INSTABILITY IN GOVERNMENTS AND PARTIES IN VICTORIA IN THE 1920s.

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S.L.V.  State Library of Victoria, Melbourne.
V.P.D.  Victorian Parliamentary Debates.
V.F.U.  Victorian Farmers Union later known as -
V.C.P.  Victorian Country Party.
C.P.P.  Country Progressive Party.
A.L.P.  Australian Labor Party.
INSTABILITY IN GOVERNMENTS AND PARTIES

IN VICTORIA IN THE 1920s

INTRODUCTION

(a) Note on Sources

While many books and theses have been written about Federal politics, in the 1920s, and about Federal political figures, nothing substantial has yet been written about Victorian Politics in the same period. Federal politics, as happened repeatedly in the events of the 1920s, have overshadowed the State in the historiography of the period also. The consequence for the researcher is a complete dearth of secondary material.

In the absence of any specific historical account of Victoria in the 1920s, secondary source material amounts to: brief references in the fast chronological gallop of a Centennial History;¹ the early years of a biography of a politician who made his mark in Federal politics;² or the analysis, usually statistical, of a political scientist who seeks rather to generalise about the Australian scene as a whole.³

Unfortunately, the same concentration on Federal politics also affects the survival of manuscript material. Very few of the Victorian politicians or their associates have left private papers. The papers of H.W.S. Lawson, Premier 1918 - 24, for example, were

burnt by his son when he died in 1952. The very few who have left papers seem to have retained letters of sympathy or congratulation to the exclusion of much else. This was certainly the case with Sir William McPherson, M.L.A. 1913 - 1930, and Premier 1928 - 29.

Thus, to gain clues about the behind-the-scenes negotiations and events of the period has been extremely difficult. The complete disappearance of all the official papers of the Nationalist Party compounds the difficulty, the more because they were less inclined than the Country Party or the Labor Party to air their internal dealings in public. The papers of F.W. Eggleston and J. Hume Cook, in the National Library, Canberra, proved invaluable for the period 1917 - 1924, in the Nationalist Party, but there are no similar sources for the second half of the decade. This shortage of manuscript material has entailed a concentration on newspapers and parliamentary material.

The events of Victorian politics, since Federation, but particularly since 1914, have been shrouded in obscurity. My first task was the essential one of finding out what actually happened.


5. Papers in S.L.V. - the only relevant collection there.

6. Eggleston's papers. N.L.A. MSS.423. Eggleston was M.L.A. for St. Kilda 1920 - 1927, a Minister 1924 - 1927 in all Nationalist governments of those years, and personal assistant to Lawson, the Premier, 1923 - 1924.

7. J. Hume Cook N.L.A. MSS.601. Cook was the first Secretary of the National Federation 1916, and on the executive till 1923.

8. A full bibliography on p.181 ff. Given the intractable situation politicians were often in, in the 1920s, as described below, individual motivations, and therefore personal papers, decrease in importance.
For events in the Country Party, B.D. Graham's "The Formation of the Australian Country Parties"\(^9\) was invaluable. In the absence of any work at all on the Victorian Nationalist Party, I have had to trace the emergence of the Victorian Party in the 1901 - 17 period and before, as well as its behaviour in the decade of the 1920s. This has meant, in this thesis, a much longer account of the role of the Nationalist Party, than of the Country Party - not because the Nationalist Party was necessarily more important in the political instability of the period, but simply because so much less has previously been known about it.

(b) Terminology and Definitions

The choice of terminology to describe groups inside each political party has been a difficult decision. The words "conservative", "liberal", and "radical" are frequently used in the writings of the period, so where these terms had a definite content and meaning I have kept to the usage of the day. This is particularly the case with the word "radical".

"Radical" was the word used in all the publications of the period to describe the more adventurous section of the Country Party, led by Stewart and Dunstan. This group was ready to experiment with government marketing through compulsory wheat pools, with rural banks, with government control of the major irrigation works, and was prepared to support a Labor Government. In that all these policies involved fundamental changes in the status quo, and were also

widely at variance with the ideas of the rest of the party, they do constitute radicalism, within the comparative climate of the Country Party.

In 1920s usage "liberal" was often a portmanteau term covering anyone who was neither Labor or Country Party. "Conservative" on the other hand, has, especially for "The Age", overtones of abuse. As S.M. Ingham has pointed out for the late 19th century, both these terms have, in Australia, lost much of their ideological content.¹⁰ Because of this, when in the absence of more suitable alternatives I have used these terms, I have done so relatively and comparatively, never absolutely - comparing the attitudes of different groups to one specific issue.¹¹

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¹¹ For a fuller analysis of this problem, see Chapter 3.
CHAPTER 1

NINE GOVERNMENTS IN NINE YEARS.

An Introduction to the Theme of the Thesis and to Politics in the 1920s

A. "Victoria is different": a statement of theme.

"Victorian politics are different". Though very few writers have yet ventured into the field of Victorian politics in the twentieth century, and those few at a high level of generality, this has been the consensus.

When the period from 1920 to 1929, is examined closely, a basic difference between Victoria and the other States and the Commonwealth, emerges with striking clarity. For the decade 1920 to 1929, the number of governments in the Federal Parliament and in the parliaments of the other States was three, or at most, four. Victoria had a grand total of nine governments, in the same period; indeed, nine governments between the years 1923 and 1929.¹ The extent of this difference has not been apparent before, perhaps, because the charts of party complexions of Australian Governments from 1920 to 1970,² in two of the most popular political textbooks, have completely omitted three of the nine Victorian Governments of 1920 - 29.³ While bearing in mind the possibility of further


². See Appendix A and compare Appendix B.

inaccuracies, a glance at the longer period from 1920 to 1955, reveals that while Victoria had seventeen different governments, Federal Parliament had only seven, with the other States ranging from seven down to four. By way of contrast, since 1955, with the long reign of Bolte, followed by Hamer, Victoria has been ruled by one party, the Liberals, for longer than any contemporary government in either Federal or State politics. Victorian politics in the twentieth century has been different, then, in being a study in extremes: the exceptional stability of the Bolte era being the exact opposite to the preceding exceptional instability.

The difference in Victorian politics has been seen in other terms in two more recent articles. D.W. Rawson saw the difference in terms of the question "Are Victorians Anti-Labor?", which he answered with the suggestion that while voters might not be, the electoral system has in effect been so. Joan Rydon, in reply to his article, argued "that the peculiar features of Victorian politics were essentially tied up with the role of the Country Party". 5 To see the difference thus, in terms of parties and electoral structures, while valid, is incomplete, if it omits consideration of the raison d'etre of both parties and elections - that is, governments.

The years 1920 to 1929 are seminal ones, for Victoria, as for the rest of the world. The Great War divides them from the earliest period of the twentieth century, as does in political terms the

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emergence of two new political parties - the Nationalist Party, and the Country Party. Most important of all, this is the decade when Victorian politics began, with their exceptional exhibition of instability, to be thereby thoroughly distinctive. The 1920s are therefore the logical period in which to begin to examine the nature of Victoria's political difference, its origins, its causes and its consequences. Both Rawson with his emphasis on the influence of the electoral system, and Rydon, with her attention to the rise of the Country Party, have pointed to lines of investigation into the root causes of the marked instability of governments which is the characteristic "difference" of Victorian politics from 1920 to 1955.

In the pages which follow I have begun with a brief sketch of the Federal background in the 1920s to set the scene, and to act as a backdrop and a foil to the more disturbed Victorian political arena, of which a detailed chronological account follows. This reconstruction of the events of the 1920s shows that of the three political parties in Parliament, - the Labor Party, the Nationalist Party, and the Victorian Farmers' Union (later the Country Party) - it was the latter two, the Nationalists and the V.F.U., who brought about the fall of governments, and thereby created instability. The origins and causes of political instability in Victoria in the 1920s are

6. To these two parties, a further two may be added. The Communist Party had just been established, and the A.L.P. had been greatly changed by the Conscription split, and by the acceptance of the Socialisation Objective in 1921, despite the acceptance of the modifying Blackburn amendment as well. However, neither of these parties played much part in the instability of the 1920s. The Communist Party was so insignificant that it did not contest a seat till 1929, when it scored 0.31% of the vote.
to be found then in a close examination of the behaviour of these
two parties, the reasons for this behaviour, and finally in the
electoral system, which gave them the opportunity to "play
musical chairs".

B. The Federal Scene in the 1920s.

The 1920s opened with little surface difference between Federal
and Victorian State politics. Quite apart from the fact that both
Parliaments were meeting in Melbourne, both gave an appearance of
stability. Each had a two party system, with a Nationalist Party
Government, and a Labor Party Opposition.

The Federal Nationalist Party combined the Liberal Party,
itself a product of the Fusion of 1909 between the Conservatives
and the Deakinite Liberals, with those members who had left the
Labor Party in 1916, over the conscription issue. William Morris
Hughes, originally the Labor Party's wartime Prime Minister, had
led the revolt from the Labor Party, and played a leading role in
the formation of the new Nationalist Party.\footnote{For this section see G. Greenwood (ed.), Australia: A Social and
Political History, Sydney, 1955. Ch. VI passim, and especially
pp.270-273 for World War One, and Ch. VII for the 1920s.}
He retained his
position as Prime Minister, and became the parliamentary leader
of the new party. To this, he proved at first to be an invaluable
asset, winning the 1917 election handsomely, against a weakened
Labor Party. By 1920, however, he was proving something of an
embarrassment to the men behind the scenes, especially those in
Victoria, who had been the financial support of the late Liberal Party, and they were grooming his successor, Stanley Melbourne Bruce.  

Bruce had been invited to stand for the Federal seat of Flinders in 1918 by the secretary (Ernest Willis) and two members of the National Union, the fund raising body of the Nationalist party. Later, in 1921, a delegation from this same group, to Prime Minister Hughes, secured Bruce's appointment as Treasurer.

Hughes was unpopular with the National Union section, and also with the group around the Liberal Union, whose candidate Latham, defeated a government candidate on a "Out Billy" platform in the 1922 election. The final blow came from the new Country Party. This had been formed to protect rural interests and with a devotion to economy in government expenditure. In 1919 it had won 11 seats. In 1922 it increased this to 14, and gained control of the balance of power in the House. This inauguration of a three party system did not affect the Nationalist Party's grasp of power, since the Country Party had expressed willingness to negotiate for a coalition government, but for Hughes it was the end, since Page, the Country Party leader, made Hughes' departure a condition of co-operation. In February 1923, Hughes was replaced by Bruce,

9. ibid, p.59. For National Union see below Ch.4, p.120ff.
10. ibid, p.69, and B.D. Graham, op.cit. p.186. For Liberal Union see below p.139.
11. B.D. Graham, op.cit. passim but especially p.139 (formation); p.132 (for 1919); p.184 (for 1922).
and the coalition government, known as the Bruce-Page government, took office, with Bruce as Prime Minister, Page as Treasurer, six Nationalist ministers and five Country Party ministers.

The Bruce-Page coalition government proved both stable and lasting. Co-operation reached its ultimate pitch in the Bruce-Page Pact of 1924, - an electoral alliance. The Ministry was active, and brought the Commonwealth into new spheres, which increased its significance vis-a-vis the States. This was especially the case when it finally abolished the per capita payments to the States under the Financial Agreement of 1927, thereby consolidating its hold over Australia's purse strings.

In the early 1920s the Federal Labor Party had been slow to recover from the wartime split. The adoption of the Socialization Objective in 1921 had given its political enemies, the Nationalists and the Country Party, a common rallying cry against it, and had perhaps deterred potential voters, as the anti-Labor result of the 1925 Federal election campaign, fought on this issue, would seem to indicate. Throughout the 1920s Labor proved more successful in State Government. In every State Labor was in power for some of the 1920s, notably with the Theodore and McCormack governments in Queensland, with Lang in N.S.W., and with Joe Lyons in Tasmania.

13. See below, Ch.4, pp. 124-5.

14. New spheres eg. CSIR, Development and Migration Commission. Per capita payments were payments of revenue by Commonwealth to States on the basis of population - agreed to in 1910 when the Braddon clause of the Federal Constitution expired.

15. See attached Appendix A. Victoria of course is the exception.
A new leader, a highly respected and moderate Labor man, James Scullin, was able to revitalize the Federal Labor Party in the late 1920s, just in time to take advantage of the Bruce-Page Government's difficulties with the Conciliation and Arbitration issue in 1929. Defeated in the House in his attempt to withdraw the Commonwealth from the field of Arbitration, Bruce went to the country. Here, while Billy Hughes, the architect of the defeat in the House, won an increased majority, Bruce, surprisingly, lost his own seat of Flinders to Ted Holloway, of the Melbourne Trades Hall. The Labor Party had won a convincing election victory, and a decade which could well be called the Bruce-Page decade in Federal Politics ended with the Scullin Labor Government in office.

C. Victoria in 1920.

Victorian politics at the start of the 1920s were overshadowed by the Federal sphere. Relegated to the draughty, inconvenient Exhibition Buildings, while the Federal Parliament occupied Parliament House, Melbourne, they drew less interest from voters, fewer of whom bothered to vote in State elections, from newspapers, which gave sparse column space, and from the parties themselves, as they concentrated their energy, funds, and most able men on the Commonwealth

17. eg. 1924 election. Only 59.24% voted - see Parliamentary Papers 1924. Compulsory voting was then introduced in 1926.
It was a case of forgetting the donkey rides, when the big circus is in town.

This lack of interest was not entirely due to the presence of Federal Parliament in Melbourne. The surface similarities of Federal and State politics, with, for example the same two parties, the Nationalists in office and Labor in Opposition, combined with the uneventful placidity of State politics since 1914, and the overshadowing importance of Federal issues during the Great War to produce the impression that Victorian State politics were merely Federal politics writ very small.

This was to be belied by the events of the 1920s. Even in 1920, there were visible significant differences, principally these three: the State Parliament’s much less representative electoral redistribution; the conservative domination of its Upper House, due to a property franchise; and, oddest of all, the perennial weakness of the Labor Party. While Federal Labor could look back to the golden days of the Fisher Government, Labor in Victoria had held office only once, for precisely 13 days in 1913 when Elmslie had headed a caretaker government sandwiched between two Liberal Ministries.

The Nationalist Government in power in Victoria in 1920 was headed by Premier Harry (later Sir Harry) Lawson, lawyer, M.L.A. for Castlemaine, and later President of the party organisation, the National Federation, and a Senator. Lawson, one of the more able,
as well as unlucky State politicians of the era, led a party which, in ideas seemed fairly coherent, but was inclined to form factions. The coherence in ideas seems due to the over-riding importance of Liberalism in Victorian politics, so that all non Labor members of parliament tended to call themselves liberals, before 1917 and the rise of the Nationalist Party, and often afterwards. For much of the period before 1920, the most appropriate distinction between opposing groups in parliament is a simple division into Ministerialists and Oppositionists. Unfortunately, since governments did change, these names become confusing and obscure the continuity in groups, especially in the principal two, in both their personnel and even often their policies.  

The Labor Party emerged very slowly, beginning with two M.L.A.s in 1889, but having little political influence until the election of 1907. Even then, its effect was very indirect. All non Labor groups joined in an Anti-Socialist Alliance, to score an overwhelming victory in the election. This alliance meant that Deakin's Fusion of 1909, and the creation of the Liberal Party in Federal politics, did not have such reverberations in Victoria as in the Federal sphere.

