibald's association with North Chillagoe Mines as merely "careless" was unconvincing, but was offset by his stated determination to have the scandal thoroughly investigated.

The possibility of legal recourse was closely examined by the Attorney-General, Arthur Rutledge, a practising barrister with several years experience in his ministerial portfolio. Rutledge asserted that "a gross swindle" had been attempted in which Duffy "was very active and very energetic in his endeavours to bribe officers of the Government, and induce them by what he considered substantial rewards to assist the company in getting the mine floated."³ But he noted impediments to the mounting of a prosecution. First, while the issuing of a fraudulent report breached the recently drafted criminal code, that code had not yet come

¹QPD, 85:1108.

²QPD, 85:1109.

³QPD, 85:1110.

into force. Second, under existing law, a charge of conspiracy to defraud had to implicate at least two persons which, as yet, had not been done. Third, Queensland courts had no jurisdiction over New South Wales residents, despite provision in the new criminal code. Rutledge concluded that in the absence of prima facie evidence the

only other alternative is for an inquiry to be made of such a nature as will reveal to the other colonies the names of persons in New South Wales who have been parties to this abominable fraud, and indicating what may be sufficient ground for connecting any person in Queensland with it.¹

Andrew Fisher, later three times Labor Prime Minister, revived the Opposition's case, claiming firstly that Philp had "committed an entire error of judgement" by permitting "a compromising document," - Moore's letter of 25 November - even to be considered by Rands for comment; secondly, that Dunstan was "guilty of what we may term semi-confidential correspondence with these people, who had coolly and openly offered him bribes;" and thirdly, that Rands had erred by not notifying his superiors of Duffy's offer of shares until after the scandal had broken. Had Duffy's letters been passed on to the Under-Secretary as they were received, the scandal might have been avoided.² Seven other members spoke in the debate, all but one of them Labor-ites. George Jackson, a mine-owner and a member for Charters Towers, suggested that the Mining Act should be amended to preclude officers of the Mines Department holding any mining interest in the same way that wardens and inspectors were debarred under existing provisions. Only Higgs, who had obviously undertaken considerable research into the Admiral Sampson Chillingoe Company, introduced significant new material to the debate.³ Higgs accused Philp of deliberately withholding disclosure of the falsified prospectus until Brentnall, Archibald and the prominent New South Welshmen who had also agreed

¹QPD, 85:1111.

²QPD, 85:1111-2.

³Vincent Lesina, the Labor member for Clermont, reminded the parliament that, in the previous year, Archibald's name had been connected with a false prospectus to float the Big Hill Mining Company. His attempted "muck-raking" had no impact, and the matter was dropped thereafter.

to act as provisional directors were able to dissociate themselves from the company. He claimed that Brentnall had first viewed Dunstan's report in May 1900; that Rands had received a copy of the prospectus on 28 August and had immediately brought it to the Under-Secretary's attention; but that no action was taken until Philp had conferred with Brentnall and Archibald whose letter subsequently appeared in the press on 14 September. Higgs predicted that the government would attempt "to shove the whole of the responsibility upon Mr. Duffy" and make him the scapegoat, but with no intention of proceeding legally against him because Cabinet feared he "might declare to certain prominent men that if he goes down they go down with him." Finally, he revealed that the Admiral Sampson Chillagoe Company had not complied with the provisions of the Companies Act by registering a list of shareholders. The company had listed the value of its property, plant and machinery at £203 and its liquid assets at £240, all of which should have been known by Philp and his officers.¹

In the Legislative Council on the following afternoon, Brentnall and Archibald offered personal explanations on their association with North Chillagoe Mines. Brentnall described his position as "embarrassing," "somewhat anomalous and ambiguous." He stated that their connection with the proposed company "began months after the compromising correspondence" had been written and that they knew nothing about it. They had agreed to act as provisional directors from 14 May 1900 after they had read the report, and had inserted the disclaimer in the Brisbane newspapers within hours of discovering that the prospectus had been detected by the Mines Department as falsified. He was "utterly unconscious" of the alterations, and was assured by other provisional directors, namely Gould and Wood, that they too had been deceived. Archibald endorsed Brentnall's remarks and asserted that they had immediately returned all moneys which had been entrusted to them by investors for the purchase of contributing shares. Both men expressed satisfaction that Philp had referred the matter to the Crown Law Office.²

Apart from reporting the debates in Parliament, the Brisbane daily newspapers withheld comment on the scandal, although the *Telegraph* published an important letter-to-the-editor from George McEvoy, a Sydney broker, who disclosed

¹QPD, 85:1114-5.

²QPD, 85:1144-6.

that he had been approached to float North Chillagoe Mines in October 1899. McEvoy claimed that he had undertaken to float a company with a registered capital of £100,000 divided into shares of £1 each, half of which would be used as working capital, but "subject to our approval of Mr. Dunstan's report." After reading the report in early November, he had informed a meeting of directors of the Admiral Sampson Chillagoe Company "that the report was such as not to warrant our going on with its flotation," and that several thousand pounds were required for developmental work "before they could ask the public to subscribe." McEvoy appended the text of a memorandum dated 14 November 1899 to his partner which read: "I have carefully read report; does not warrant £100,000 company. In fact they require to spend £3 to £5000, in proving properties before they can expect to place it in any company."¹ McEvoy's disclosures partly explain the actions of Duffy and Moore. The brokers having withdrawn from their undertaking to float the company, Duffy and Moore again prevailed on Dunstan for a more favourable assessment with the added inducement of the manager's position, and had subsequently asked Philp to intercede with Dunstan. The approaches having failed, there followed the desperate resort of offering shares to Rands.

The Crown Law Office opinion was released by the Attorney-General on 24 October 1900. He reported that the evidence already to hand disclosed a prima facie conspiracy to defraud on the part of persons connected with the Admiral Sampson Chillagoe Company. First, "serious criminal offences by one or more persons connected with the company" were committed. Second, "a conspiracy to defraud on the part of two or more members" existed. Third, no Queensland residents knew or participated in the offences. Fourth, the offences were perpetrated in New South Wales and were thus not subject to Queensland law. Notwithstanding, it was recommended that a judicial inquiry be held to apportion responsibility for the scandal and to elicit additional evidence which in turn might provide grounds for criminal proceedings.² Philp responded by issuing terms of reference for a Royal Commission under Mr Justice Mansfield on 2 November 1900.³ The terms of reference were precise and

¹*Telegraph*, 3.10.1900:5b.

²"Prospectus of the North Chillagoe Mines Company (opinion of the Attorney-General on certain matters connected with)", *Votes and Proceedings*, 1900, Vol. 2:359.