More important reverberations in Victorian politics had come five years earlier, from the Kyabram Movement. This began with a meeting of local people in Kyabram on 13 November 1901, to open "an agitation for the reduction of the members of the State Parliament of Victoria and general reduction of State expenditure".  

20. See below, Ch.3, p.74 for a fuller discussion.

It was a direct consequence of Federation and the Federal government's assumption of many former State activities, bringing a growing public feeling that Australia was "overgoverned".

Spreading to branches all over Victoria, the new movement found a parliamentary spokesman in W.H. Irvine. He became Premier on 10th June 1902, and began retrenchment with cuts in M.P.s' and public service salaries. The resulting election in October, gave Irvine a majority of thirty in a House of ninety-five. He was able to cut the Legislative Assembly back to sixty-five, the Council to thirty-five and Cabinet to eight. A redistribution of seats, of course, followed. Though the two opposing liberal sides in the 1902 election were re-united for the election of 1907, the division was never really healed, and the issue of economy in government continued as a basic theme in Victorian politics. It arose for example in 1917, as the platform of the "Economy Liberal" group, and was a frequent catch-cry in the 1920s.

After the stir of the Kyabram Movement, Victorian politics settled down. There was a small disturbance in 1913, when Premier W.A. Watt attempted a more equitable redistribution of seats. He was opposed and defeated on it by a group of country members - a significant pointer for the future. This was quickly forgotten when Federal affairs completely overshadowed Victorian, with the outbreak of the Great War.

It was the Great War, too, with the conscription issue, which provided the only break in the monotony of State politics in these
years. Melbourne, the seat of Federal Parliament as well as the Archdiocese of Daniel Mannix, was the scene of the hottest conflicts over conscription. While intensifying the existing divisions between Labor and non-Labor, and the corresponding sectarian divisions between Catholic and Protestant, the conscription issue itself was slow to affect Victorian parliamentary politics. There were only four Independent Labor M.L.A.s in 1917, reduced to three by the election. The Liberal or Nationalist Parliamentary groups did not include them among their candidates, though the National Federation did give them some support. They were slow to join the Parliamentary Party, one coming in soon after the election, and the other two being absorbed by 1920. This, and the slow way in which a National Federation was set up in Victoria, only after much prompting from Federal sources, indicate the conscription issue's diminished effect on Victorian politics. 22

The elections of 1917 saw the first emergence of the V.F.U. Party. Country M.P.s had grouped together before, but they had always been part of the larger party. For the first time, there was a small completely independent country group in Parliament.

By 1920 the hold on office of the Liberal/Nationalist party had continued since before the turn of the century. Changes of government had been occasioned by a shift in the relative power of the factions which made up the party, or by the retirement of a leader. The tendency to factionalise was perhaps partly a 19th century survival, but was due more directly to the Party's long

22. See below, Ch.3, p.89 ff.
and unquestioned grasp of office with no external threat to hold members together. The Premiership and portfolios had been passed around in the same party for so long, that there were too many chiefs and not enough Indians.

This era was about to end. The signs were the success of the Labor Party in other States, the beginning of the V.F.U. Party, and especially the strain becoming obvious between the distribution of population, and the distribution of parliamentary seats. Victoria's population on the 1921 census was 1,531,529. The growth was increasingly centred in the Melbourne metropolitan area, now 51% of the State population. This created new demands, for schools, hospitals and other services in the 1920s. This was a situation with which the electoral distribution, which gave city voters only 32% of the seats in Parliament, was ill-equipped to cope.

D. The Nine Governments of the 1920s

(i) The End of the Lawson Government

The Lawson Government, which had taken office in 1918, retained it for five and a half years, till 1923. It marks the end of an era: it was the last one party majority government until John Cain's Labor Government of 1952; it was, with the exception of Albert Dunstan's eight year term 1935 - 43, the longest lived government till Sir Henry Bolte's mammoth 17 year term (1955 - 1972); and


Melbourne's rate of population increase was 3.12% as against 0.09% for the rest of the State.
In 1901 Melbourne had held only 41.3% of the population of Victoria, and it was about this time that the last electoral redistribution had been made.
most important of all, its demise in 1923 opened the long era of political instability in Victoria - of short-lived musical-chair governments which only the stability of the Bolte era really brought to a close.

The coming of this era of instability, which was to bring Victoria nine governments in the next nine years, was heralded as early as 1920. In the Victorian elections of that year, the Nationalist Government's 24 numbers in Parliament were whittled down from forty-three to thirty, out of sixty-five. The Labor Party had made some gains, but the chief architect of the Nationalists' destruction was the new Victorian Farmers' Union Party, which now held the balance of power.

The Victorian Farmers' Union, founded in 1916, had won four seats in the 1917 election, and had then attracted into its parliamentary ranks the country Liberals like Bowser and Downward, and Carlisle. Till the 1920 election it had been an insignificant group, but with the drop in agricultural prices after the war, it gained greater support from farmers, especially in the wheat growing areas. 25

During the Great War, or from 1915 to the 1920-21 season, government legislation had introduced compulsory marketing schemes for major commodities. The total Australian wheat crop was thus compulsorily acquired at a fixed price and marketed by an Australian Wheat Board. The pre-war trading firms like Dalgety and Co. and

24. See Appendix C.

Darlings, functioned as receiving agents for this government body. At the end of the war, the trading firms demanded the return of the open market, but wheat farmers especially in more marginal lands like the Mallee, faced with falling world prices, fought for the continuance of the war time scheme of "compulsory pools". 26

The parliamentary leader of the V.F.U. in 1920, and for the rest of the decade, was "Honest John" Allan, a farmer from Wyuna and the M.L.A. for Rodney. Allan had been a member of the V.F.U. Central Council (its executive), since its formation, and leader of the parliamentary party since its emergence in 1917, but a prosperous farmer from an irrigation area, he was suspicious both of the Labor Party, and of government intervention, the latter probably because, as a member of the Kyabram Movement of 1901-03, he had come to accept its watchword economy. 27 Allan was consequently to prove out of touch with the needs and ideas of the wheat farmers, especially of the Mallee. These were radical 28 in that they, while eschewing electoral co-operation with any party, were quite prepared to give parliamentary support to a Labor government, and their demands for compulsory pools smacked of socialism and nationalisation.

The Nationalist Party, having lost its majority to the V.F.U. group led by Allan, tried first to wipe out the V.F.U. in the election of 1921, and, when this failed, then to negotiate for a coalition. This proved difficult, not only because of the bitterness


28. For further discussion of Radicalism in the V.F.U. see above p. 5, and below Ch.2.
of the election, but also because of the V.F.U.'s hostility to the Nationalists' dropping the compulsory wheat pool, over which the government had nearly fallen.\textsuperscript{29} Attempts at negotiations in 1922 and again in January 1923 came to nothing. The V.F.U. refused a coalition, which it felt implied a loss of its independence, but proved more open to ideas of a composite government - which was interpreted to mean that while the Cabinet was composed of, and supported by, both parties in the House, each party would retain its completely separate identity, with its own meetings, and independent electoral organisation. The V.F.U. fear of being "swallowed" by the Nationalists had been enshrined in the 1919 conference decision that the V.F.U. would only enter a government in which it had a majority of portfolios.\textsuperscript{30}

The Nationalists were unlikely to agree to such excessive demands at first, but their factionalism worked against them. One faction, the Metropolitan Liberals, was fed up with the Government's backlog of legislation, especially that effecting Melbourne.\textsuperscript{31} Blaming this on the state of the House, with "three elevens in the field", they pressed Lawson to seek a composite government with the V.F.U., and eventually threatened to cut his Supply Bills back to one month. The loss of the former Nationalist seat of Daylesford to Labor, due to V.F.U./Nationalist competition for it, helped convince the other

\textsuperscript{29} B.D. Graham, \textit{op.cit.}, p.162. In 1921 V.F.U. and Labor voted together to defeat Lawson who gained a dissolution and an election, which returned virtually the same Legislative Assembly, so that the Lawson Government remained in office.

\textsuperscript{30} \textit{ibid}, p.199.

\textsuperscript{31} The Metropolitan Liberals were all the Nationalist M.L.A.s holding Melbourne seats and not in the Ministry. See below p.93 ff. and Eggleston Papers, N.L.A. MSS.423/7/1-14 - A typescript titled "The Case of Harry Lawson and John Allan". Eggleston was a Metropolitan Liberal and close supporter of Lawson.
main Nationalist faction, the Country Liberals,\textsuperscript{32} of the need for co-operation with the V.F.U.

On the V.F.U. side, Allan seems to have been anxious to join a government, for he accepted Lawson's offer of five portfolios, with a haste which later brought complaints that neither the parliamentary party nor the executive had been properly consulted, as conference decisions laid down, let alone the fact that five out of twelve portfolios was not the majority demanded by the 1919 party conference.\textsuperscript{33}

The Lawson minority government thus resigned on 5th September 1923, to make way for a majority government, which, it was hoped, would solve Victoria's problems.

(ii) The Lawson-Allan Government - 7th September, 1923 to 19th March, 1924.

The success of this new government, the first Victorian composite of Nationalists and V.F.U., was, in retrospect, dubious from the start, despite the public optimism, because of the conflicting demands of the two partners.

The Metropolitan faction of the Nationalists hoped in vain for a redistribution, since their new V.F.U. partners refused to countenance this piece of legislation, which they were sure could only go against the country.\textsuperscript{34} The Country faction of the

\textsuperscript{32} See below, p.96 for details.


\textsuperscript{34} Despite reports eg. Age 3 Jan. 1924 that it was being discussed, Lawson felt it didn't have a chance (see his later remarks).
Nationalists was likewise disappointed, by the failure of all attempts to obtain electoral co-operation with the V.F.U. in the Dalhousie by-election, which went the same way as Daylesford to Labor. The Police Strike and riots, of 29 October to 3 November 1923, were a blow to a government which was proving just as productive of legislative delays as its much maligned predecessor.

Spurred on by the Country Liberal faction in particular (since for some of them it could determine their political survival), Lawson drew up and presented to Allan a three point plan for inter-party co-operation, to prevent fighting in the constituencies. This was to be communicated to the V.F.U. executive and conference.

Meanwhile the V.F.U. Central Council passed a motion for the conference in March, condemning the method of formation of the government, upholding the V.F.U.'s right to contest all seats, and demanding a majority of portfolios in any future government. Lawson warned Allan that the Nationalist Party would not stand for the passing of these motions by the V.F.U. conference, and that if there were no electoral co-operation the government would resign. Allan, anxious to retain the government, was juggling Lawson and the V.F.U. executive. To the V.F.U. he never revealed Lawson's three point plan, and he made no mention of electoral co-operation

35. *Age*, 1 Feb. 1924.


37. *Age* 8 Feb. 1924.

at the conference. The time was not opportune when the conference not only passed the Central Council motions, but gave the Lawson government its approval "for the life of the present parliament" only.\textsuperscript{39}

This last motion touched Lawson on the raw, since an election was due later that year, with the prospect of a repetition of the Daylesford-Dalhousie result on a grand scale. He received no communication from Allan, who buried his head in the sand, and himself at Wyuna, after the conference.\textsuperscript{40} His last hope of juggling the V.F.U. and the Nationalists seems to have been a pretence that nothing untoward had happened, in the hope that Lawson would not carry out his threats.

If so, Allan underestimated the strength of Nationalist feeling, precisely as he had underestimated the strength of V.F.U. feeling in his communications to Lawson. The conference motions went through on Thursday 14th March, and on Friday 15th Lawson resigned\textsuperscript{41} — one of the few governments of the 1920s which did not earn the title of "barnacle" for clinging to office after defeat.

(iii) The Shortest of Governments — The Lawson Government of 19th March to 25th April, 1924.

Lawson had been recommissioned on 15th March to form a new government. This he did, but it was very soon obvious that he was to be a scapegoat for both Allan and the Nationalists.

\textsuperscript{39} Age, 14 March 1924.

\textsuperscript{40} Eggleston Papers, N.L.A. MSS.423/7/1. pp. 9 and 10, and 423/7/124.

\textsuperscript{41} This resignation became effective on 19 March when his new government took office.
He had antagonised Allan with the "undue haste and a deplorable lack of courtesy" in the manner of his resignation. If Allan had been left to read of the Government's resignation in the morning papers, so had Lawson been forced to similar expedients to obtain news of the V.F.U. conference, and the overall picture is one of a total breakdown in communications between government partners whose demands had never been compatible anyway.

Though re-elected leader by the Nationalists on 17th March, Lawson's star was on the wane in his own party too. Meetings of Metropolitan and Country Liberals were called by Angus and Farthing, and by Toutcher, ostensibly to discuss uniting the two groups. Toutcher's meeting achieved this, but the result of the Angus and Farthing meeting was signed requests from both the Metropolitan and the Country Liberals to Sir Alexander Peacock to take over the leadership.

Peacock, a jovial and experienced politician noted for his ability to get on with other M.L.A.s, and probably even more for his distinctive loud laugh, had represented Allandale since 1899, and had already been Premier in 1901 - 02 and 1914 - 17, and had even represented Victoria at the 1897 Federation Convention. Peacock was then an impressive figure under whom to re-unite the Nationalist Party and also to defuse the hostility of the V.F.U., caused by what had proved to be Lawson's gaffe in resigning so speedily.

42. *Age* 15 March 1924.
43. *Age* 23 April 1924.
44. *Age* 17 July 1924 - Peacock's later revelation.
45. Some suggested "figurehead" - i.e. that Peacock was "merely titular leader" and Lawson the real one still - see Smith's Weekly 25 October 1924.
Allan showed his approval by negotiating with Peacock even before Lawson had stepped down. This Lawson did, speedily, with a good grace, on 24th April, on the plea of health. Peacock replaced him and formed his government on 25th April.

(iv) The Peacock Government - 25th April to 18th July, 1924.

With three governments already, 1924 was proving a year with a difference - and there were more to come.

Peacock's government got away to a bad start when Lawson, promised the Speakership by both Nationalists and V.F.U., was defeated by Bowser of the V.F.U., when the V.F.U. changed its mind at the last moment. Though all V.F.U. members were preening themselves on having their own Speaker, some were also vindictive: remarks such as "the first blood to us" were heard around the House. Lawson had taken all the blame for Allan's failure as a juggler.

Lawson had even, to an appreciable extent, been sacrificed in vain, since new divisions emerged in the Nationalist Party immediately Peacock introduced his redistribution bill. This increased the number of seats and redistributed voters to give a ratio of 45 country voters to 100 city voters. Obviously designed to retain the support of the Country Party, this was a long way from Lawson's 1920 election promise of 60 country to 100 city voters, and even further from the democratic principle of "one vote one value" theoretically subscribed to by many Liberals.

46. The speed of events: - all happened between 22nd April - 25th April.

47. See Eggleston Papers N.L.A. MSS.423/7/1, p.13.
The redistribution bill failed in its aim of V.F.U. support, when the V.F.U. allowed a free vote, and even worse, for the Government, it alienated some Nationalists. In an effort to pull them into line the Government made it a confidence issue, and was then defeated 31 to 26, in the House, by a combination of the A.L.P. with four V.F.U. men and five Nationalist rebels. The Government sought a dissolution, but a quiet election resulted in the loss of six Nationalist seats to the A.L.P., while the five errant "liberals" were returned unscathed, to plague the Government.\(^{48}\)

The V.F.U. began to negotiate with these five dissidents, hoping to attract a few more Nationalists away from the fold, but these manoeuvres proved unsuccessful. When Peacock was defeated in Parliament 43 to 16, and forced to resign, he was replaced, to John Allan's chagrin, by a Labor Government.\(^{49}\)

(v) The Prendergast Labor Government - 18th July to 18th November, 1924.

The new Labor Government - the first in Victoria of any importance - was led by Labor's "grand old man", George Michael Prendergast. Aged 70, he was an ex-President of the Trades Hall Council, M.L.A. for North Melbourne 1894 - 97 and since 1900, and Labor leader for half that time. His "old world politeness" made him a respected figure on both sides of the House.\(^{50}\)

\(^{48}\) Age 21 May 1924, and 28 June 1924. See below for a more detailed account, Ch.3, pp.108-9.

\(^{49}\) Age 4 July 1924 and 17 July 1924.

\(^{50}\) Melbourne Punch, 6 Nov., 1924.
The Labor Government, at the head of which Prendergast had now reached the peak of his career, sought to distinguish itself by a whirl of activity. Its support from the V.F.U. was, with the possible exception of Allan and a couple of his closest supporters, both strong and stable. Even on the issue of an inquiry into the Police and the 1923 Strike, which had occurred during the Lawson-Allan composite government, the majority of the V.F.U. stayed with Labor. However the V.F.U. was increasingly disturbed by the news of, and reaction to, the Bruce-Page Pact, an electoral pact of the type Lawson had tried for in 1923 - 24, in State politics. Anticipating strife and division, the executive tried to ignore it, and also the growing "Trentham movement", which sprang up among V.F.U. branches opposing the Pact, led by Trentham. The Nationalists chose this time to begin negotiating again with the V.F.U. for the formation of a Government, so the V.F.U. was torn two ways - to the Labor Government, and to the Nationalists' promises. The moderates in the V.F.U. had supported Labor, but their loyalty was weakened by the defeat in the Legislative Council dominated by Nationalists, of one of the V.F.U.'s prime objectives the Compulsory Wheat Pool Bill.

51. Age 11 Sept. 1924.
52. See below Ch.2, p.51 for details.
The possibility of a composite was still dim, with the V.F.U. demanding six out of twelve portfolios and the Premiership. However the Labor Budget increased income tax, company tax, and the numbers of lower income earners exempt from tax. Reacting to this, the Nationalists gave in to V.F.U. demands, and the Labor Government was defeated 34 to 28 in Parliament, and resigned.

(vi) The Allan-Peacock Government - 18th November 1924 to 13th May, 1927.

The composite government of Nationalists and V.F.U. which came to power on 18th November 1924, was the fifth government for 1924. This was the year, then, when Victorian political instability first became obvious. The Allan-Peacock Government, however, appeared to be the solution to the problem. On the surface it looked the ideal situation, certainly the best hope for stable government, being a majority government, with the V.F.U. contented, all its demands satisfied, and the Nationalists able therefore to look forward to some useful legislation at last.

The Allan-Peacock Government was the first and last government for some time to continue for anything like a normal term of office, but its effectiveness in doing anything more than staying in office was seriously questioned. The government failed. It did not fall or suffer defeat, so much as disintegrate. It is essential in a study to explain instability to trace this disintegration.

54. Age 16 October 1924.

55. See below Ch.4 pp. 12-12 for fuller explanation of Nationalist aims and their preoccupation with low taxation.
From the beginning, it was beset by one difficulty after another. The first difficulty, a typical party squabble, when the V.F.U. announced it would contest all Legislative Council seats the following year, was eventually smoothed over, but the Legislative Council proved a thorn in the Government's side. In drastically reducing the Government's effectiveness it assisted its disintegration. This began with Peacock's 1924 budget. Criticism of the increases in income tax and company tax, had been initiated in the Legislative Assembly, by Sir William McPherson, a wealthy and respected Melbourne businessman - benefactor, and Treasurer from November 1917 to 21st November 1923. McPherson, with his true Scots prudence in spending money and his surplus budgets, had always appealed to the business community strongly represented in the Council, though he was seen in the press as the unpopular "mean man of the Lawson ministry". His wisdom in raising so many loans and leaving Victoria, by an exceptionally generous margin, the least taxed of the Australian States, had not yet been called into question, so his protests at the 1924 budget were quickly echoed by the business community with a meeting and deputation, and then by the Legislative Council which returned the budget to the Assembly with "suggested amendments". The Government gave in, a bad omen for its future, ignoring both the constitutional and financial implications of the dispute. Peacock was faced with

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56. Age 1 Dec. 1924.

57. Responsible for the Jessie McPherson Hospital named after his mother, and Emily McPherson College of Domestic Economy, named after his wife. For criticisms see V.P.D. Vol.168, pp.1655 and 1658.

the beginning of a challenge to his leadership.

The Nationalist Party was beset in 1924 with backbenchers either restive, like McPherson, or absent. In 1925, despite reasonably successful attempts to revive the National Federation's organisation in the electorates, the restlessness was also visible outside the House. Large numbers of Nationalist supporters, and prospective supporters, in the southern suburbs around Caulfield, demonstrated against the Government's bus legislation, with its tax on buses and its control of bus routes. This group was to form a basis for later protests. Meanwhile the five liberals, who had broken away from the Nationalist Party in 1924 over redistribution, were retaining their respective identity and used it to blackmail the Government into promising a redistribution bill.59

The V.F.U. was not peaceful either. Its annual 1925 conference in March opposed all future pacts and only narrowly defeated radical motions against all future composite governments. Disappointed radicals held their own meetings but were mollified by positions on the executive and a motion supporting composites for the life of the present Parliament.

Nevertheless trouble blew up later, when Allan refused to implement conference's decision that there be a ballot of growers on the issue of a compulsory wheat pool. First, Crockett, M.L.A. for the Mallee resigned from Cabinet, where he had been an Honorary Minister. Then the executive heavily censured Glowery for matter published in the Ouyen press, and all the radicals on the executive 59. For a fuller account and documentation see below Ch.4.
walked out, to organise support and await the verdict of the next conference. 60

The Government, meanwhile, had again run into strife in Parliament. The redistribution bill, which changed very little having forty-one country seats to twenty-four city and thereby forty-six country voters equal to one hundred city, caused dissenion in the Nationalist Party, especially among city members. The bill was so effectively stonewalled by the A.L.P., that with its doubts of its own members, the Government dropped it after it passed its second reading. 61

Since Peacock's 1925 budget contained tax increases, it was again criticised by McPherson and returned by the Legislative Council, this year twice, and then put aside by them. Peacock finally compromised by accepting half his increase, again budgeting a deficit. 62

The conflict, which the V.F.U. conference of 1925 had deferred, came to a head in 1926. Led by President Pickering, the non-radical members went into the conference fighting, and the radicals were defeated on every issue. They withdrew to their own meetings, which decided to sound out the branches on secession. In the Mallee and the North there was support for this, so on 23rd April, 1926 at Ouyen, a new party, the Primary Producers Union, was formed. 63 This soon became known politically as the Country Progressive Party and its

60. See below, Ch.2, p.60.
61. Argus 11 Dec. 1925 - see Appendix for Electorates and further discussion below Ch.5.
63. Argus 24 April 1926. Dunstan the C.P.P. man in parliament was described as "the Bolshevik from Bendigo". eg. Smith's Weekly 18 Sept. 1927.
sole parliamentary representative, A.A. Dunstan, immediately began to vote with Labor. The Allan-Peacock Government's support was beginning to break up.

The P.P.U. split did not worry the official V.F.U. at first, but by September the new party had 120 branches and Dunstan was proving a political embarrassment. Always hostile to composite governments – he had opposed the formation of the Allan-Peacock one – he could now give this hostility full expression. As M.L.A. for Eaglehawk since 1920 he had parliamentary experience, and his native shrewdness was to be later more fully illustrated in his long cliff-hanger of eight years as leader of minority Country Party government from 1935 to 1943. The co-operation with the A.L.P. which maintained him later in office was already in evidence in 1926. It was an A.L.P. easier for him to deal with, since it had a farmer, E.J. Hogan, as deputy leader, and then from April 1926, as Leader.

Hogan, aged 42, a potato farmer from Ballan and, predictably, of Irish Catholic stock, had been elected to Parliament in 1913, and had been an able and active Minister for Agriculture in the Prendergast Government, when he was described as "the most able of Labor's team" and "as good as a Farmer's Union representative in many ways". He was later to be a Premier twice, and already, in 1926, he posed a threat, as a younger and more able leader, to both Allan and Peacock, especially as he was, though a member of the Victorian

64. Smith's Weekly 27 Dec. 1924, and Melbourne Punch 20 Nov. 1924.
Labor executive, a very moderate Labor man. 65

Meanwhile the Nationalist camp was disturbed in March-April 1926, firstly by an agitation for an early session of Parliament to deal with the legislative backlog, and secondly by the redistribution issue. This last was raised by McPherson and Greenwood, 66 who demanded a more equitable and democratic measure. This demand created, in turn, leadership problems in both the Nationalist Party and in the Composite. Many members were unhappy with both Peacock and Allan and it was felt justifiably, by many Nationalists, that an election fought under Allan would be a disaster. However, in the absence of any acceptable alternative, since the leader of the Composite had to be Country Party, and many Nationalists could see little to choose between Peacock and the only other Nationalist contender McPherson, 67 Allan and Peacock both survived, after both party and inter-party committee meetings were held to smooth over discontent. That trouble still existed however was clear when the Government had to be saved by the Speaker's vote on the issue of the Commonwealth Roads Agreement, and when both the V.F.U. and the Nationalists decided in July 1926 to contest each others constituencies in the next election. 68

65. Victorian Labor Executive was moderate too, always playing down Socialism, see L.J. Louis, Trade Unions and the Depression, A Study of Victoria 1930 - 1932, Canberra 1968, pp.7 and 11.

66. Greenwood, M.L.A. for Boroondara in the Eastern Suburbs of Melbourne around Camberwell/Box Hill - the electorate with the largest number of voters.

67. McPherson, to younger Liberals was an older staider version of Peacock - see below Ch.4 p.149, 150.

68. Argus 27 July, 29 July and 4 August, 1926.
The Government had decided to amend Standing Orders, to enable it to get its redistribution bill through smoothly. The amendments proved difficult and went through eventually in conditions of near riot when the A.L.P. walked out en masse in protest at the Speaker's use and/or abuse of the gag and closure. As members pointed out - the old Standing Orders had worked quite well.

The Nationalist Party meeting on 7th September refused to accept a redistribution giving forty-one seats to the country and only twenty-four to the city. A compromise was eventually reached with the Country Party on the basis of thirty-nine country, to twenty-six city. The government then forced the bill through, often relying on the guillotine and the Speaker's casting vote. The five liberals, who had defeated Peacock's bill in 1924, this time in 1926, sold the pass, and the Bill went through with only minor amendments.

The force of previous protests against increased taxes had made themselves felt, and the 1926 budget contained none but a Betting Tax. So this time the budget went through the both Houses almost as fast as a payment of members bill. Not even all the pressure of the city businessmen, however could succeed in getting the much promised Spencer Street Bridge under way. This points up the legislative failure of the Government. They had done little, apart from the redistribution, which was itself to prove more of a liability.

69. Age 2 Sept. 1926.
70. Age 23 Sept. 1926. Only McLachlan (Independent) voted with Labor against the Bill.
71. The Chamber of Commerce organised a deputation to Allan. The Bill was promised, introduced but failed to get through Parliament before the close of the session. Argus 6 Oct. 1926, 12 Oct. 1926 and 20 Dec. 1926.
The continuing restlessness of Government members was shown by
the Milvain case - injustice to a railwayman involved in an accident.
When the Government refused to discuss it, the House refused the
Government leave to introduce its Betting Tax Bill. 72 Since this
caused yet another deficit budget the Government had to consider
resignation. Its members rallied around, but generally only to
save the redistribution, which had still to come back to Parliament,
or from fear of facing the electors with so little done.

Preparations began immediately for the elections, to be held on
9th April 1927. Angus, one of the five liberals of 1924 declared his
and their dissatisfaction with the Government and independence of it.
The Australian Liberal Party was launched on 23rd December, to oppose
the Government, principally on redistribution, and it gathered in
those from earlier agitations, such as that over buses. 73

Before the election there was a general move by individual
members and even whole parties to dissociate themselves from the
debacle into which the Allan-Peacock Government had collapsed. The
Nationalists asked Party President Lawson to deliver their policy
speech, while the Country Party had its President, Pickering.

As expected the Allan-Peacock Government did badly in the election
- it lost its majority. 74 Nevertheless it hung on to office, while
first the four C.P.P. members refused to support it, then the two

72. This points up the Government's poor parliamentary handling.
Everard and Snowball (Liberal) and Carlisle (C.P.), and
Dunstan (C.P.P.) voted with Labor, to defeat the government
by 1 vote in an unexpected division — Argus 21 Oct. 1926.

73. See below, p.127.

74. See below, Appendix C.
new liberals,75 and finally the Nationalists in the Ministry threatened Allan they would withdraw. Allan then went to the Governor and resigned without telling them. They heard it "on the grapevine"—shades of Lawson's 1924 resignation.76 And thus perished the government which had begun as Victoria's best hope of political stability in the 1920's.


The Hogan Government took office on the 13th May, with the support of the C.P.P. and the two newly elected liberals.77 The Government proved active and able, though much of its legislation was rejected or mutilated by the Legislative Council. It was always walking a tightrope—pledged to introduce redistribution, for which the two liberals supported it. But Hogan knew as soon as he acted on redistribution his C.P.P. support was likely to evaporate.

On 31st October, 1928, Hogan introduced his redistribution, providing thirty-four country seats, to thirty-two city and a ratio of seventy-seven and a half country voters to every hundred city. The first reading of the bill passed, as four Nationalists from Melbourne electorates came to his aid.78 The Nationalist Party was proving as disunited as ever, despite the change in the leadership from Peacock to McPherson in late 1927.

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75. Burnett Gray M.L.A. for St. Kilda who defeated Eggleston, a Minister, and Forrest M.L.A. for Caulfield. Both were elected on promises of a fair redistribution.

76. Age 14 May 1927.

77. Forrest, M.L.A. for Caulfield, Burnett Gray, M.L.A. for St. Kilda (Liberals); C.P.P. (Country Progressive Party) won Eaglehawk (Dunstan) Benalla (Cleary) and Ouyen (Glowrey) and Mildura (Allnutt).

78. Everard, Greenwood, McFarlan and Kent Hughes, all representing Melbourne electorates.
The waterfront trouble of 2nd November, when police fired at strikers throwing stones, gave McPherson an opening to attack the Government on an issue on which he could rely on the support of all Nationalists. He moved a no confidence motion claiming there were too few police, and that the Government had not warned the strikers against violence and taken all necessary precautions. In reply, Hogan tabled his correspondence with the Police Chief, and this exonerated the Government. Dunstan, at this stage a fairly impartial observer with the redistribution dissolving his previous loyalty to the Government, declared himself satisfied about the waterfront issue, and then moved an amazing amendment, claiming the Government had lost the confidence of the House "on redistribution only". Since all the Nationalists and the Country Party had been lined up together to support the original motion, Dunstan was able to swing the C.P.P. behind them and defeat the Government by 31 to 30. Hogan was refused a dissolution, and so resigned. The redistribution issue had killed another government.