³*Queensland Government Gazette*, 74:1287.

narrow, concerned exclusively with responsibility for falsifying Dunstan's report in the North Chillagoe Mines prospectus. No mention was made of the attempted bribery, the conduct of Mines Department officers, the connection of Brentnall and Archibald with the principals of the Admiral Sampson Chillagoe Company and Philp's personal role.

The Royal Commissioner heard evidence on ten sitting days, three of them in Sydney.¹ Seventeen witnesses were called, including Dunstan, Rands, Brentnall, Archibald, Jessep and Moore. It is doubtful that it was even contemplated that Philp should appear; Duffy declined to give evidence, ostensibly because it was not being taken on oath. This was not convincing from "the person most concerned" - Duffy's own expression.² Royal Commissions do not have the status of a court of law; evidence submitted cannot be used either in a subsequent criminal or civil prosecution as the Official Inquiries Evidence Act of 1867 was specifically designed to extend privilege to witnesses and to preclude self-incrimination.

Much of the documentary evidence exhibited was already public knowledge, but new light was thrown on the scandal by verbal evidence. According to Dunstan, Duffy had requested that his report be presented "in such a form to be suitable to be placed in a prospectus with any necessary sketches or plans," and that Rands had vetoed the inclusion of a map. Dunstan admitted that "in a letter to Duffy, I expressed my disgust in not being allowed to make the report as I wanted to." However, he denied that any correspondence between Duffy and himself had taken place between his return from the Chillagoe region and the completion of his report, although he confirmed that when returning from his inspection he said "something to Duffy about taking charge of Tartana," "a magnificent place for the scope of a geologist," which "compared favourably with Mt Lyell." Dunstan indicated that even as late as January 1900, he had still not rejected the offer of the management of the proposed company, and had at one stage discussed it with the Under-Secretary. He claimed that he had detected the omissions and alterations to his

¹The following account of the proceedings of the Royal Commission has been compiled from the minutes of evidence contained in *Votes and Proceedings*, 1900, Vol.2:373-85.

²P. Duffy to His Honour Judge Mansfield, 16.11.1900, "Royal Commission Exhibits," *Votes and Proceedings*, 1900, Vol.2:390.

report in the printed prospectus and had reported it to Rands. Further, he was unaware of the content of Moore's letter of 25 November 1899, but stated that had it been referred to him, he would have answered a number of the questions. Clearly Dunstan had been prepared to go part of the way to meet Duffy's requests on the format of the report; and later had been attracted by the offer of a position with the company. Moreover, the inference from Dunstan's evidence was that the directors of the Admiral Sampson Chilla-goe Company had some reason for presuming that the opinions they had sought from him were in substance what he had volunteered to their agent orally, and that there was more justification for the approaches to Dunstan, Philp and Rands than appeared merely from the correspondence. This seems to have escaped the Royal Commissioner.

Rands admitted that Duffy had informed him of the allotment of shares during their interview on 11 February 1900, and that when the offer was repeated in writing, he had shown the letter to his colleagues. He had taken no further action as he believed that it was sufficient to reject the offer verbally, which he claimed he did. Rands stated that when Dunstan had drawn his attention to the alterations to the report, he referred the matter to Philp who in turn advised him to draft a letter, with the assistance of the Crown Solicitor's office, to expose the prospectus. Rands claimed that it was on his suggestion that Brentnall and Archibald were informed, although it was Philp who authorized the substitution of Brentnall and Archibald's letter-to-the-editor for the official disclosure:

Mr.Philp decided a letter should be written to the papers, stating that such alterations had been made....then I saw Mr.Philp again, and submitted the letter to him; he was satisfied with it; I mentioned to him that Mr.Brentnall and Mr.Archibald were on the provisional directorate, and that it would be right to see them before the letter was published....Mr.Brentnall asked me not to send the letter until we had discussed the matter with Mr.Philp....I arranged to meet Mr.Brentnall and Mr.Archibald at Parliament House that evening with Mr. Philp...and [they]...wrote a letter...which took the place of the one I was going to write.

Apart from the contradiction in his evidence - Rands said Philp approved his letter, but later spoke of "the one I was

going to write" - Rands' testimony at least confirms the *Telegraph's* earlier claim that Philp had contrived "to save some of his political friends."

Alexander Macdonald, Under-Secretary for Mines, stated that he had only become aware of the offer of the management of North Chillagoe Mines to Dunstan in June 1900 from a conversation with him. He confirmed Rands' statement about Duffy's offer, but, while "thinking the offer a foolish and imprudent one," had declined to act on an unofficial communication. Finally, he related details of the interview with Brentnall, Archibald, Coventry, Duffy and Jessep on 16 September, at which all had disclaimed knowledge of alterations to the report.

Daniel Roberts, a solicitor who had acted for the Admiral Sampson Chillagoe Company in Queensland, claimed that Duffy and the local broker, Tom Coventry, had asked him in January 1900 to peruse a proof of the prospectus to check if it complied with the Queensland Companies Act. Apparently no reference was contained to "the agreement between the vendor company and the new company." This omission was remedied in the proof, but the printed prospectus did not contain Roberts' amendments. Coventry declared he had been retained by Duffy on behalf of the Admiral Sampson Chillagoe Company in early May 1900 to assist the flotation of North Chillagoe Mines. He had introduced Duffy to Brentnall, who was offered a provisional directorship. After Coventry and Brentnall scrutinized Dunstan's report at the Mines Department, Brentnall at first declined the offer for want of time, but later consented to come into the new company. On Brentnall's suggestion, Archibald was approached and similarly agreed to take up 500 contributing shares, which was the qualification to become a permanent director after registration. Coventry said Moore had informed him that a prospectus was being prepared for each colony, and that he was allocated the task of preparing the prospectus for Queensland distribution from a printed copy of Dunstan's report supplied by Moore, believing it to be a correct copy of the original. He stated that he "did not hear of the Admiral Sampson Chillagoe Company or any of its directors until May this year," a claim in conflict with Roberts' earlier statement.

Brentnall gave evidence that Duffy had written to him immediately after Coventry's approach, outlining full details of North Chillagoe Mines. Duffy's letter disclosed that the Admiral Sampson Chillagoe Company was to be reconstructed as "North Chillagoe Copper Mining Company, No Liability," and capitalized in the manner which appeared in the prospectus

and in the newspaper advertisements in September 1900. It was the vendor's intention to register the company in New South Wales "on 10% of the contributory capital being paid." Brentnall claimed that he had gained Philp's approval to insert a public disclaimer in the newspapers after the falsified prospectus had been detected "as he agreed with us that it would be better for us to advertise our ignorance of the alterations." Archibald added little to what was already known, except that he consented to act as a provisional director on Brentnall's advice. He admitted he had not read Dunstan's original report before initialling the prospectus.