The McPherson Government, a minority Nationalist Government, brought the wheel of Victorian politics back full circle at the end of the decade, to the same type of government that it had, under

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79. Police trying to keep volunteer strike breakers and 1,800 strikers apart at Princes Pier, ran out of blanks and fired bullets, wounding 3 or 4 men - *Age* 3 Nov. 1928.

80. *Age* 15 Nov. 1928. The four Nationalists had backed down on Redistribution.
Lawson in 1920. After a decade of instability, the problem was far from being solved.

During the fall of the Hogan Government in 1928, there was some talk of a Country Party Nationalist composite, but the Country Progressive Party would not support this, and so a minority Nationalist government with C.P. and C.P.P. support was the only alternative. The support of the two Country Parties, it has been suggested, was unwillingly given, and if so, the Government's performance justified their doubts. By early 1929, even two of its own Ministers and its Secretary to Cabinet had resigned in protest at its lack of activity.

It was especially weak on financial policy, and deferred its 1929 budget till it went out of office without one.

It would probably have been defeated on the budget, had not Glowery, a C.P.P. man from Ouyen, moved an adjournment motion on the plight of the Mallee. The Government was defeated 34 to 30, and gained a dissolution. The election, coming just after S.M. Bruce's Federal defeat, was a similar disaster. Two Ministers lost their seats, and the Nationalists were reduced to seventeen M.L.A.s in a House of sixty-five.

81. Allan later denied giving assurances at V.F.U. Conference – see Age 7 Nov. 1929.
82. Menzies, Saltau and Kent Hughes.
83. Budgets were usually presented early in October.
84. Age 24 Oct. 1929.
85. Final results. Age 7 Dec. 1929 and Monday 9 Dec. 1929. Ministers Groves (Dandenong) and Cuthbertson (Albert Park) lost seats.
The Government still decided to meet the House, and the Country Party were trying for a composite. When McPherson met Parliament, Country Party support was not enough to save him, since Labor, C.P.P. and the two liberals joined to defeat him, 36 to 28.\textsuperscript{86}

McPherson now resigned, and E.J. Hogan, the Labor leader, was again commissioned to form a government, the ninth government for the decade, on 12th December 1929.

(ix) The Second Hogan Labor Government - 12th December 1929 to 19th May, 1932

The second Hogan Government came to power at the very end of the decade of the 1920s. Being the ninth change of government for the decade, its formation is important in a study of instability. The subsequent activities of the Government and its eventual dismissal in 1932 fall outside both the period of the 1920s, and to some extent, the themes of my thesis. The full onset of the economic depression in 1930 to 1932, created new political problems for this Government to deal with. These problems, and the resulting stresses in the A.L.P. created by 1932 a completely new situation. For the first time since 1916 and the upheaval in the A.L.P. over conscription, the unity and stability of the A.L.P., so evident in the 1920s in Victoria, was first disturbed and then shattered.

The issue on which the A.L.P. divided was a new one - the problem of how to deal with the depression, and in particular the adoption of the Premiers' plan, cutting the salaries of the public service and slashing government spending. The Premier, E.J. Hogan,

\textsuperscript{86} Age 12 Dec. 1929. The Liberals Gray and Forrest first elected 1927 in St. Kilda and Caulfield respectively were re-elected in 1929.
was expelled from the A.L.P. over the issue. Two of his ministers, Bailey and Jones also left the party, and the election of 14th May 1932, saw both A.L.P. and "Premiers' Plan Labor" contesting seats. 87

The economic crisis which had so divided the Labor Party brought a temporary unity to non-Labor ranks. The two sections of the Country Party had amalgamated in 1930, and since 28th October 1930, the resulting United Country Party had joined the Nationalists in opposition. The Nationalists had pulled themselves together and had changed their name to United Australia Party on 15 September 1931. When the Australian Labor Party was reduced to sixteen seats in the 1932 election, the unusual conditions of the depression induced the Country Party to join the U.A.P. in a coalition government, the Argyle Government, which took office on 19th May 1932.

Thus the crisis conditions of the Great Depression produced quite atypical reactions in Victorian politics. The A.L.P. the most united and stable of parties in the 1920s was split. The Country Party and the Nationalists, both previously torn to varying degrees by internal struggles and divisions, were re-united and purposeful. The Country Party in particular, in joining a composite government, broke away from their own policy both before and since. By July 1934, they were again abandoning the idea of composite governments, and on 2nd April Dunstan led into office the first "Country Party only" government in Victoria's history. The depression had created a short hiatus. It was to this Country Party Government that the trend of Victorian politics in the 1920s had been pointing.

CHAPTER 2
THE ROLE OF THE COUNTRY PARTY

The Country Party, both by its existence, and even more by its internal nature, was one of the most potent causes of political instability in the 1920s. Its capture of the balance of power in the Lower House, from the election of 1920 up till the 1950s, ensured that all governments were either minorities dependent on the conditional support of another party, or composites of two of the three political parties. (In practice of the same two - the Country Party and the Nationalists). Largely because of the nature of the Country Party, neither of these alternatives proved very stable.

(a) The Birth of the Country Party in Victoria

The Victorian Country Party began life as the Victorian Farmers Union in 1916. P.G. Stewart, (later an M.L.A. then an M.H.R.), led a campaign of Mallee wheat farmers demanding reform of the administration of the Wartime compulsory wheat pool marketing plan, and for its continuance after the war. His movement coalesced with that of J.J. Hall and Isaac Hart, of the Trentham-Woodend area, which was working along similar lines. In September 1916 the new Victorian Farmers Union (V.F.U.) was launched at its first conference, with one hundred and thirty branches and 2,836 members.

From the first conference the V.F.U. declared itself an independent country party, and enforced this by requiring its endorsed political candidates to sign a pledge. Its strength was greatest in the Mallee - three fifths of the delegates at the
founding conference were from there. However it now attracted
other groups, principally the dairy farmers resenting price fixing
on butter and the Goulburn Valley irrigators, wanting freehold of
their leases.¹

By 1920 the V.F.U. was 15,000 strong,² and represented in
the Victorian Parliament. It had won four seats in the 1917 election,
and hoped to do much better next time in 1920. Already the signs
of future trouble were present. In the Nationalist corner in
Parliament were John Allan, Isaac Weaver, and D.H. Gibson -
representing, respectively, two parts of the Goulburn Valley, and
Grenville near Ballarat. The sole representative of wheat farmers
and the Mallee, P.G. Stewart, sat across the aisle in the opposition
cross benches, next to the A.L.P. The two sections in the country
party movement were so soon apparent.

Stewart, and the wheat farmers with their insistence on govern-
ment maintained compulsory marketing, such a radical departure from
the peacetime status quo, and anathema to the private enterprise
ideas of Nationalism, often had greater personal ties with the Labor
movement. As V.F.U. man W.C. Hill pointed out, many were ex-Labor
voters.³ They were soon to become known as the "Radicals". The
other group, led by the leader of the Parliamentary party John
Allan, were more negative, aiming at avoiding the three evils of
increased taxation, an electoral redistribution or a Labor Government.
They had much in common with the Nationalists.

². ibid, p.125.
³. See below, p.50.
(b) The Effect of the Country Party on the Other Parties

The existence of the Country Party had a disturbing effect on the other two parties. Throughout the 1920s both the Nationalists and Labor were to make competing bids for its support. These bids, when accepted, could lead to the fall of governments, as in the two most clear cut cases, the formation of the Lawson-Allan Government of 1923, and the Allan-Peacock Government of 1924, and the possibility of this created much of the uncertainty in Victorian Politics.

The Country Party stimulated the Labor Party to a greater interest in country affairs. The first lures put out by Labor Leader Prendergast on the No Confidence Motion of 8th July 1924,\(^4\) were followed up in the election of 1924, when Labor was appealing to country voters with a list of promises often identical with V.F.U. policy, and including the much desired compulsory wheat pool.\(^5\) This combined bid for country votes, and for V.F.U. support, was followed by the election of a farmer, E.J. Hogan, as Deputy Leader in 1925, and Leader in 1926, on the plea of the retiring leader, Prendergast, that it was necessary to appeal to the country.\(^6\) As well, A.L.P. second preferences in elections habitually went to the V.F.U. candidate, and in specific cases the A.L.P. helped

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4. *Age*, 9 May 1924. Prendergast's motion criticised the Government for not assisting farmers, failing to reduce rail freight rates, raise the land tax exemption and develop roads. The motion failed, but the Country Party, was later to accept these A.L.P. overtures.

5. *Age*, 3 June 1924.

individual V.F.U. candidates.  

Relations between the A.L.P. and the V.F.U. were simplified by lack of alternatives. The A.L.P. eschewed composite governments, and the idea of the A.L.P. supporting a V.F.U. government, as it did later with Dunstan's in the 1930s and 1940s, does not even appear to have been considered. The objective for the A.L.P. during the 1920s was gaining V.F.U. support for a specific Labor Government. The V.F.U. represented a threat to the Nationalists' grasp of power. The Nationalists tried to eliminate the threat by bidding for V.F.U. support, even earlier than Labor. In 1922 a coalition government was suggested, and so keen were the Nationalists that a group of them threatened their own Lawson Nationalist Government with dismissal, to get a composite government with the V.F.U.  

The basic 1920s political situation now became apparent - the Nationalists and the A.L.P. competing in bidding for V.F.U. support, with the A.L.P. offering a wheat pool, and the Nationalists portfolios in a cabinet.

The existence of the V.F.U. thus caused the end of the First Lawson Government in 1923. It was also, later, mainly responsible for Lawson's retirement as Nationalist leader, and therefore as Premier, since V.F.U. hostility to him made discussions between the parties impossible.  

7. eg. Dunstan in Eaglehawk in 1927: also Prendergast's statement about the 1921 election: "in half a dozen constituencies we deliberately drove Labor electors over to vote for Farmers Union candidates" - V.P.D., Vol.159, 22 Nov. 1921, p.1202. Quoted in B.D. Graham, op.cit., p.163. Also see below, Ch.5 for a detailed discussion of preferential voting and its effects.


their bids. Lawson's first bid was four out of the twelve portfolios, and was declined. His second, of five, was accepted in 1923, but by the end of 1924, Allan, for the V.F.U. was able to demand, and get, six out of twelve, and the Premiership.

The V.F.U.'s manoeuvring for portfolios is only one facet of its pursuit of power. This was seen clearly in 1924, when it moved to capture the Speakership for Bowser, one of its own men, despite the fact that it had previously agreed to support the Nationalist Lawson, but reached its peak in the party's growing hopes for a government of its own — rather optimistic in a party of thirteen to at most fifteen members. The same desire for power led it, later in 1924, to desert the A.L.P. allies who had tried to give it a compulsory wheat pool, to become part of the Allan-Peacock Composite Government. The V.F.U.'s problem was that it could not obtain all its demands from the same party. The Nationalists could give a share in office, but refused to countenance a compulsory wheat pool, cheaper country rail freights, and other demands, for which the V.F.U. looked to the A.L.P.

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(c) The Growth of Divisions in the V.F.U.: Wavering Attitudes and the Fall of Governments

(i) Polarization of opinion emerges 1920 - 24.

Not only the existence of the V.F.U. and its often opportunist


11. Age, 30 April, 1924 and Eggleston Papers, N.L.A. MSS.423/7/11.

search for power, but also its internal nature made it a source of political instability. As a political group, it was itself unstable, and its divisions and changes of attitude caused the fall of governments. Throughout the 1920s the party was slowly polarised, leading to the 1926 Split between the Victorian Country Party and the newer Country Progressive Party.

In the Parliamentary Party, two men, Allan and Dunstan, typified and led the division. Their disagreement dates from the beginning of the 20s and Dunstan's hostility to the formation of the Lawson-Allan Composite Government. Dunstan wanted an independent party which would give conditional support to either Nationalist or Labor minority governments in return for "country" legislation. Allan blankly refused in early 1924, to support a Labor Government, and only did so later under duress. He saw the alternatives as conditional support for a Nationalist minority, or, preferably, a V.F.U. - Nationalist Composite Government. This relegated policy demands such as the compulsory wheat pool to limbo, as the Nationalist Party would never agree, and so Allan was left with the defensive conservative argument that it was more important to keep Labor and Socialism at bay, and prevent disastrous legislation like an unfavourable redistribution. The difference between Allan and the more radical Dunstan was given a physical expression, when during the Prendergast Labor Government of 1924, Allan sat on the

15. eg. Farmers Advocate, 15 December 1924. Allan even spoke of the "possibility of some arrangement" before the general election, of 1924, with the Nationalist Party.
Opposition corner benches, next to the Nationalists, while Dunstan occupied the Government corner next to Labor. 16

P.G. Stewart, one of the original V.F.U. M.L.A.s and now one of Dunstan's closest political friends, had also sat in the Labor Party corner, at the time of the V.F.U.'s parliamentary emergence in 1917. Typically, Allan at the same time had been on the other side, in the Nationalist corner. 17 But Stewart, from 1919 M.H.R. for Wimmera, was very much one of a kind in Federal politics, and this goes a long way to explaining the growing difference between Federal and Victorian politics in the 1920s. While Stewart was hostile to composite governments, like the Bruce-Page one, as liable to compromise the V.F.U., he had no Federal supporters. In fact he was persuaded to join the ministry, in 1923.

The Bruce-Page Pact of 1924 proposed that if the two parties were in office together at election time, the Nationalists and the V.F.U. should refrain from contesting each others electorates, and in areas held by Labor should select a single candidate, the strongest for the area. Stewart, from the start, campaigned strongly against this, claiming it would destroy the independence and influence of the V.F.U., and line it up permanently with the anti-Labor side of politics. In August 1924, he resigned from the Bruce-Page cabinet, but only one other Federal parliamentarian, J.H. Prowse of W.A. gave him any support at all. His cabinet place was quickly filled by W.C. Hill, a fellow Victorian. 18

17. Allan had also attended Nationalist Party meetings.
While in Federal politics Stewart was ineffective and largely ignored, this was not the case in Victoria. His influence in his home state, where he could count on respect as a V.F.U. founder, was great and growing. In State Parliament A.A. Dunstan occupied a position analogous to Stewart's, being a solitary voice, crying out against composite governments, and electoral pacts. However his isolation was less complete. The State party was closer to its grass roots through its executive and annual conference. Stewart and Dunstan found growing support from both the wheat farmers and the mixed sheep-wool farmers of the Mallee and Wimmera.

The wheat farmers, in particular those of the Mallee, had supported the formation of the V.F.U. in 1916 very largely as a means to a continuing compulsory wheat pool. Falling wheat prices after the war came on top of existing difficulties. Unlike other farmers they seldom had a side-line such as wool or fat lambs to fall back on. They had gone into colossal debts to acquire their blocks, and were now finding the size of many blocks did not constitute a living area, since soil was patchy with sandy, rocky ridges. Rainfall, so close to the 10" isohyet was light and variable; droughts hit the Mallee in 1922, 1925 and 1927, the last being the most severe, bringing a depression from which the area probably failed to recover till the "seventeen good years" after the Second

19. Wool growers were not interested in pools and therefore tended to support the Nationalist Party eg. Western District M.L.A.s often Nationalists, never V.F.U.

20. See B.D. Graham, op.cit., p.236. See also the enormous loses the Government made on closer and soldier settlement - which had to be written off because farmers could not repay. £500,000 was needed to stabilize debts in 1929 - See Age 23 Oct.1929, and £71,000,000 was suggested to be written off in Age 29 Oct.1929.
World War. Farmers in the Mallee began walking off their blocks in large numbers as early as 1927.21

These farmers with their high costs and low yields needed price maintenance, and at a high level. They looked to a compulsory marketing scheme to do this by bargaining for the highest prices, keeping the handling costs down, and cutting out the middleman as far as possible. Since the existing middlemen, the firms like Dalgetys, Darlings, Goldsborough Mort and Elder Smith, were supporters of the Nationalist Party, this party seemed unlikely to listen to farmers' demands. The private enterprise traditions of the Nationalist Party were antipathetic, and after the war Nationalist Governments in the Commonwealth and in Victoria were responsible for withdrawing the pools.

This alone would have turned the Mallee wheat farmers towards Labor. Their origins often inclined them that way already. Many of them, as with Stewart himself, had begun life as part of the urban working class, and had gained farms as closer or soldier settlers. As W.C. Hill said in 1917 "We (the V.F.U.) have thousands of members in our ranks who have been past supporters of Labor and Liberal Parties".22 The ex-Laborites in the Country Party were likely to be radicals, and to agree with Stewart:

21. Annual gross family income on one Mallee farm in 1927 was less than £50. The family walked off. (R.W. Roberts, Victorian Education Department, then of Irymple).

"The Liberal Party of today was composed of and supported by manufacturers and captains of industry in the city and to a lesser degree throughout the state. The machinery manufacturers and all the vested interests of Melbourne were behind the Liberal Party. How could they serve Collins Street and the man on the land also?" 23

Besides the Mallee the other area of major radical support lay in the area between Ballarat, Bendigo and Melbourne. An ex-mining area, with small blocks, and usually potato growing or dairying, it had large concentrations of non-Nationalist voters. Whether because of Irish Catholic origins, the dissatisfactions of soldier settlers, or just the small farmers' distrust of the large graziers' party, this area always had high A.L.P. and V.F.U. votes. Centred on Isaac Hart's Trentham Branch, this was the other strong area for the radicals, who returned Dunstan in Eaglehawk. There was often a comparatively high drift of preferences to the A.L.P., and this area helped to elect A.L.P. men in Dalhousie, Daylesford and Warrenheip. 24

In practical politics the insistence of the radicals on V.F.U. independence made composites in Victoria increasingly difficult and pacts like that between Bruce and Page over electoral affairs quite out of the question. This was already becoming obvious in 1923 - 24. Dunstan's expressions of hostility to the formation of the Lawson-Allan composite were followed by a V.F.U. Central Council refusal

23. ibid, p.159. This is a fairly factual statement since men like leading machinery manufacturer, H.V. McKay were on the National Union, which controlled the funds of the National Federation, See below, p.116 ff. and Appendix H.

24. See below, Ch. 5, p.155.
of electoral co-operation with the Nationalists in the Dalhousie by-election.\textsuperscript{25} V.F.U. precedents were all against any direction of preferences, because of the varied nature of the party, and there was, although Nationalists received the majority of preferences, always a variable but noticeable drift to Labor.\textsuperscript{26}

(ii) Conferences and composites: V.F.U. attitude defined 1924.

The V.F.U. Conferences, while never condemning composite governments outright, were determined to place in their way, safeguards or barriers, depending on the view of the member. In the early twenties the efforts of the radicals went into increasing the safeguards, and many of them hoped to make a composite impossible. The 1919 Conference had laid down the conditions for the formation of composites: a majority of portfolios, and consultation with the parliamentary party and the V.F.U. Central Council.\textsuperscript{27} With only five out of twelve portfolios, Allan in 1923, had departed from the first requirement, and he had bent the second, as he had consulted the Party only early in the negotiations and had made the final decision without them.\textsuperscript{28} The Central Council stood by him at the time, pending the Annual Conference, though Dunstan's local branch at Bendigo demanded that all V.F.U. members in the composite withdraw.\textsuperscript{29}

\textsuperscript{25} Age 12 Jan. 1924 and Eggleston Papers N.L.A. MSS.423/7/76 Farmers Advocate, 25 Jan. 1924.
\textsuperscript{26} See below, Ch.3, pp.97-8 especially Dalhousie 1924 when a leak of 625/1438 gave Labor the seat.
\textsuperscript{27} B.D. Graham, \textit{op.cit.}, p.199.
\textsuperscript{28} Dunstan, at the next V.F.U. conference commented on the haste Eggleston Papers, N.L.A. MSS.423/7/138.
\textsuperscript{29} Age 23 Jan. 1924, and Graham \textit{op.cit.}, p.199.
By February 7th, however, Central Council unanimously passed a motion for the March 1924 Annual Conference, "disapproving the method by which the present state composite was formed", and upholding the right to contest all seats, while defining the conditions for future composites as a majority of portfolios.  

Since only three of this Council (Stewart, Diffey and McCann) were very radical this is an indication both of their influence, and the attitude of the moderate members. Almost neurotic fear of a secret arrangement between Lawson and Allan was exhibited in the "Farmer's Advocate", the Party paper run mainly by the moderate A.L.N. Walter, so evidently moderates did not trust Allan.  

Despite this distrust, the Central Council was willing to continue to support the composite, until the conference actually met. Then, an impromptu consultation of the Central Council with Dunstan and others produced an amendment approving the composite "for the life of the present Parliament only".  

Perhaps because conference was moving in a more radical direction all the "safeguards" passed with little protest, nonplussing the Parliamentarians. Lawson, for reasons to be discussed later, refused to tolerate these conference decisions and the Lawson-Allan  

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30. Age 8 Feb. 1924. V.F.U. radicals mentioned here have been assessed as such in the light of their later behaviour.  

31. These suspicions had some basis - see below Ch.3, p. 96 - 99, for Lawson's expectations of an electoral agreement.  

Composite Government fell, to the joy of Dunstan and friends - the first example of a government brought down by differences of opinion and fluctuations in power within the V.F.U.

The 1924 Conference set V.F.U. policy on both Composite Governments and Electoral Pacts for the remainder of the decade. Its decision to permit Composite but prohibit Pacts, was repeated - 1925. The Conference of 1924 represents the peak of Radical influence in the V.F.U.

(iii) The V.F.U. Radicals Held in Check, 1924 - 26

For the next few months the V.F.U. was quiet internally as the radicals increased their strength. The Parliamentary Party was becoming more disciplined, with a majority caucus vote now binding on all members, resulting, at first, in support for the Nationalist Governments first of Lawson, then of Peacock. However, when a free vote was permitted on Peacock's Redistribution Bill, Dunstan, voting with Labor, was accompanied by Carlisle, Downward, and Lind. They objected to the creation of three new seats, which would further weight the balance in the House against the country districts. This split in the party vote shows that differences of opinion were only submerged.

That the whole of the party was not satisfied with its role of supporting the Nationalists was shown further when F.E. Old, M.L.A.

33. Age, 7 May 1924 and 21 May 1924. N.B. Dunstan's own seat was abolished.
for Swan Hill, attacked the Peacock Ministry as a "City" ministry. The party organisation was anxious not to become involved, concentrating on winning 13 seats at the 1924 election, and maintaining a middle position. It made no comment when Allan declared his "personal" willingness for a composite, with the qualification that he "could not at present speak for his party". Even when the Federal Country Party Conference refused to endorse the Bruce-Page Pact, referring it back to the States, the Victorian Central Council delayed for months.

When the Peacock Government suffered such reverses in the election that it was likely to resign, the attitude of the V.F.U. was tested. The Parliamentary Party at first compromised, by, while refusing any negotiations with Peacock's cabinet, negotiating with the breakaway Liberals. It had declared, after the election result showed Peacock's lack of public support, that it would topple his government, even if Labor got in. When Caucus replaced radical Dunstan with the more conservative Mackrell, as its Secretary, and began to waiver further by considering including one or two of the old Nationalist ministers in the new projected cabinet, the party newspaper, "The Countryman" (formerly "Farmers' Advocate"), and the Central Council spoke out. "The Countryman" frowned on any alliance with the Nationalists, seeing a Country Party-Liberal composite, or

34. Age 3 June 1924 and 28 June 1924.
Two V.F.U. candidates in Hampden and Gippsland South were too late with their nominations - otherwise the V.F.U. may have been even more successful.

35. Age 19 June 1924.

36. Age 18 June 1924.

37. Age 4 July 1924.

38. Age 5 July 1924.
a Labor Government as the only alternatives. The Central Council, mindful of the strong minority in caucus anxious to support a Labor Government, in view of A.L.P. promises for the country, insisted that the V.F.U. would join no ministry without six out of twelve portfolios plus the Premiership. Because the other negotiations fell through, the radical group had their wish and the entire V.F.U. voted with Labor to bring Peacock's government down.

The difference of attitude continued under the ensuing Prendergast Labor Government, with Dunstan sitting in the Government Corner, while the rest of his party sat in the Opposition Corner with the Liberals in exceptionally crowded circumstances. Dunstan insisted that Labor be given a fair trial, but Allen could find nothing good to say about the new government. The divided state of the party was further shown on a Confidence Vote on the Police Strike Inquiry: Allan, Allison, Wettenhall, and Old with the Nationalists, but Bourchier, Carlisle, Lind, Downward, and Walter, with Labor. Bourchier and Walter could never be described as radical, so it seems that the moderates were still determined as Bourchier put it at Murmungah, "to give it (Labor) a chance".

Sooner or later the movement had to face up to the Bruce-Page Pact. Stewart's resignation from Federal Cabinet in August opened the question, but Central Council deferred discussion till Gibson and


40. Age 17 July 1924. Labor's bid was 12 months support in return for Country legislation. See Age 10 July 1924.

41. Age 2 Sept. 1924, and 3 Sept. 1924.

42. Age 11 Sept. 1924. The same group were together with Labor on Bus Tax Bill - Age 29 Oct. 1924.
Hall, two moderates, and Federal Ministers, returned from abroad. The Council, hoping to bow out of any decision on a Federal matter and leave the State party calm, was thwarted by Trentham Branch, which called for a Special General Council meeting or Conference in Show Week in September, to denounce the Pact. Trentham was led by Isaac Hart, a radical and one of the V.F.U.'s founders, and over 100 branches supported him. When the Council again tried the tactic of "masterly inactivity", the radical J.J. Hall, the V.F.U.'s first Secretary, organised a successful smoke social in honour of Stewart and Dunstan, attended by many, especially from the Mallee. In this small way the radical revolt began, though this was not obvious at the time.

The Central Council, at the last moment refused the Conference claiming the 1924 Conference had settled the issue, but Hart and Hall were not willing to rest and sent letters to branches alleging the Council's action was illegal. There was still talk of a "Special Conference" for a few months, and the word "split" was even mentioned but matters were deferred to the 1925 Conference, the first in a series of bad omens.

Only a few months later the party's divided attitude on composites was further revealed and exacerbated. The formation of the Allan-

43. Age 18 Aug. 1924.
44. Age 28 Aug. 1924, and 20 Sept. 1924.
46. eg. Age 8 Nov. 1924 for further talk of a Special Conference.
Peacock Government had a polarising effect on the V.F.U. Since it was formed entirely within all the V.F.U. Conference requirements, after due consultation, and with Allan as Premier and six portfolios, it separated those who wanted adequate safeguards and adherence to party rules, from those who opposed all composites whatsoever. There was much unhappiness in the Party at the prospect of removing a Labor Government so amenable to country demands, and a stormy caucus meeting ensued. This time the moderates, having seen the compulsory wheat pool defeated in the Legislative Council, and feeling the Nationalists' offer was too good to miss, supported Allan. Thus a change in the internal power balance in the V.F.U. helped bring down another government.

The Radicals, though now isolated, fought on and were eventually to play a major part in the defeat of this composite government. Dunstan began the attack, when, having been absent from Parliament for some time through illness, he telegraphed his refusal to join the government. The remains of the Trentham movement supported him, and his opposition to all composites, and the radicals organised a series of motions for the 1925 Conference opposing pacts, composites and excluding parliamentarians from the executive.

The Conference, like the executive, tried to take a middle road.

47. Age 9 Nov. 1924.
49. Age 18 Nov. 1924.
50. Argus 23 Jan. 1925 (Trentham), 14 Feb. 1925 (Flinders) and 21 Feb. 1925 (Swan Hill, Bendigo).
Unwilling to provoke a head-on clash with either Page or Allan, it passed a motion opposing all election pacts in the future, and narrowly defeated a motion opposing all future composites. This compromise of composites without pacts provoked a special meeting of radicals under Stewart, who was nevertheless adamant there was no suggestion of separation. The meeting of 171 delegates resolved to support composites "for the life of each of the present parliaments", which appeared to defer the issue in State politics till 1927. Radical delegates were successful in getting a resolution through the Conference obliging Allan to take a ballot of growers on the wheat pool issue, and also in getting five seats on the Central Council.

The Wheat Pool issue made the life of the Allan-Peacock Government difficult. Allan refused to try to establish a pool or even hold a ballot on the grounds that it would be constitutionally ineffective. The V.F.U. Central Council failed to call him to task, and later accepted his explanation by 14 votes to 5. Its efforts to blanket the issue were destroyed by the very vocal resignation of W.P. Crockett, M.L.C. for the Mallee area, from the Cabinet, protesting about the lack of a wheat ballot, and of assistance for dried-fruit growers.

The V.F.U. radicals, Stewart, Dunstan, McCann, Hart and Glowery, all on the Council, were thus joined by Crockett in Parliament. A

52. *Argus* 13 March 1925 and 14 March 1925.
53. *Argus* 14 March 1925.
55. *Argus* 17 June 1925 and 30 June 1925.
further dissatisfaction was created when, in the election of a new Senator in Parliament, the Nationalist Plain was supported by most V.F.U. members, in preference to the V.F.U. radical Hall.  

That the moderates were beginning to turn against the radicals became clear when at the annual dinner leading moderate A.L.N. Walter attacked the "left" wing before news reporters, for airing their grievances to the press, a delightfully contradictory procedure. This was followed by a severe Central Council censure of its radical member Glowery, for public criticism in a Circular published in the "Ouyen and North Western Express". Glowery denied responsibility for publication, but the motion was passed 9 to 6, while a Dunstan motion condemning those who hadn't voted for Hall lost 9 to 5.

After this double defeat the five radicals left the Central Council meeting and, alleging unwarranted vindictiveness, took no further part in Council activities.

The possibility of a split in the V.F.U. was now in the open. John Allan even seemed to welcome it, when he regretted the compromise of the Bendigo Conference (1924) and concluded the two wings of the V.F.U. were too far apart ever to get on together. The radicals were assembling support for the next conference, though hostilities ceased temporarily when Dunstan joined the rest of the party.

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56. Argus 27 Aug. 1925. Though Hall was a late entrant, after the parties agreed on a Nationalist candidate.