The Royal Commission heard evidence in Sydney on 21 and 22 November. Jessep recounted his part in negotiations with the Mines Department, insisting that Duffy had never received company authorization to offer Dunstan the manager's position; that the company had never allotted shares to Rands; and that Moore's letter of 25 November was written without his knowledge. He also revealed the extent of Duffy's interests in the Admiral Sampson Chillagoe Company - 250 of the 2,400 shares, some 10% equity. Jessep recalled that Duffy marked a copy of Dunstan's report prior to the printed copies of the report being made, and that he had assured a directors' meeting that the alterations were made with Dunstan's consent. A.J. Gould, a provisional director from Sydney, said he was in no way pecuniarily interested in the Admiral Sampson Chillagoe Company, and had agreed to become associated with the new company on the substance of the printed report. He had withdrawn his name soon after Brentnall and Archibald's letter appeared.

The most important witness was Marshall Moore, the company's secretary and legal manager. He stated that the letter to Philp of 25 November 1899 had been written with the consent of the directors, despite the fact that Jessep had already insisted it "was not authorized." Further, Moore claimed that the nine questions had been compiled "at the suggestion of Mr. Duffy, on information he (Duffy) said he obtained from Mr. Dunstan." He stressed that, following Duffy's return from Brisbane, a meeting of directors on 15 February 1900 authorized Duffy, Jolly and himself to "revise the report" in view of two letters written by Duffy from Brisbane in which Duffy asserted that he had secured Dunstan's approval to alter aspects of the report. Moore declared that both letters were missing from the file to which the directors had access, "more particularly Mr. Duffy as he was practically the managing director." Moore admitted that he and Jolly had compiled marginal notes for the prospectus

- which were struck out by Duffy soon after - but was adamant that in no way was the text altered during this exercise. His evidence seemed to be designed to heap suspicion solely on Duffy: Duffy was the only person in contact with Dunstan; the company "never authorized Mr. Duffy to offer shares to Mr. Rands or any other person;" while Duffy stood to gain materially, as the directors had voted him "2,000 paid up shares on the successful floating of the mine." Further, an instance was cited in which Duffy had sent a telegram to Philp in Moore's name in September 1899, requesting maps, plans and sketches in the report. Finally he declared that the marked copy of the report, which Duffy claimed had been altered by Dunstan, was still in Duffy's possession, and he denied any knowledge of the report being altered "by Mr. Duffy or anyone else."

In the course of taking evidence, Mansfield obtained the company's minute books and selected records and had them admitted as exhibits. He heard additional verbal evidence from Johns, Yabsley and Jolly, directors of the Admiral Sampson Chillagoe Company, and Wood, a provisional director of North Chillagoe Mines, but none of them was able to shed any new light on the falsification of the prospectus. Dunstan was recalled and reiterated that at no stage had he authorized Duffy to alter his report, although he was unable to substantiate his claim as he had not made copies of his letters to Duffy, nor had Duffy offered to tender them for the inquiry. The Royal Commission adjourned *sine die* on 27 November 1900; Mansfield's report was submitted nine days later.

The report chronologically reviewed developments leading up to the detection of the falsified prospectus. Mansfield was satisfied that the directors had given Duffy no authority to make the offer of management to Dunstan, as it had "never been discussed or even mentioned to them by Duffy." He intimated that Duffy seemed to be the instigator of the nine questions which Moore submitted to the Mines Department after McEvoy and his associates had withdrawn their offer to float the new company. The copy of Dunstan's report submitted to Brentnall and others, on which they made their decision to act as provisional directors from North Chillagoe Mines, was a true copy of Dunstan's original report with one exception: by a clerical error the percentage of copper per ton appeared as 12 instead of 0.12 in one instance. The minute books of the Admiral Sampson Chillagoe Company contained no record of any vote of shares to Rands being made or authorized; although the minutes of the meeting of 15

February confirmed that Duffy stated he had secured Dunstan's permission to modify the report. Mansfield accepted the testimony of both Dunstan and Rands that permission to alter or to add to the report had been refused, and he was unable to discover any evidence to show that Dunstan had marked a copy of his report for Duffy's use. He noted that Jessep, Moore, Johns, Yabsley and Jolly "all agree[d] in saying that they fully believed Duffy's statement as to the alterations and omissions in the report being authorized by Dunstan." Finally, he drew attention to the missing letters, and "the brown covered copy of Dunstan's report which was brought by Duffy to the meeting of 15th February, 1900," but which Duffy had since retrieved from the files.

Mansfield concluded that "responsibility for the fabrication of Dunstan's report rests upon one of two persons, Dunstan or Duffy." Whereas Dunstan had given evidence, Duffy had not. Dunstan had denied consenting to an alteration to his report; he was unaware that it had been altered until he himself discovered it and reported the alterations: "If he had not done so it is highly probable that it would never have been found out at all." On the other hand, Duffy had refused to produce two letters written from Brisbane, and the report which he alleged was marked by Dunstan; he declined "to take advantage of the opportunity to cross-examine Dunstan which was offered him;" and he was "shown to have made false statements" and "equally discreditable" offers to Dunstan and Rands. Mansfield declared Duffy "wholly and solely responsible for the falsification" of the report "with the intention of misleading the public."¹

Apart from detailing Mansfield's findings, the newspapers no longer showed any interest in North Chillagoe Mines. Mansfield's findings might have satisfied the Government, the Opposition and the investing public in Queensland, but the scandal generated adverse publicity in London financial circles. Obviously acting on Philp's directive, the editor of the *Queensland Government Mining Journal*, the official organ of the Mines Department, refuted claims disseminated by the influential London *Mining Journal* that the Queensland Mines Department was "susceptible to 'political or financial influence'." The claims had been made by the *Mining Journal's* Brisbane correspondent, who further alleged that the scandal "has naturally left a very unpleasant impression upon the minds of honourable Queenslanders, who feel that

¹For details, see: "Royal Commission Report," *Votes and Proceedings*, 1900, Vol. 2:367-71.

some important changes in the administration and practices of the Mines Department and its officials should quickly be made," and that British shareholders would be wise not to "place too much confidence in reports bearing the impress of our Mines Department." The *Queensland Government Mining Journal* labelled the correspondent's inference of "'disgracefully shady'" dealings "a distorted account": "Either that correspondent wrote in unpardonable ignorance of circumstances with which he ought to have been familiar, or, knowing them, was guilty of gross and deliberate misrepresentation." For its part, the Mines Department had acted responsibly as soon as Dunstan had detected alterations to his report by publicly exposing the prospectus, and by insisting that all future reports undertaken by government geologists be officially published. Finally, it was pointed out that the Royal Commission not only exonerated departmental officers, but ascertained conclusively who was guilty of altering the prospectus.¹

The item not only demonstrated the sensitivity of the Mines Department as a result of the North Chillagoe Mines scandal, but also the considerable concern for its reputation in the eyes of British investors. In the following issue, the *Queensland Government Mining Journal* again attempted to correct impressions that maladministration was rife in the Chillagoe region. The London *Mining Journal* had alleged that only ten men were engaged on nearly one thousand leases in the Chillagoe region, in breach of the labour covenants governing the issue of mineral leases under the Mining Act. Considerable space was devoted to relating full details of the leases and the number of men engaged to correct any misapprehensions which British investors may have formed.²

Why the findings of the Royal Commission were not seriously questioned in the light of this attention to fine detail over matters connected with the Chillagoe region is puzzling. The indifference displayed by the Opposition and the reluctance to probe Mansfield's verdict suggests satisfaction that justice had been done. Even Higgs, who had forecast that Duffy would be made the scapegoat in the inquiry, failed to pursue the issue. The fact that Parliament adjourned for the summer recess soon after the report was tabled is not sufficient explanation for the Opposition's silence, especially when only two months beforehand Labor

¹*Queensland Government Mining Journal*, 1901:2.

²*ibid.*, p.48.

members had bitterly criticized the Philp government over the scandal. The mere nature of party politics belies the suggestion that the Mines Department's integrity and the industry's esteem overseas possibly offset the political advantage of resurrecting the affair. But there were aspects of the Commissioner's findings which suggest that Mansfield's inquiry was a white-wash, and that despite the circumstantial evidence against him, Duffy was a scapegoat for others.

Clearly Duffy had sufficient motive to falsify the prospectus for personal financial gain; this point emphasized during the Royal Commission, has been confirmed by a search of Companies Office records. Duffy was the original lessee of the Admiral Sampson property, and in 1898 secured the backing of Jessep, Jolly, Moore and other Sydney merchants to float the Admiral Sampson Chillagoe Company. By a contract dated 26 September 1898, between Duffy and Moore on behalf of the company, the Admiral Sampson lease of ten acres and the machinery and plant at the mine were acquired for £203. As this was the company's only asset, the memorandum of registration, lodged five days later when the company was incorporated, assigned a value of £203 to the property, and limited the company's liability to £240, the amount equal to its paid-up capital.¹ Duffy's £203 were re-invested with the company in return for a ten per cent equity, and with a meagre £240 working capital, the company acquired eleven additional leases (including Tartana) at a small annual rental, commenced limited development work at the Tartana lease, and commissioned Dunstan's report (which cost approximately £116) with the intention of floating the properties into a large no liability company - North Chillagoe Mines. Thus flotation would confer a nominal value of £30,000, represented by the 30,000 fully paid up shares for the vendors, on assets which had been acquired for a small outlay. (Even McEvoy had recognized that the company would have to spend several thousand pounds on development work "before they could ask the public to subscribe," when he declined the offer to float the properties). Duffy would have been entitled to scrip in North Chillagoe Mines nominally valued at around £5,000, comprising his equity in the Admiral Sampson Chillagoe Company and the large parcel of shares promised to him as commission on the company being floated.

¹For details on the Admiral Sampson Chillagoe Company, see File 43/10.

Further, in view of the overtures to Dunstan and the offer of shares to Rands, Duffy's refusal to give evidence and to turn over vital documents were not the actions of an innocent man. In his report, Mansfield stressed that Duffy had been unwilling to assist his inquiries, and had not responded to a letter of 22 November 1900 asking him to produce "the marked copy of Mr. Dunstan's report shown by you to the directors of the Admiral Sampson Chillagoe Company, and from which the printed prospectus was drawn."¹

However Duffy did respond to the letter: his reply was postmarked Sydney, 26 November, and was received in Brisbane on 4 December, two days before the report was handed down.² That Duffy responded to Mansfield's request, not by producing the marked copy of Dunstan's report, but by a written statement and that Duffy's letter was not considered by the Commissioner raises serious doubts about Mansfield's conclusions, and the haste with which he filed his report. First, as the letter was received before the report was completed, why was it not admitted as evidence? It is true that the Royal Commission adjourned *sine die* on 27 November, but a document tendered by Coventry on the following day was admitted as an exhibit.³ Second, Mansfield stated in his report that "no answer was received" from Duffy, which was simply not true. Third, advice to the Royal Commission on the final day of examining witnesses, 27 November, indicated that Duffy could not possibly have received the Commissioner's request of 22 November before Mansfield departed Sydney for Brisbane. A.H. Davis, secretary to the Commission, said that he had attempted to deliver the request in person on 22 November, but found that Duffy was absent from his office. After attempting to locate him on the following day, again without success, the request was mailed as the Commissioner's party was leaving Sydney that same evening.⁴ Fourth, as Duffy's letter of reply was postmarked 26 November, why had it taken over a week for it to reach Brisbane? There is no satisfactory evidence on this point, but it is possible that Duffy's reply was mailed to the address on the letter of

¹"Royal Commission Report," *Votes and Proceedings*, 1900, Vol. 2:371.

²The letter was published by the *Telegraph*, 11.12.1900:5c.

³"Royal Commission Evidence," *Votes and Proceedings*, 1900, Vol. 2:385.

⁴*ibid.*

request, the Hotel Australia in Sydney. If so, the reason for the delay was obvious; but it seems unlikely that Duffy, by his own admission "the person most concerned" in the inquiry, would have been unaware that Mansfield had departed Sydney. If his statement contained crucial evidence, why had he not ensured that it was in Mansfield's possession before 4 December? Notwithstanding, the letter embodied Duffy's only statement on the falsification of the prospectus, and the *Telegraph*, while declining to comment on the statement, at least published its text on 11 December, five days after Mansfield's report was made public. In this letter Duffy claimed that the prospectus had not been printed from the marked copy of Dunstan's report which was in his possession, "but from a type written copy by Mr. Moore in March last." His letter stated that both he and Coventry gave Moore instructions "to have the original report put in word for word, line for line," and concluded that Moore was to blame for the alterations to the report:

Neither Coventry nor myself is to blame after having given such instructions. The secretary for the provisional directors [Moore] is to blame for the issue of the altered report.