57. Argus 31 August 1925.

58. Argus 17 Sept. 1925. Radicals alleged composites were futile, and had resulted in a decline in numbers in the V.F.U.


60. eg. with a complimentary dinner for their leaders. Argus 24 Sept. 1925.
wholeheartedly on the redistribution issue.\textsuperscript{61} The legislative barrenness of the Allan-Peacock Government for the country, played into radical hands, as did the decline in numbers and thus finance in the V.F.U.\textsuperscript{62}

(iv) The Breakaway of the Country Progressive Party

The 1926 Conference became a "no compromise" struggle between moderates and radicals. The President, Pickering, opened by warning the radicals

"When the majority of the Country Party decides on a certain line of action all members of the Party should support it, or get out" and claiming Allan's government had been harassed, went on to threaten:

".. the Central council will do well to hesitate in future respecting the endorsement of some of its Country members".\textsuperscript{63}

On all issues: the drift of membership and finance, failure to support Hall for the Senate, failure on the wheat pool ballot, and the inactivity of the Central Council, the radicals lost by approximately 194 to 119. Only Stewart, as Federal Parliamentary representative was left on the executive, and his motion of composites only for the present Parliament was likewise defeated, by 220 to 135.\textsuperscript{64}

\begin{itemize}
\item \textsuperscript{61} \textit{Argus} 5 Dec. 1925.
\item \textsuperscript{62} \textit{Argus} 26 Dec. 1925 and 20 Jan. 1926.
\item \textsuperscript{63} \textit{Argus} 10 March 1926.
\item \textsuperscript{64} Conference - \textit{Argus} 10 March, 11 March, 12 March, 1926.
\end{itemize}
Stewart and Dunstan now urged secession, but the first meeting they called agreed with F.E. Old's idea of staying in, and forming new branches and enlarging old ones, to get a greater representation at the next conference. 65 The vote was almost even, indicating, perhaps, that the leaders were more extreme than their followers, who expressed grave fears a split would be a disaster for the rural community.

A further radical defeat occurred the next day on a motion to censure V.F.U. M.L.A.'s who failed to vote for V.F.U. man J.J. Hall for the Senate vacancy. This provoked a further meeting, of about 100, which elected a Committee to sample the opinion of the branches on composites and secession.

A battle of the circulars, between James Allan (radical's secretary) and Pickering (V.F.U. president, and moderate) showed support for secession in certain Mallee, Northern and later Wimmera branches, but the rest of the state refused. 66

The split was confirmed when Central Council unanimously declared any Councillor or M.P. taking part in secession meetings would be expelled from the V.F.U. 67 This decided, or confirmed the decision of, the radicals to go ahead forming an independent organisation.

Their meeting of 70 revealed that a small number of branches mainly in northern Victoria did favour secession, and so a Primary Producers

65. Argus 11 March 1926.
66. Argus 31 March 1926 and 1, 3, 7 and 8 April 1926 - for reactions of branches.
67. Argus 15 April 1926.
Union, to be run on original V.F.U. lines, was agreed to. When representatives from Mallee branches met at Ouyen on 23rd April, 1926, they voted to secede and accepted the new P.P.U. constitution. The existence of two rival country parties was a fact. 68

The bitterness of the split on both sides was made clear by personal attacks on leaders, like Stewart and Glowery. 69 The V.F.U. had fought back, sending its leaders out to address meetings, but they tended to get short shift in the north, where, for example, Pickering was unable to get a meeting at Ouyen to pass a motion to stay in the Union. 70 The new organisation tended to appeal to mixed farmers, especially in sheep and wheat, and the fall in wheat prices, the Mallee drought of 1925 and the critical decline in effectiveness of the voluntary pool, are all relevant to its appeal in the North West, 71 though it also had branches in seemingly V.F.U. strongholds like John Allan’s electorate, and home town, Kyabram. 72

A strength of the new movement was the experience and status of some of its leaders - men like Stewart, Hart, and Hall, who had formed the original V.F.U. The P.P.U.’s radicalism and independence were shown when Dunstan began a policy of voting with Labor against the composite government, on the No Confidence motion of 14 July. 73

68. Argus 17 April 1926 and 24 April 1926.
69. Argus 2 June 1926.
70. Argus 17 April 1926.
72. Argus 9 June 1926.
73. Argus 15 July 1926.
To the chagrin of the V.F.U., the new party did not wither. In September 1926, it held its first conference, from over 120 branches. It had already, since July, began to call itself the Country Progressive Party, and at the conference it made a bid to widen its support, first with a dried-fruit growers council, and secondly with a conference decision admitting all country residents as members. With V.F.U. experience in mind it was made compulsory for P.P.U. parliamentary representatives to support a "country interest" measure from any administration; the Central Executive could expel any MP. or executive member guilty of disloyalty; and no parliamentarians were permitted on the executive. Campaigning that it was really the old original V.F.U., the C.P.P. was already preparing candidates to stand in the 1927 general election against the V.F.U.

In Parliament the C.P.P. had been unable to gain the hoped-for adherence of Old, but Dunstan was able to induce the wavering Carlisle to join him on the Milvain case Confidence votes, and defeat the Allan-Peacock Composite Government in the House. The Government was able to carry on, but in an embattled state, since, Old was demanding it change its attitude on certain legislation, especially the Rural Bank, or lose his support. V.F.U. candidates like Old were in an uneasy position in their electorates, while the C.P.P. could face the election with high hopes in three seats - since the 1926 electoral

74. *Age* 18 Sept. 1926; *Argus* 20 Sept. 1926 and 30 July 1926.


76. *Argus* 20 Oct. 1926. See above for details of Milvain case, concerning injustice to the driver of a train, Milvain, involved in an accident, p.36.

77. *Argus* 16 Dec. 1926. Old's Swan Hill electorate was composed of dried fruit growers and Mallee sheep and wheat farmers, all suffering severe hardships.
redistribution had created the new seats of Mildura and Ouyen, while Dunstan would collect the Labor vote in Korong-Eaglehawk, as the A.L.P. had kindly not fielded a candidate.

The position of the V.F.U. was less optimistic. The Allan-Peacock composite had not fulfilled many promises, especially to country electors, and was under fire for its budget deficit and its inertia. The V.F.U. participated in the widespread tendency to dissociate from the Government, and had its policy speech delivered by its President, Pickering, but it was faced with C.P.P. candidates in 10 of its 14 electorates. In the midst of the campaign, the Annual V.F.U. Conference, having changed its name to Victorian Country Party (V.C.P.) and widened its membership to include residents of country towns, both moves imitative of the C.P.P., passed, amid strong opposition, an "olive branch" motion for "friendly co-operation" with the C.P.P. This was not evident in the election campaign, though it may have been in the voters' uses of preferences.

The election result saw the V.C.P. dropping from 11 seats, to 10, while the C.P.P. went from 1 to 4, Dunstan being joined by Allnutt (Mildura), Glowy (Ouyen) and Cleary (Benalla). The C.P.P. felt vindicated by these results, especially as the Allan-Peacock composite had lost its majority and the V.C.P. was in the laughable position of having to ask the C.P.P. to support a composite

79. Age 10 March 1927.
80. Age 17 March 1927 and 19 March 1927.
81. Age 16 April 1927 - Benalla was a lucky, very close result - a three cornered contest.
led by the Nationalist McPherson. 82 The C.P.P. meeting at Ouyen refused this, and the presence there of Blackburn (A.L.P.) suggests negotiations were already under way.

The C.P.P.'s role in the defeat of the Allan-Peacock composite was vital, as only its strong hostility to such composites, and its strong support of a Labor Government enabled the Hogan Labor government to take office. The C.P.P.'s attitude, combined with its electoral success, (together with conditions in the Nationalist Party, to be discussed later), put paid to the idea of composites for the rest of the decade - indeed till 1932 in the new conditions of the depression and Labor split.

The Country Party here, split, out of office and, for the V.C.P. out of influence too, reached its lowest ebb. The party's individual disaster had also helped destroy the Allan-Peacock Government, which being the only government in the 1920s with both a majority and a reasonable term of office, had the best chance of ending political instability.

(v) The V.C.P., the C.P.P. and the Hogan and McPherson Governments For the rest of the decade the V.C.P. and the C.P.P. slowly began to draw together again.

In 1927 the V.C.P. Annual Conference passed an "olive branch" resolution, desiring "friendly co-operation" with the C.P.P. 83

82. _Age_ 6 May 1927.
83. _Age_ 17 March 1927.
Though this was only carried on the last day of the conference amid strong opposition, it began the trend. At the C.P.P. conference of September 1928, their President expressed his willingness for negotiations. 84 Not until March 1929 did the V.C.P. conference declare outright for unity. Inter-party conferences in April and May 1929 were inconclusive, and it was pressure from grass roots local meetings which forced the final merger at a conference in September 1930. The C.P.P. while not gaining complete prohibition of coalition governments, succeeded in having parliamentarians excluded from the Central Council, a Council which could only allow a composite by a two-thirds majority, and if the C.P. had six portfolios, including the Premiership. 85 The honours in the struggle went therefore, to the C.P.P.

The end of the 1920s after the V.C.P. set-back at the 1927 elections saw, then, a dying down of hostilities between the parties as the V.C.P. increasingly came to terms with its successful C.P.P. rival. Unity was assisted in late 1928 when the Hogan Labor Government, which the C.P.P. was supporting, moved towards a new redistribution. The Bill with a country to city ratio of 34 to 31 seats went successfully through its First Reading. 86 Both V.C.P. and C.P.P., if united on nothing else, were united on this, involving as it did their political survival. The urgency of the issue was such that Dunstan, on 13th November, amended a Nationalist "No Confidence"

84. Age 22 Nov. 1928.
85. Age 1 Nov. 1928.
motion to read "only on redistribution" and the C.P.P. voted with the V.C.P. and the Nationalists against the government. 87

The Country Party had again brought about the fall of a government - its splitting had put a Labor government into office, and its temporary unity had put it out again. Apart from redistribution the C.P.P. had been satisfied with the Hogan government, and Dunstan even said he had not meant to destroy it. Now they were faced with the problem of its replacement, and since the C.P.P. would not support a Nationalist-V.C.P. composite, they both had to compromise by promising conditional support to a Nationalist minority government under McPherson, and hoping for an early election. 88 On the other hand the V.C.P. had at first hoped for a composite and in discussions had no longer demanded either the Premiershp, or a majority of portfolios. 89 The situation thus exposes the moderating effect of the removal of the radicals on the rest of the party.

The C.P.P. was quickly disappointed with the McPherson Government, and when it refused to commit money to Mallee relief, Glowery moved an adjournment motion on which the C.P.P., Labor and two Liberals defeated the government. 90 The V.C.P. supported McPherson but in the ensuing election campaign, it found much of its own rank and file was demanding a break with the Nationalists. 91 The failures of the Nationalist Government plus growing economic problems as 1929 drew to a close,

87. Age 14 Nov. 1928.
88. Age 22 Nov. 1928.
89. Age 16 Nov. 1928 and 22 Nov. 1928.
90. Age 24 Oct. 1929.
91. eg. Kyabram Branch - See Age 28 Oct. 1929.
had awakened activity in the V.C.P.

Despite this the idea of a Nationalist-V.C.P. composite after the election was mooted beforehand. The election results destroyed any hopes of this, with the poor showing of the Nationalists. The V.C.P. and the C.P.P. both maintained their positions, the former rather surprisingly, since Allan was so far out of touch to declare that a good season would solve the Mallee problem. Allan in fact tried, after the election to unite all country M.P.s to oppose city ones, but though the Nationalists attended the meeting the C.P.P. was dubious. Dunstan desired unity, but felt it must come from the rank and file. Indeed his policy speech in the election deploring unemployment and advocating Home Maintenance areas, freight concessions, and nationalisation of irrigation and water supply headworks was one which only a Labor government would be likely to implement.

The decision of the C.P.P., strengthened by indignation meetings in the Mallee, was that the McPherson Government must go, while the inconclusiveness of Allan's attempt to unite country members ensured that it would be replaced by Labor. The split in the Country Parties continued, as seen on the vote which brought the McPherson Government down, when the V.C.P. stayed with the Nationalists, ostensibly to avoid redistribution, while the C.P.P. joined Labor.

92. Age 7 Dec. 1929.
93. Age 9 Nov. 1929.
94. Age 9 Dec. 1929 and 12 Nov. 1929.
Conclusion

In the decade of the 1920s there were nine governments. In every one of the eight government defeats that occurred, the Country Party played an important role. It was either the occasion for the removal of the government, as with the first Lawson government, or, more usually the major active participant in its collapse. Conflicts of opinion within the Party, and later the split into two parties, brought down governments. After the period of the 1920s, it was notable that periods of stability, while the three party system endured, were times when the whole of the Country Party was satisfied. The Hogan Labor Government lasted three years in the depression, and most long-lived of all, A.A. Dunstan's Country Party Government, with Labor support, endured for eight years.
CHAPTER 3

THE NATIONALISTS

The Nationalist Party in the early 1920s, seemed the only real hope for a one party majority government. Neither the V.F.U. nor the A.L.P. (at least on existing electoral boundaries) could hope to win enough seats to control the House. A majority government, from one party seemed, in turn, the answer to growing political instability and ineffectiveness.

The Electoral Disaster

The Nationalists had controlled the Legislative Assembly, after the 1917 election, with 40 members, a comfortable majority, to sit behind Premier Lawson. They, and their predecessors, the Liberals, who had held 43 seats in 1911, had supplied the governments for the first twenty years of the century. In these twenty years, a total of twelve governments had held office, and all, except the 13 day stop-gap Elmslie Labor Government in 1913, were Liberal. The number of governments does not reflect the continuity achieved, since often the new government was occasioned merely by a retiring leader handing over power to his junior partner, as with Turner in 1901, Irvine in 1904, Murray in 1912 and Watt in 1914. The continuity of ministers was high, and apart from disturbances around 1901, due to the repercussions of Federation in the Kyabram Movement and 1913,

1. See below, Ch.5.
3. Ch.1, p.15. and below this chapter.
due to Watt's attempt at redistribution, governments lasted generally for over three years. This period of stability, maintained by the Nationalists' electoral supremacy, both culminated and concluded with the six year term of the Lawson Government, between 1917 and 1923.

The Nationalist Party's electoral failure in the 1920s ended this stability, and successively destroyed all hopes for its resumption. In 1920 the party lost its majority in the House. It was never to regain it, until the Bolte era after 1955, following an Electoral Redistribution and a Labor split. As the decade of the 20s progressed, so the Nationalists declined: from 30 seats out of the 65, in 1920, down to 20 seats in 1924, to 17 in 1929. 4

This electoral disaster, is of course related to the rise of the Country Party, from the 1917 election. Country Party gains stabilised by the 1920 election, at 13, and only went up to 14 in 1927, in the wake of a redistribution, and to 15 in 1929.

Throughout the decade the variation in the Country Party was 13 to 15 M.L.A.s; even if all Country Party seats had been gained from the Nationalists, which they were not, 5 a Nationalist decline from 43 in 1911, to 17 in 1929, is far greater than the acquisitions of the Country Party. The Country Party alone cannot account for the Nationalist disaster.

The Australian Labor Party, after dropping to a low of 18 seats in 1917, in the wake of the conscription split, steadily gained

4. See Appendix C - Election Results.

5. The Country Party gained eg. Eaglehawk from Labor in 1920 and held it for the decade and beyond.
ground in the 1920s. In 1920, it went up to 20 seats, and then, in 1924 it jumped to 27. The redistribution of 1927 failed to stop its advance, and it closed the decade, at the 1929 election, with 30 of the 65 seats. All but one of these new seats were won from the Nationalists.

The A.L.P. gains can be attributed to an "It's Time" philosophy on the part of the electors, after so much Liberal rule, to a regaining of an equilibrium after the 1917 disaster, or to the A.L.P. itself, a party with a reasonably young and efficient leadership, internal stability, and a programme which, in playing down socialisation, was designed to appeal to a wide range of electors.