Duffy's allegation thus questioned Mansfield's fundamental assumption that the marked copy of Dunstan's report, which Duffy had refused to produce, was the one from which the falsified prospectus was printed, and on which his conclusion that Duffy was solely responsible for the falsification was based. It could be argued that Duffy was merely casting the blame on to Moore in a desperate bid to create doubt in the Commissioner's mind, and that it was a clever ploy by which he could claim a miscarriage of justice, knowing that the verdict would inevitably go against him. Re-examination of the verbal testimony of Jessep, Jolly and Moore reveals, however, that Mansfield had no grounds for such a forthright and adamant conclusion. When Dunstan's original report was presented to the Admiral Sampson Chillagoe Company in November, 1899, a number of true copies were made, each of which was bound in a brown cover, and one of which was retained by Duffy. In evidence to the Royal Commission, the directors of the Admiral Sampson Chillagoe Company unanimously agreed that, at a meeting on 15 February 1900, Duffy produced a marked brown-covered copy which he claimed had been altered on Dunstan's authority. The meeting subsequently resolved that Duffy, Jolly and Moore should revise the report for inclusion in the prospectus. In

evidence, Moore stated: "I took no part in revising the report further than making marginal notes....I did not strike out anything myself or add anything myself."¹ Similarly, Jolly insisted that he "did not alter the report," and corroborated Moore's assertion that they had merely made marginal notes. But Jolly also claimed that Moore had "another copy" from which he considered "splendid marginal notes" could be devised. He clarified this point: "Mr. Moore read several paragraphs out of a brown covered report, but not the one Mr. Duffy had marked."² The testimony suggests that Moore, as Duffy alleged, had his own personal copy of the report. Whether or not Moore's copy was a true and unmarked copy of Dunstan's original was not ascertained by the Commissioner. In his evidence, Jessep contended that the printed report for use in the prospectus was made from Duffy's marked copy but, at the same time, stated that "Mr. Moore got it printed."³ As Moore omitted to testify that he had Duffy's marked report printed, there are grounds for suspecting that Moore's personal copy was in fact the one from which the printed report was made. Such speculation adds substance to Duffy's allegation that Moore was "to blame for the issue of the altered report," but in no way does it vindicate Duffy.

Moreover, there were additional reasons not only for doubting Mansfield's findings, but also for questioning Moore's virtuous innocence. In the first instance, there was the conflict between the findings of the Royal Commission and the opinion of the Crown Law Office as detailed to the Parliament by Rutledge only six weeks beforehand. Whereas Mansfield declared Duffy "wholly and solely responsible for the falsification of Dunstan's report," "with the intention of misleading the public," the Crown Law Office proclaimed the existence of "a conspiracy to defraud on the part of two or more members" of the company. In the second instance, documentary evidence demonstrated that Moore's role in the issue of the prospectus was more significant than was indicated by his testimony. A letter from Moore to Coventry, marked "private and confidential" and dated 14 July 1900, seems to have escaped Mansfield's scrutiny. The letter commenced by acknowledging Coventry's correspondence of

¹"Royal Commission Evidence," *Votes and Proceedings*, 1900, Vol. 2:382.

²*ibid.*, p. 385.

³*ibid.*, p. 380.

of 11 July, and noted that enclosed was "a copy of my letter and suggestions to correct prospectus, which I addressed to Mr. Duffy at Lennon's Hotel, on 1st July, 1900." Moore then alluded to the progress which had been made towards completing the prospectus:

Our Mr. Jolly, [a director] who went with Mr. Duffy to Melbourne and Adelaide, is also just back from Melbourne. I sent him a similar copy, and he says that Melbourne and Adelaide people quite agree with my suggestions. We have unbounded confidence in Mr. Duffy and give him unlimited powers, and whatever he does we will ratify. And he drew up the prospectus at Adelaide and Melbourne as he thought to be sufficient, but after brushing up against all the wise men, he even has to admit that it is not perfect, and Mr. Duffy leaves it to you and me to fix it up.

Thus establishing that he and Coventry had been assigned the task of completing the prospectus, Moore proceeded to issue instructions:

Now I want you as quickly as ever you can to return me a prospectus as you think it should be worded, and I will then have the final touches put in by myself and the solicitor here. Then I will have it set up in type with maps....Then the most important matter for you to do is to get from Mr. Dunstan a condensed report of his report, or a condensed report of what Mr. Duffy had in his prospectus of Mr. Dunstan's report.... Have you a copy of Mr. Dunstan's report with 'my marginal notes' on them, those notes contain the important facts which should come from the geologist and not from me.¹

Coventry testified to the Commission that he had compiled the prospectus from material supplied by Moore, and had returned the draft to him in early August 1900. In a letter to Moore, dated 28 July, Coventry related that Duffy, Archibald, Brentnall and himself had met three days beforehand to discuss "the prospectus as we submit it should be

¹W.H.M. Moore to T. Coventry, 14.7.1900, "Royal Commission Exhibits," *Votes and Proceedings*, 1900, Vol.2:393.

printed." Moore was advised that "Dunstan's and Jack's reports must be published in full, otherwise people may say we are trying to suppress something." As the draft prospectus had been "reviewed and passed as legal" by a Brisbane solicitor, Moore was instructed to "print the names of the provisional directors, and send copies of the completed prospectus for signature before issue."¹ From the exhibits tendered at the Royal Commission, it is evident that Coventry drafted the prospectus from the altered report which Moore had printed earlier in the year. Moore had supplied the report to Coventry, and it is almost unbelievable that he could honestly claim ignorance of the alterations and omissions. On the other hand, Duffy cannot possibly have failed to notice the alterations to Dunstan's original report in the draft prospectus. Both Duffy and Moore had read Dunstan's original report; they had conceived the letter of 25 November 1899 to the Mines Department to elicit additional information from Dunstan; they had participated in the revision exercise in February 1900 and had organized its printing and its incorporation in the prospectus. It is inconceivable in view of their positions within the Admiral Sampson Chillagoe Company that either person could have falsified Dunstan's report without the other knowing about it. The logical conclusion is that both Duffy and Moore perpetuated the alterations; that Moore betrayed Duffy after he had declined to appear before the Royal Commission; and that Duffy retaliated by handing over his letter to Mansfield to the *Telegraph* after the Commissioner's report declared him solely responsible for the deed.