The improved image of the A.L.P. does not seem an adequate reason for so many Nationalist voters to change, unless something were wrong with the Nationalist Party. On two occasions in the 1920s independent liberal groups of candidates competed successfully with Nationalist candidates in elections. In 1924 five breakaway liberals held their seats, while 1927 saw victorious two Australian Liberals, one independent Nationalist, one Progressive Nationalist, and four independents. This proliferation of Liberals and independents points to the truth - that the Nationalist Party in the 1920s was internally a troubled, ageing, and incoherent institution. Its electoral appeal steadily diminished, some of its members broke away from it, while independent liberal groups and independents captured some of its erstwhile supporters. All these factors made for

6. Especially after Prendergast, aged 74, retired in 1926. Hogan the new leader was 41, Tunnecliffe, his deputy, late 40s, Slater in his 30s. See Argus 13 Feb. 1925, and 19 Feb. 1925.
political instability. 7

The Internal Troubles of the Nationalist Party

(a) The Composition of the Nationalist (or Liberal) Party, 1879 - 1920

The problems of the Nationalist Party in the 1920s were the end products of conflicts and unsolved problems going back to 1879. Each passing generation had compounded the problems, though often a temporary equilibrium had been achieved.

(i) The Divisions Emerge 1879 - 1901

The predecessor of the Nationalist Party, the "liberal party" of 1892 to 1917, was woven of two strands, or two basic orientations of political attitude, traceable both in the 1920s, and also back as far as 1879. In the politics of the late 1870s, two political strands were clearly visible - the "liberals", with a policy of protection, secular education, and political reform, and the "conservatives", standing for free trade and opposition to change. The groupings were crystallised when, between 1877 and 1881, the Berry "liberal" Ministry was attacking the privileged position of the Legislative Council. These twin unsolved problems of the conservative-liberal division, and the power of the Upper House, were to wreak havoc in the future Liberal and Nationalist parties, periodically, and also created grave stresses in the ordinary functioning of the parties.

"Liberal" and "conservative" are used to describe political divisions in Victoria, largely as a matter of convenience, especially

7. Arguing on the basis that the greater the number of splinter groups, the greater the instability cf. France 4th Republic and Italy today - for details see below, 1926 - 29, Ch.4.
as these were the terms used by contemporaries. H.J. Wrixon pointed out in 1886, and S.M. Ingham's study of the period later endorsed this, that the terms can be "meaningless", and "artificial and farcical".  

This is true most of all of Wrixon's own period, the years 1881 to 1892, when truces between Service and Berry in 1883, and Gillies and Deakin in 1886 gave the State coalition ministries of "l...erals" and "conservatives". The 1889 election was not fought on party lines at all - but between coalitionists and oppositionists, (a most clumsy terminology). The most interesting political division of the period was the emergence of the first "country faction" led by W. Madden in 1886, - a very distant predecessor of the V.F.U.  

The problem of using labels such as conservative is that the Victorian conservative was not, as Ingham pointed out, "a blatant apologist for old-style Tory principles". He accepted and had in some cases worked for such Chartist demands as secret ballot, manhood suffrage, and the abolition of property qualifications for members of the Lower House, and even for payment of members. He also accepted (as did his "liberal" contemporary) a large amount of government intervention - the running of railways, tramways, telephones, and even coal-mines. The existence of a shadow land

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inhabited by "progressive conservatives" and "moderate liberals", and the fact that the "word conservative was used indiscriminately, often as a term of reproach", adds to the problem.

"Conservative" and "liberal" in Victorian politics do not then imply a certain fixed set of ideas, such as a belief in the Chartist freedoms, or adherence to laissez-faire principles. For the boom period of the 1880s they may be altogether irrelevant. However, looking back to the 1870s and forward to the 1890s and beyond, they do acquire some meaning. In the 1870s a conservative was one who supported the status quo of the privileges of the select, property-franchise elected Legislative Council. The use of the other available terms, such as "Ministeralists" only leads to confusion, and obscures the definite continuity in both personnel and political attitudes between these 1879 "conservatives" and those who, in the 1892 election defended plural voting, opposed "class legislation" and fought increased taxation.

These last three issues indicate the gap between the two strands in Victorian politics. The two strands are separated by differing attitudes to constitutional and electoral change, to "class legislation" and the Labor Party advocating it, and to government expenditure. From 1879 through to the end of the 1920s this separation occurs. At times of peak prosperity, such as the 1880s it is obscured, only to appear again when one of these divisive issues calls it forth. There is continuity in both the personnel

12. Since Ministers change.

13. "Class" legislation: factory acts, workers compensation etc.

11A. S.M. Ingham, op.cit., p.256.
and the ideas in both strands. Contemporaries loosely labelled them, conservative and liberal. These terms can be useful, if used always in the understanding that they are relative and comparative. For example, compared to the supporters of the privileges of the Upper House, Berry's group in 1879 were the more liberal.

When depression struck Victoria in the 1890s and the Labor Party began to emerge, issues were again provided, similar to the Upper House furore of 1879, to polarise the politicians of the day. In the election of 1892 there were three main groups of contestants - the new Labor Party, and two non-Labor groups, usually defined as Liberal or Conservative on the basis of their attitudes to the campaign issues of abolition of plural voting, railway reforms, increased taxation, and also on the identity of their backing organisation. Liberals were backed by the Progressive Liberal League of Victoria, which had even some Trades Hall and Union ties, and favoured the reforms of voting, of railways, and increased taxation. Conservatives were backed by the National Association, which opposed "class legislation" or by the Young Victorian Patriotic League.14

By the 1894 election the effects of the depression were seen in political groupings based on economic policy. There were three

14. C.A. Hughes and B.D. Graham, op.cit., pp.466-7, and M.G. Finlayson, Groups in Victorian Politics, 1889 - 1894, M.A. Thesis, Melbourne 1964, pp.216-17 for the re-emergence of political divisions amounting to a "two party system", with parties based on economic interest groups corresponding to the M.L.C./M.L.A. division of the 1920s (see below p.116 ff.). Finlayson concludes (p.235) "By 1894, then, the terms 'liberal' and 'conservative' had become valid descriptions of the two parties".
groups, the most startling being the mixed bag of candidates supported by the United Labor and Liberal Party, and including Deakin, Longmore and Berry, as well as Trade Union representatives. Deakin's more moderate former colleagues were led by George Turner and supported by the Protectionist Association. The most conservative group, led by J.B. Patterson, were supported by the Triple Reform League. Merchants, mine-owners and farmers joined squatters to oppose the high protective tariffs advocated by the combination of manufacturers and workers. By allying with urban workers in support of protection the manufacturers were taking a more liberal line, but they, like the conservatives, were not prepared to countenance the drastic measures of direct taxation demanded by the United Labor and Liberal Party.

This political scene was clarified by the emergence of a United Labor party as a separate group in the 1897 election. The government of the day, the Turner Government of 1894 - 99 was again successful, supported by its own Protection and Liberal Party. The Deakin group had joined Turner, who was opposed by the National party, a harking back to the National Association of 1892.

Turner's comfortable majority in 1897 (55 out of 95 plus 8 Labor) did not preserve his government. Returning prosperity brought, by the turn of the century, less defined political divisions. In

November 1899 Allan McLean led a group of 20 dissident Liberals, a "country faction", to join with the Opposition to defeat the Government. McLean had earlier espoused such conservative policies as the retention of plural voting, so perhaps he had found his true home.

(ii) The Kyabram Movement

Federation brought major changes in Victorian politics. The most immediate was the departure of many politicians to the new Federal Parliament. For example Premier Turner handed over to Alexander Peacock, one of his Ministers. The removal of the tariff issue meant manufacturers now became included fully with the squatters, farmers, and merchants.

The Kyabram Movement completed this re-polarisation. Peacock's Government which had a liberal programme of expenditure and which had co-operated with the Labor Party, for example over "anti-sweating" factory legislation, was faced with a concerted opposition under William Hill Irvine, McLean's former Attorney-General. The McLean rebels had gathered strength to become a country liberal party of 27 members, vitally interested in the irrigation of Northern Victoria. In an assembly divided between four groups, themselves, the conservatives (Gillies' group), the Labor Party, and Peacock's "city liberals", their closest affinity was with the conservatives. By 1902 Irvine was accepted as leader by both country liberals and conservatives.

18. B.D. Graham, _op.cit._, p.70.

Federation produced a feeling of "over-government" and a movement began at Kyabram, demanding retrenchment and economy in government spending, and a reduction in the number of members of State Parliament. Irvine's opposition linked itself to the movement, which in demanding retrenchment was also demanding its conservative corollary, a decrease in government activity. This appealed particularly in the country and it was the defection of several country M.L.A.s which brought down the Peacock Government in 1902. This identification of country members with economy in government expenditure is from this time on, part of the pattern of Victorian politics.

W.H. Irvine's government of 1902 was a notably conservative one. His Railway Employees Strike Act of 1903 forbidding picketing and collection of strike funds, and punishing strikes with a £100 fine or 12 months imprisonment was exceptionally severe. Though it may be argued that only five non-Labor M.L.A.s opposed it, it was Irvine's Government which framed it. The political climate of Victoria had perhaps become more conservative since the 1890s, for Irvine won with a landslide majority of 30 in a House of 95 in the 1902 election. Most of his supporters were endorsed by the Citizens Reform League, the organ of the Kyabram Movement, for "economy" in government. The opposition was so disunited that Peacock, its nominal leader,

E.A. Doyle (ed.) op.cit., p.244.


did not even deliver a policy speech. 23

The Irvine Ministry proved efficient and the changeover of leadership within it, from Irvine to Thomas Bent, on Irvine's retirement in 1904, went smoothly. 24 Bent kept a tidy majority in the 1904 election. His supporters were endorsed by the co-operation of a cabinet committee with the Citizens Reform League, and many were also endorsed by the Farmers, Property Owners and Producers Association. Mackinnon had replaced Peacock as Opposition Leader and, with the support of the Progressive Liberal League, the Opposition performance improved. 25

The 1907 election, was, as has been indicated previously, the beginning of a new period in Victorian politics. It initiated the pattern of a House divided between a non Labor Government and a Labor Opposition, which was to be the rule in the 1920s. After Labor won 18 seats in 1904 election, fears of a further electoral advance were given as the reason for a fusion of the two non Labor strands in politics to fight the 1907 election. 26 The more conservative Bent Ministry's group was joined by the more liberal Mackinnon

23. C.A. Hughes & B.D. Graham, op.cit., p.473. According to C.P.Kiernan (M.A. thesis, op.cit., pp.12,15,19,134) this was the high point of Irvine's attempt to ensure efficient government by creating a two party system with Country Liberals and Conservatives behind him, and City Liberals and Labor in opposition. Under the influence of the Kyabram crisis and the drought this held together, but by the 1904 election it was disintegrating as the Conservative Party had retained its autonomy and tended to absorb the Country Liberals. There is continuity between the Conservatives/Country Liberals and the "Economy" group of 1917, and also between the City Liberals and Peacock's 1917 Ministry.

24. Irvine visited England, then entered Federal politics, to return to Victoria in the 1920s as Lieutenant Governor.


26. This was removed by Preferential Voting in 1911.
Opposition in an "anti-socialist alliance" to prevent Labor gaining from a divided non-Labor vote. The alliance was successful in that Labor was cut to 14 seats but it almost immediately came apart. The two strands could not be brought together so easily.

The more liberal opposition group revived, joined by John Murray, a rebel Bent Minister and inspired by the young and dynamic W.A. Watt. Murray had rebelled against the inactivity of Bent's Ministry. Other dissatisfied members joined, in mid 1907, a new "country" group under Cameron, concerned with closer settlement, irrigation and water supply. Cameron and Murray joined forces to defeat Bent in the House in 1908. Bent then split the country group by offering Cameron and three others cabinet posts. The rest of the country group joined the Murray group and defeated Bent yet again in December, 1908.

The ensuing election was the last such occasion for some years that the two strands in non-Labor politics were so visible. The Bent Ministry was campaigned against by the Murray Opposition as well as by the Labor Party. It was an unusual campaign in that non-Labor extra-parliamentary bodies had little influence and most candidates organised their own campaigns. The victory of the more liberal Murray group in this 1908 election had important repercussions. In the short term it brought more generous government spending on projects such as the State coal mine at Wonthaggi, on Technical Schools and on Harbours.

In the long term, the dominance of the more liberal element in

State politics at the very time of the Fusion in Federal politics, not only assisted the Deakinite Liberals to take the lead over the more conservative, but gave the liberal group the more influential role in State politics for years to come. The Federal Fusion brought the coalescence of the Bent and Murray groups into a new Liberal Party. This contested the 1911 and 1914 elections as a united group,\textsuperscript{30} with its candidates selected by a cabinet sub-committee, and its campaign assisted by the Australian Women's National League, the People's Liberal Party, and the People's Party. Of these three the latter two were new foundations: the People's Liberal Party to organise support in the towns, and the People's Party to rally support in the country. The A.W.N.L. dated back to 1904, founded by upper middle class ladies like Lady Janet Clarke to promote women's issues and support suitable political candidates, though never to sponsor any of its own.\textsuperscript{31}

The two strands of non-Labor politics were finally brought together just before the First War. They had never been institutionalised into two separate parties as in England, perhaps because the conservatism or liberalism of their members was always relative and tied to specific issues more than to abstract ideas. At times, perhaps even "usually" as Ingham alleges, they "bickered over matters of little import".\textsuperscript{32} About once every decade however a

\textsuperscript{30} ibid, pp.247-9.

\textsuperscript{31} Politician's wives tended to be prominent members eg. Mrs. Lawson, Mrs. A. Robinson, Mrs. H.I. Cohen. See Woman - their magazine eg. March 1916 - it tended to be conservative eg. opposed Peacock's 1916 Budget, Nov. 1916, and later the A.L.P. Fair Rents Bill (Woman 1 October, 1926).

\textsuperscript{32} S.M. Ingham, \textit{op.cit.}, p.246.
major issue emerged - the Upper House in 1879 - 81, the fiscal
issue of 1892 - 93, the Kyabram Movement of 1902, which established
again the lines of division, and in very much the same place as before.

This state of affairs continued in the new Liberal Party.
The division in its supporting organisations, with the People's
Liberal Party in the towns and the People's Party in rural areas,
reflects the two strands of pre-1909 politics. Perhaps the omission
of the word "liberal" in the latter title has a significance, for
the rural interests, whether wheat or wool growing were in the more
conservative directions of support for free trade and economy in
government expenditure, and, especially after 1908 and the increase
of population in the Melbourne area, of resistance to any electoral
redistribution.

The division of interests between town (or especially city)
and country was reflected in Parliament in the existence of the country
faction, led since July 1912 by Donald McLeod (M.L.A. Daylesford).
The faction had great numerical strength, with only the half dozen
metropolitan members not included, and it thus established immediate
consultative status within the Liberal Party. Premier Watt's attempt
at a more equitable redistribution of seats in 1913 threatened this
group personally, and the country interest generally. Four seats
were to be added to the Melbourne total. On his second attempt,
McLeod defeated the government on this issue, causing its resignation

33. See above, p.18, and Table from Graham op.cit. p.84
Appendix F.


35. A direct heir, in personnel and policy to that led by
J. Cameron, in 1908.
but preserving the status quo. 36

The divergent tendencies of the country group were otherwise kept under control. Watt in 1913 outmanoeuvred them and excluded them from his new cabinet. Outside Parliament, their organisational support the People's Party was dominated by "a conservative and pro-Liberal oligarchy," and it was financially dependent on the Constitutional Union, the Liberal Party's finance committee. 38

The leadership changeover from Watt to Peacock in mid 1914 went smoothly enough, and the election in November 1914 was an outstanding success with the Liberals winning 43 out of the 65 seats. The first year or more of the war covered over differences within the Liberal Party. The erstwhile leader of the country faction was now Chief Secretary in the Peacock Government, and this gave the Government a broad base of support - though it was alleged later:

"Nothing but wily political trickery has kept it (the Peacock Government) in power for three years". 39

Definite indications of trouble came only in December 1916.