Close scrutiny of the evidence reveals that Coventry, Brentnall and Jolly may have known more than they were prepared to admit. For his part, Coventry stood to benefit financially from a successful flotation. In his letter of 14 July, Moore outlined the brokerage arrangements between Coventry and the vendors, which, to say the least, were highly lucrative:

The commission will be 6d. per share, and 15 per cent of our vendors' paid up shares to be given to brokers to distribute as they please, and in your case there will be an additional 5 per cent for inner workOf course you understand that we cannot have a written agreement or any other

¹T. Coventry to W.H.M. Moore, 28.7.1900, "Royal Commission Exhibits," *Votes and Proceedings*, 1900, Vol. 2:394.

agreement of any sort as regards the 15 per cent, otherwise it must be inserted in the prospectus. The 6d. per share will be paid by the new company as flotation expenses, while for the rest you will have to trust to the vendors to give of their own after they have got it.¹

Aspects of Coventry's testimony raise doubts about his reliability as a witness. He implied that the only report which he saw was the one sent by Moore in late June 1900, from which he compiled the prospectus. It seems most unusual that Coventry, as the broker for the new company, who had prevailed on Brentnall and Archibald to act as provisional directors, should not have been in possession of reports on the properties he had agreed to float. Moreover, Brentnall tabled a "correct copy of Mr. Dunstan's report,... the one Mr. Coventry submitted to me," when giving evidence before the Royal Commission.² Clearly, Coventry had sighted, and presumably read, a true copy of Dunstan's report, and yet he had prepared the prospectus from the falsified report supplied by Moore. There was also the charade over certain letters which had passed between Moore and Coventry. Coventry declined to exhibit Moore's letter of 14 July which detailed the brokerage arrangements, as it was marked "private and confidential." Moore, who was desperately trying to extricate himself from the affair by blatant lies, had the letter admitted in evidence, but declined to produce Coventry's reply. Further, he withheld another letter to Coventry dated 25 July. It is most likely that Moore was suppressing evidence damaging to himself, but which was favourable for Coventry. Obviously resentful at Moore's calculated duplicity, Coventry secured the admission evidence of his letter of 28 July to Moore which contained the instructions that "Dunstan's and Jack's reports must be published in full."

While Brentnall appears to have had no part in the falsification of the prospectus, there were aspects of his evidence which contradicted his personal explanation to the

¹W.H.M. Moore to T. Coventry, 14.7.1900, "Royal Commission Exhibits," *Votes and Proceedings*, 1900, Vol. 2:393.

²"Royal Commission Evidence," *Votes and Proceedings*, 1900, Vol. 2:377.

Parliament in October 1900, when he asserted that he was "utterly unconscious" of the alterations to Dunstan's report. Brentnall not only had been handed a true copy of Dunstan's report but also had sighted the text of the original at the Mines Department in May 1900. He testified that he and Archibald "agreed to join the provisional directorate ...on 27th August, 1900,"¹ a statement which was contradicted by Coventry's letter to Moore, dated 28 July, which read:

You will be pleased to learn that the Hon. F.T. Brentnall and the Hon. John Archibald have definitely decided to act as provisional directors, that really meaning that the Queensland quota of 10,000 shares are to all intents and purposes placed. Thus the back of the float is already broken.²

Further, the letter recorded that Brentnall and Archibald had attended a meeting on 25 July with Duffy and Coventry to consider the prospectus, while Coventry also stated in evidence that Brentnall had initialled the draft prospectus in mid-August 1900. If Brentnall had been completely unconscious of the alterations to Dunstan's report and falsification of the prospectus, then he was taking his responsibilities as a provisional director very lightly. Why he did not detect the alterations and omissions to the report when discussing the draft prospectus, and why he neglected to read the prospectus before initialling it, cannot be readily explained. Further, it was surely remiss of him to have had a copy of the prospectus in his possession for several days without reading it, and certainly it was embarrassing to have Mines Department officers point out the alterations rather than discovering them himself. It could, however, be suggested that he had detected the modifications, but had disregarded them as not as materially important as the financial benefits which his provisional directorship would confer. His statement that he had not agreed to act as a provisional director until 27 August was probably a deliberate attempt to dissociate himself from the persons who had drafted the prospectus from the altered report.

Of the men closely associated with the issue of the prospectus, only Jolly was prepared to admit that he stood to

¹"Royal Commission Evidence," *Votes and Proceedings*, 1900, Vol. 2:377.

²T. Coventry to W.H.M. Moore, 28.7.1900, "Royal Commission Exhibits," *Votes and Proceedings*, 1900, Vol. 2:394.

gain financially from a successful flotation. He stated that he was entitled to a large parcel of shares for his efforts on behalf of the company, and even complained to Mansfield that he had incurred personal costs: "I spent some of my time - including a month - travelling round in the interests of the company. I got no money for this; I got only travelling expenses." There seem to be no grounds for doubting his assertion that he "did not know of any material alterations having been made until the news came from Queensland in September."¹

Had the terms of reference of Mansfield's commission been more wide ranging, and had he pursued aspects of the evidence which were contradictory and ambiguous, his findings might have been different. There was no attempt to delve into the activities of Mines Department officers, despite the anomalies of Rands' failure to report attempted bribery, and of Dunstan's private correspondence with Duffy in which he revealed a conflict with his superiors. No doubt this would have involved probing the administration of the Department, particularly Philp's role. Unquestionably Philp's administration was indulgent: he had subjected his public duties to his personal loyalty to Brentnall and Archibald by permitting them to dissociate themselves from North Chillagoe Mines prior to publicly disclosing details of the falsified prospectus; he had permitted his departmental officers to negotiate with representatives of the Admiral Sampson Chillagoe Company, with the result that Dunstan was offered a position in the new company and Rands was enticed by an offer of shares to provide a more favourable report; and he had failed to keep abreast of company activities in mining whereby the Admiral Sampson Chillagoe Company, aside from not complying with the provisions of the Companies Act, was able to manipulate a fraud. Clearly, Philp's subsequent instructions to have all future reports published by the Mines Department; the close scrutiny which his officers afforded all new prospectuses; and the rigid application of no liability company registration requirements of 5 per cent of the nominal capital being paid in cash prior to registration, reflected measures of reform to upgrade the Mines Department's administration of the industry. This new vigilance was rewarded in late 1901, nearly a year after the North Chillagoe Mines Royal Commission, when public attention focused briefly on the activities of

¹"Royal Commission Evidence," *Votes and Proceedings*, 1900, Vol. 2:384.

Tartana Limited. For a short period, an echo of the North Chillagoe Mines scandal resounded in parliament.

On 22 November, Tom Givens, the Labor member for Cairns, asked Philp if he was aware of a prospectus, issued by Tartana Limited, which had been drawn from Dunstan's report of 1899 on the Admiral Sampson Chillagoe Company's properties.¹ The question could not have been more timely for the Premier had one of his own back-benchers been prompted to ask it. Philp immediately tabled correspondence between the Mines Department and the company. Comprising four letters, the correspondence commenced with a communication from Dunstan to the Under-Secretary for Mines stating that Tartana Limited's prospectus, which relied heavily on his report for the Admiral Sampson Chillagoe Company, contained among other matters an over-estimation of the ore reserves on the leases.² The Under-Secretary subsequently instructed Tartana Limited to publish Dunstan's comments in the metropolitan newspapers, and warned that the Mines Department would do so if the company failed to comply.³ The response by the company's principals probably came as a surprise to the Under-Secretary. Countering each point made by Dunstan, and terming the instruction "unreasonable," the reply claimed that the ore estimates had been compiled from sources additional to Dunstan's report, and "as no quotation marks are found in the prospectus in this connection, no other inference than that we are responsible for the computation is possible." Further, it was asserted

that the prospectus as a whole is a fair statement of fact of legitimate logical deduction and that the estimates are not excessive; and we challenge anyone to point out any misrepresentation whatever of any report by a Government official, or any misquotation from such a report.

We must confess to a little surprise that this particular property should be singled out for special and invidious exposure. We cannot call to mind another

¹QPD, 88:2001-2.

²W. Dunstan to Under-Secretary for Mines, 14.11.1901, *Votes and Proceedings*, 1901, Vol. 4:675.

³Under-Secretary for Mines to Secretary, Tartana Ltd, 18.11.1901, *Votes and Proceedings*, 1901, Vol. 4:676.

instance in which official opposition has been so marked, not to say persistent. Indeed, until this property was placed on the market, we had always supposed that it was no part of the aim or object of the Department of Mines to discourage the development of the mineral resources of the country.¹

Acknowledging the letter, the Under-Secretary admitted that the leases had "acquired an unenviable notoriety," but at the same time insisted on Philp's authority that the instruction would not be revoked as it was "a very foolish prospectus."²

The question in Parliament undoubtedly was prompted by the knowledge that not only were two of the principals of the North Chillagoe Mines scandal listed as provisional directors of Tartana Limited, Coventry and Brentnall, but also the company proposed to float the properties which had been originally acquired by the Admiral Sampson Chillagoe Company. Tartana Limited's directors had met with Philp on the morning of 22 November 1901 to discuss the prospectus. Although the outcome of the meeting was not publicly disclosed, Philp's action in tabling the correspondence between the Mines Department and the company, and the subsequent remonstrance of the company's directors almost certainly indicates that he disapproved of their proposals. Any loyalty which Philp may have shown towards Brentnall in the past was no longer evident. Coventry, Brentnall and their fellow directors slated Philp in a letter which he also tabled in the Parliament. The Mines Department instruction was termed "a piece of needless officiousness," while Philp was accused of inconsistency and insincerity, having assumed the "role of impeccable censor."³ Philp's personal intervention erased any doubts of maladministration and improbity that may have lingered after the North Chillagoe Mines scandal. More important, the adverse publicity seriously jeopardized Tartana Limited's hopes for a successful flotation, and the local Mining Warden's report for 1901 recorded the company's

¹T. Coventry to Under-Secretary for Mines, 20.11.1901, *Votes and Proceedings*, 1901, Vol. 4:676-8.

²Under-Secretary for Mines to T. Coventry, 22.11.1901, *Votes and Proceedings*, 1901, Vol. 4:678.

³T. Coventry, F. Brentnall, et al. to Under-Secretary for Mines, 26.11.1901, *Votes and Proceedings*, 1901, Vol. 4:679-80.

"considerable difficulty in procuring capital."¹ Developments at Chillagoe soon after crushed all prospects for the new company.

Just as the Admiral Sampson Chillagoe Company had anticipated that Chillagoe Railway and Mines Limited share prices would ensure a successful capitalization of North Chillagoe Mines, so Tartana Limited also relied heavily on that company's prosperity. However, Chillagoe Railway and Mines Limited shares, which had peaked at 39/- in October 1900, following the release of a highly favourable geological report by the company's general manager some three months beforehand, were subject to heavy selling after the North Chillagoe Mines scandal. When a further report on the company's estimated ore reserves was released in 1901, showing that the estimated metallic contents of the deposits were less than one-third the original estimate, share prices plummeted. From a quotation of 31/6 per £1 share in February 1901, Chillagoe Railway and Mines Limited shares dropped to 11/- per share by the following August. The company sought to arrest the run by commissioning a third report to be undertaken by Danvers Powers, an influential metallurgist and mining engineer. Power's report not only confirmed that the original estimates had been grossly over-stated, but further strongly criticized "management and developmental policy." The impact of the report on share prices was devastating: by the end of 1901, Chillagoe Railway and Mines Limited shares were quoted at 1/9, which represented a fall of over 35/- in only twelve months! Understandably, criticism of the company was universal, and for British investors it was to mark the end of their interest in the Chillagoe region.² In retrospect, the collapse of Chillagoe Railway and Mines Limited was summary justice for the promoters of Tartana Limited.

A search of company records explains Philp's prompt tabling of the correspondence on the Tartana Limited prospectus. It also reveals that suspicions which the Mines Department held were well-founded. Tartana Limited was registered in Queensland on 2 January 1902, although preliminary measures

¹Report of the Department of Mines for the year 1901:74.

²For details, see Bolton, 1963:284-5; *Queensland Government Mining Journal*, 1901:578. The smelters closed down, and the district was virtually abandoned. The company was reconstructed in February 1902. For details, see *Queensland Government Mining Journal*, 1902:14-5.

to float the company had commenced nearly twelve months earlier, immediately following the Royal Commission. It had a nominal capital of £126,000, divided into 504,000 shares of 5/- each, 344,000 of which were deemed to be fully paid up for delivery to the vendors. The balance was designated contributing shares for public subscription. The memorandum of association outlined an agreement between the new company and Tom Coventry, acting as the vendor, for the acquisition of 230 acres of leases in the Chillagoe region for £5,000, out of which brokerage on 120,000 shares and all expenses incidental to the formation of the company were to be paid. Of the fourteen shareholders listed on the first annual return, only Coventry and Brentnall were major shareholders. Further, few of the fully paid-up shares had been allotted, and by July 1902 only 6,620 of the 160,000 contributing shares had been placed, and even then they were distributed among the directors. The 1903 return, however, throws a new light on the company. Among the shareholders are the names Jessep, Duffy, Moore, Jolly, Yabsley and Johns - all directors of the Admiral Sampson Chillagoe Company. Parcels of shares had been allotted to each of these men or to members of their immediate family. The 1904 return best illustrates the distribution: of the shares transferred from Coventry's block allocation, over 1,600 were listed under the name of Jessep, over 2,200 under Moore, over 2,200 under Jolly, 750 under Yabsley, and over 14,000 under Duffy. Transfers during 1903 had included 7,000 to Duffy alone, and another 3,000 to the Admiral Sampson syndicate. Brentnall had been allotted over 4,500 fully paid-up shares, while Coventry still retained over 100,000 as yet undistributed. But still no additional contributing shares had been placed. The last return was lodged by the company in 1908. It shows no alterations to the share registry after 1904,¹ as clearly the attempts to capitalize the company fully had failed. This was confirmed by the local Mining Warden's report for 1904, which stated that no work had commenced on the leases for want of capital.²

Whereas flotation of North Chillagoe Mines would have conferred a nominal value of £30,000 on the 230 acres of leases, Tartana Limited was conferring a nominal value of £86,000 on the same leases, represented by the 344,000 fully paid-up shares of 5/- each. The memorandum of association and the annual returns for 1903 and 1904 show that the

¹For details on Tartana Limited, see File 256/10.

²Report of the Department of Mines for the year 1904:72.

promoters, the Admiral Sampson Chillagoe Company, increased the nominal capital and number of fully paid-up shares for a specific purpose. While the directors of the vendor company would retain the majority of the fully paid-up shares, small parcels were to be allotted to businessmen and their families throughout the eastern states to entice them to purchase additional contributing shares, which would provide £40,000, less brokerage and expenses incidental to the formation of the company, as working capital. By March 1903, several thousand fully paid-up shares had been assigned, but no one seemed interested in purchasing contributing shares. In the first three months of 1903, copper and lead prices rallied on the London market, but only temporarily. The slump in metal prices, which lasted until 1906, the difficulties experienced by the reconstructed Chillagoe company, and the odium of the North Chillagoe Mines scandal undermined all attempts to capitalize Tartana Limited.

For their part, Coventry and Brentnall probably viewed the company's failure with disappointment and exasperation. They had agreed to act as promoters of the new company, as Duffy, Moore and the other directors of the Admiral Sampson Chillagoe Company would understandably be regarded with suspicion by prospective investors. Coventry stood to make a handsome profit from the brokerage arrangements. Brentnall had been induced to assist the company by an allotment of 4,500 fully paid-up shares, but like the members of the Admiral Sampson syndicate, he was left with mere worthless scrip when the company failed to raise sufficient working capital.

The likelihood of a prospectus as blatantly dishonest as that of the North Chillagoe Mines being issued to the investing public is remote, now that more stringent state company laws and the recent Trade Practices legislation have been enacted. But the mining industry's reputation still bears the taint of corporate malpractices and shady share dealings from the most recent boom: the Poseidon episode of late 1969, which was investigated by the Senate Select Committee on Securities and Exchange, and described as an "intricate example of corporate and market subterfuge," and the Comalco shares affair of 1970 are but two examples which have afflicted the industry.¹ Unfortunately, there is no

¹For details on Poseidon, see Report from the Senate Select Committee on Securities and Exchange, 1974, Vol.1, Part 1: 2.1-125. A number of politicians throughout Australia were criticized for accepting parcels of preferential shares in

independent authority equivalent to the American Securities and Exchange Commission empowered to investigate and control statements and actions of company officials, or to ensure that the judgement of company directors, brokers and even public men is not warped by private interest. It is extremely difficult to arrive at the truth when improbity has occurred: questions and debates in Parliament are always subject to party political considerations; Royal Commissions are equally unsatisfactory; existing stock exchange supervision and regulation has achieved little; while state company laws have been found wanting because of the national character of activities in the country.

The Senate Select Committee on Securities and Exchange acknowledged in 1974 the need for reform by advocating the creation of an Australian Securities Commission, as "many of the abuses in the securities markets can only be effectively investigated by a national regulatory authority." Attorneys-General in all states have agreed that uniformity of company laws is desirable; and there seems little objection to the need for a nationally uniform body of law and a national authority with administrative discretions and powers to deal with suspected abuses and malpractices. Clearly, the onus is on the Commonwealth and state parliaments to enact necessary sanctions and to provide for suitable investigative machinery. Despite the comprehensive recommendations embodied in the Senate Select Committee's report and numerous submissions from groups involved in the scope of its investigations, both the Whitlam and Fraser governments have displayed a marked reluctance to intervene.

Comalco in 1970. In particular, six Queensland cabinet ministers were villified by the Labor Opposition on the grounds that their private interests in Comalco would influence their judgement when terms relating to the construction and operation of proposed smelters were to be determined by cabinet. See *QPD*, 256:5-44.

APPENDIX I

THE NINE QUESTIONS

On 25 November 1899 Moore, Legal Manager of the Admiral Sampson Chillagoe Company wrote to Mr Philp, the Minister for Mines, asking that Mr Dunstan be instructed to reply to nine specific questions. The following is a copy of Moore's letter.

Re Mr. Dunstan's Report, November, 1899, on the Admiral Sampson Chillagoe Company Mines.

1. *Re Copper Ore, Tartana.*- Would Mr. Dunstan please give a rough estimate of what, in his opinion, should be the probable quantity in cubic yards of the ore at those portions of Tartana which he found to average 7 p.c. copper; based on his geological knowledge and the measurements and facts he had before him?

2. *Re Monte Video and Madras.*- Would Mr. Dunstan give a rough opinion of what may be expected from these properties in silver and lead, also their value for yielding flux for smelting Tartana copper ore?

3. *Re Gold, Tartana.*- The wonderful show of gold mentioned by Mr. Dunstan is very encouraging. Could he supplement this by an opinion as to what should be the extent of gold, and that gold in combination with copper makes the mines very much more valuable than if there was little or no gold. Some English capitalists tell us that they do not care so much for mines which have copper without gold, but with gold they are eager for them.

4. *Working Tartana.*- Could not the whole of Tartana Hill be quarried or worked on the open cut system, same as Mount Lyell in Tasmania, at comparatively little cost; also can the ore be treated and smelted easily?

5. Cannot Tartana be briefly described as being to all appearances a second Mount Lyell, with its combinations of gold and silver, with large bodies of high and low grade copper ore?

6. Mr. Dunstan speaks of certain immense "impregnations," formations note "lodes;" will he state for the information of the ignorant public that the largest and wealthiest mines in the world are "impregnations," not "lodes?"

7. Can Mr. Dunstan say with any degree of confidence that the properties warrant the construction of railways and smelters, and the appointment of the very best mines manager procurable, such manager having before him one of the grandest and most promising undertakings in that line to be found in Australia?

8. *Water-level, Tartana.* - Mr. Dunstan hints at the great possibilities for Tartana down at the water level; could he say approximately what may be expected, and what in his opinion it should cost to develop Tartana down to the water level?

9. Mr. Dunstan will notice that we have not referred to our other mines. We recognise that little or no development has been done on them, and therefore we cannot expect the Geologist to say more than he has done - that they are promising. But as regards the others, where there are a good deal of development and evidences, we want to say all we honestly can as to what may be expected. Of course, no one can say for certain, for that would be like guaranteeing a fortune for a few pounds, but we can ask the public to put their money into what we wish to show as reasonable expectations.

Yours, &c.,
W. MARSHALL MOORE, Legal Manager,
The Admiral Sampson Chillagoe Company,
No Liability.

Sydney, 25th November, 1899.

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