(iii) "The Economy Party"

The "Economy Party" started by John Bowser in 1916 had antecedents back to the Kyabram Movement. Bowser himself had been elected in 1902 as a Citizens Reform League candidate, and had played

38. See below p. 121 for Constitutional Union.
a leading part in the "country" factions of both James Cameron in 1908 and Donald McLeod in 1913. The continuity between these groups in both personnel and policy is strong. Bowser later declared his party began as a response to the Government's accumulating deficits and Peacock's accompanying assertion that the Government was making all possible economies. In his 1916 Budget Peacock proposed to increase taxes to raise an extra £487,000. The Economy Party, "with the aid of the Legislative Council" not only defeated these tax increases but put such pressure on the Government that in three supplementary budget statements it made cuts in expenditure totalling on balance £384,475.

The Economy Party was, as Henry Angus one of its leading members said in 1917, "essentially a country party". By October 1917 its 18 members included such Melbourne M.L.A.s as Bayles (Toorak), Farthing (East Melbourne) and McPherson (Hawthorn). Farthing was the group's Secretary. The group was gathering wider support, and though outnumbered by the 23 Ministerial supporters, they still held the balance of power in the House.

When the Peacock Government attempted to increase rail freights and fares, the Economy Party voted with the Opposition. Some of the

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40. Age, 21 Nov. 1917,
41. Age, 18 Oct. 1917,
42. ibid. Compare the 1924 and 1925 Budgets where ex-Bowser follower McPherson and the Legislative Council repeat this. See below p.112 ff
44. Full personnel of Bowser Group: (Age 18 Oct. 1917). Angus, Bayles, Beardmore, A.A.Billson, Bowser, Deany, Downward, Farrer, Farthing, Keast, Mackey, McDonald, McPherson, Robertson, Oman, Toutcher.
Government's usual supporters like M. Baird (Ballarat) joined them, and the Government was only able to cling to office because a series of strikes convinced the Economy Party they should wait for the coming election.  

Thus on 17th October Parliament adjourned for the campaign, with no Budget announced. Peacock made a policy speech, but did little else, and the trend of the campaign was against him. Bowser made a separate policy speech for his party, and it campaigned separately, though without endorsing any new candidates. With a majority of candidates against it the Ministry was defeated even before polling day. During the campaign more of its supporters had deserted.  

For this election members had stood as Ministerialists, Liberals, Labor, Independent Labor, or Farmer's Union. When results were finalised, Peacock's Ministerialists numbered only 13. Their rivals, the Liberals, alias Bowser's Economy Party, totalled 32. (This included the five V.F.U. representatives who promised Bowser their support). Peacock resigned and Bowser was asked to form a government. Bowser, possibly the most unwilling Premier Victoria has ever had, asked for a few days to decide, and called a meeting of all non Labor members to heal the differences on that side of the House. Forty attended, including two of the four Independent

45. Age 18 Oct. 1917,  
46. Age 16 Nov. 1917.  
47. Similarities to 1927 election - see below p.140.  
48. Age 23 Nov. 1917.  
49. Age 21 Nov. 1917. Bowser, a shy man, wanted someone else to lead.
Laborites, and Bowser was confirmed as leader.

His government, which took office on 29th November 1917, tried to gather together men of experience who were not associated with the discredited Peacock Government. All but one of the Government's members were identified with economy, and that one, Baird, had opposed the rail freight and fare increases.

The Bowser Government did not solve the problem of the two strand division in the Liberal, or as it increasingly became known, the Nationalist Party. When Parliament met early in 1918 there were 16 members forming a "Corner" group, including Peacock, Lawson and their co-survivors of 1917, with the addition of Purnell, Snowball, Toutcher and Mackinnon.

A crisis was precipitated when the new Government was defeated in Committee on its Railway Estimates. Though the cause had been a breakdown in communication leaving no-one to speak in a thin House, a member of the Ministry held that the Government would have been defeated in a full House, if not at this time, then later.

Immediately feelers were out for a coalition. Bowser, never having desired the Premiership, was no obstacle to agreement, and Lawson was suggested as a compromise leader in place of both Bowser and Peacock. The Corner, and the Bowser Ministerial group, had held separate meetings on the subject, when Bowser, having been refused a dissolution, resigned. Lawson was commissioned to form a government. He aimed to consolidate the Liberal Party, claiming "The new ministry is in one sense a coalition government". Newspapers billed it the "Lawson-Bowser Ministry" and its personnel was certainly mixed,

50. This term came slowly into use only, after the 1917 election, in 1918.

51. Age 15 March 1918.
about half each, with Lawson as Premier, Bowser as Chief Secretary, and McPherson, Bowser's former Treasurer holding the purse strings.\footnote{Age 21 March 1918.}\footnote{Federal National Federation Party set up between 15.11.1916 and 13.12.1916, with a public meeting to launch it soon after - \textit{Hume Cook Papers N.L.A. MSS.601/2/5.}} This last meant the Economy Party had won its point.

(iv) \textbf{The National Federation}

In all the manoeuvres between Peacock and the Economy Party, the Lawson-led Corner and Bowser's Government, the words "Nationalist" or "Nationalist Federation" are barely mentioned. Such terms were irrelevant to the State political arena. There were no moves from within State politics to form a National Federation, or to link up with the existing Federal structure. All moves came from outside, from Federal politics.

The National Federation was fully established in Federal politics before any moves were made towards a State body.\footnote{Hume Cook's efforts to produce a National Federation in State politics were jeopardised, almost sabotaged, by the existing State.}

These moves came from the State Council of the National Federation, i.e. the organisers of Federal political campaigns in Victoria. This body had met and drawn up a State platform by 5 June 1917. Premier Peacock was then contacted by the Federal Secretary, J. Hume Cook.\footnote{\textit{Hume Cook Papers N.L.A. MSS.601/2/5.} On Cook's copy of the Platform someone has pencilled out Proposals for "Electoral Reform - Redistribution of Seats" - on the basis of 3 State seats per Federal seat - interesting in view of later divisions in this new Party. Cook's account, in memoranda pencilled at the time, is valuable, but, for Victoria, stops abruptly at July 1917. See N.L.A. MSS.601/11/9.}
political split between Peacock's Ministerialists and the Economy Party. Having gained the agreement of Peacock, an easy matter as Peacock was on the State Council, Hume Cook had to convince the members of the Economy Party.

Meetings with D.S. Oman, with Bowser, and with A.A. Billson, are recorded in Hume Cook's notes. The situation was hopeful, with support from Oman and Billson, when Peacock increased rail freights and fares. This emphasised the division between him and the Economy group. The Economy Party consequently did nothing about Hume Cook's proposals for a National Federation. It refused to attend a conference on the fares issue and other divisive issues called by Peacock.

The State Council decided to go ahead and at its meeting of 25th June 1917, passed a motion setting up a State National Federation Party. It was to remain difficult to implement this decision. The Council tried by meeting five "managers" of the Economy Party in conference, but found them inclined to see State and Federal politics as two different issues, Federal politics calling for nationalism, but State politics needing economy in government as the essential policy. The Economy Party were concerned, however about where National Federation support would go in the forthcoming State election, and this gave the Federation something of the "power of the purse". After some reassurance on this, and a lot of persuasion, Economy Party leaders went so far as to agree to suggest to their members a conference of all non-Labor groups sponsored by the National Federation.
Further haggling then went on over terms, as the Peacock Government was faced with a no-confidence vote from Bowser, so that Hume Cook was still struggling to call a round table conference. The National Federation people tended to support Peacock, and worked successfully for his survival in Parliament, though they were not able to do much to save him from electoral defeat by the Economy group. In the 1917 (Nov.) elections few candidates used the Nationalist label - it was not relevant to the election issues. "Nationalist" came slowly into use, helped by the Lawson-Bowser coalition in March 1918. But the National Federation could not be said to have fully established itself, until in mid 1918 it absorbed the People's Liberal Party. The Federation tended to be a weak graft, barely holding together antagonistic State factions.

The Lawson-Bowser Government began reasonably well in 1918. It steered a course of both activity and economy. Among the activities was the setting up of the State Electricity Commission in 1918. Treasurer McPherson presented economical budgets, with small surpluses, helped by the greater availability of loan money after the War.

56. Only 2 successful National Federation candidates - D. Ryan (Essendon), a new member, and Outtrim (Maryborough) ex Labor.
After 1920 economy was taking over, and activity decreasing, a situation exacerbated by the V.F.U.s holding the balance of power in the House after the 1920 election.

The two strands in the Party had survived the Lawson-Bowser coalition. The country faction, basically the old economy group, now led by McLeod, was still operating in 1920, despite the departure of Bowser, with Downward and Carlisle, for the V.F.U.

The Country Liberal group was well satisfied with the economy policy of Treasurer McPherson, but by 1923 this came under challenge. Alleging McPherson was starving the State, a group of seven M.L.A.s calling themselves "Metropolitan Liberals" issued a Manifesto. It was a harking back to the more Liberal ideas of the Peacock and Watt in its call for greater expenditure. It also, since the demands of its Manifesto were largely repetitions of Lawson's unfulfilled 1920 election promises, recalled the challenge of the Lawson Corner of 1917 - 18.

Thus the Nationalist Party in the early 1920s was an artificially manufactured coalition of two well defined State interest groups, which were the current representatives of a history of factionalism going back far into the 19th century. Though neither of these two groups can be said to possess an ideology, they were representatives of two strands, each of which was consistently, vis a vis the other, more "liberal" or more "conservative".

In the past, from 1879 to 1920 political power, i.e. the leadership of the non-Labor side of the House, and the government of

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58. Which was itself "essentially a country party" - See above, p.86.
the State, had passed from one group to the other with a fair degree of response to the demands of the electorate. In the 1920s this responsiveness to the electorate seems to have been lacking, for reasons which will emerge in the succeeding account.

(b) The Metropolitan and Country Liberal Division and its Effects

By 1923 the Nationalist Party was divided between the seven Metropolitan Liberals, sixteen Country Liberals, and eight Ministerialists. The small number in the Ministerial group is explained by the fact that only cabinet members had not aligned themselves with one of the other groups, and there were eight cabinet members. Each group held separate meetings. The Government's position was shaky, if it annoyed either group. As the Country Liberals were fairly quiet as long as McPherson, with his "Scottish" care of the State's purse strings, was Treasurer, the challenge came from the Metropolitan Liberals.

This group of the seven Nationalist M.L.A.s holding Melbourne seats, who were not Ministers, was formed as a counter-balance to the Country group. In 1923 it began a campaign to press for legislation necessary to the city, especially for Sinking Fund Provision, a new Electoral Redistribution, new schools, and health services, Police pensions and an increase in numbers, and a Metropolitan Gas Bill. Most of these had been promised in Lawson's 1920 election speech, and not yet delivered. Of the seven members,

59. Most spectacularly in the major changes of 1902 and 1917, following elections; though the changeover to the Murray/Watt combination was endorsed in the 1911 election.

Argyle, Eggleston, Fetherston, Greenwood, Ryan, Farthing, and Snowball, the first five had not been in politics very long, while the first two, Argyle and Eggleston, were the only new talent to come into the Parliamentary party till the advent of Menzies and Kent Hughes at the end of the decade.

The Metropolitan Liberals saw the way out of the legislative inertia of the Lawson Government in a composite government of Nationalists and V.F.U., which would have a majority to force legislation through Parliament. Thus though the existence of the V.F.U. group, holding the balance of power, was the occasion for the fall of the Lawson Government in 1923, the impetus was provided by a dissatisfied group within the Nationalist party.

To offer the V.F.U. portfolios in a Nationalist Cabinet was a real change of tactics for the Nationalists. The V.F.U. presented a threat to the Nationalist Party, first in electorates, where it had captured Nationalist seats and threatened others; secondly in


As Farthing wrote to Lawson (Letter of 31.7.1923 in Eggleston Papers N.L.A. MSS.423/7/70). "my principal concern is how to retain my seat", and these fears explain much of the groups agitation. Ryan and Fetherston lost their seats in 1924. Farthing went very close. The groups' claims on the need for action were valid ie. Everard months before the police strike warned the police were "seething with discontent". (Age 22 June 1923).
Parliament, where three former Nationalists had been wooed into the V.F.U., and where the V.F.U. had almost defeated the Nationalist Government on two major occasions.⁶² The Nationalist's reaction to the loss of their long held majority in the 1920 election, had been to launch an all-out attack on the V.F.U., in an unsuccessful attempt to annihilate it, in the election of 1921. Now, in 1923, they were hoping, in line with Federal politics and the success of Stanley Melbourne Bruce, that a composite government and an electoral pact would minimise the effect of the V.F.U. on their own party.

Lawson had made overtures to the V.F.U. in January 1923, but these were unsuccessful - either because the bitterness of the 1921 election survived, or because he offered four portfolios instead of the V.F.U.'s desired six. When no further approaches were made, the Metropolitan Liberals pushed Lawson hard. In private they expressed fears for their seats, and Farthing pointed out to Lawson that if he expected loyalty he should take action on matters of urgency to their constituents or "Why prolong the agony?"⁶³ In Parliament the Metropolitan Liberals gathered for a showdown over the Gas Bill, dealing with the Metropolitan Gas Company and intimately affecting

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⁶³ Original letter Farthing to Lawson 31.7.1923 - Eggleston Papers N.L.A. MSS.423/7/70. (Eggleston was Lawson's Assistant Minister at the time).
their constituents, suffering from high prices and poor quality gas. 64

Lawson then resumed negotiations. The loss of the Daylesford by-election to Labor in a three-cornered contest of A.L.P., V.F.U. and Nationalists, emphasised the need for an electoral arrangement with the V.F.U. - at the least an exchange of preferences. 65 When Lawson was almost defeated in the House by a V.F.U.-Nationalist rebel combination and the Metropolitan Liberals notified him they would cut his Supply Bill down to one month, Lawson at last became decisive and announced his government's resignation. 66

Though dissident Nationalists had thus caused the end of the Lawson Government, the Nationalist Party was not willing to back a Country Party one. A meeting of Country Liberals voted confidence in Lawson; Metropolitan Liberals called for a composite under him; and the Parliamentary Party then unanimously elected him to form a composite Nationalist V.F.U. government.

In pursuing a composite government to get a majority, the Metropolitan Liberals failed to see the dangers of giving the V.F.U. Party a taste of office and power. Later Nationalists were to complain of the ineptitude of some of the Country Party ministers, and in more immediate terms there were a number of unhappy Nationalists

64. Eggleston Papers, N.L.A. MSS.423/1/684.
65. Labor won with James McDonald, a soldier settler.
66. See Eggleston Papers N.L.A. MSS.423/7/142.

According to Hume Cook, he did not consult National Federation. But Cook's own relation with National Federation were not good. N.L.A. MSS. 601/1/1 and 601/9.
left without portfolios and inclined to intrigue.\textsuperscript{67} This particularly affected the Country Liberal group, and may not have caused so much discontent if some major, needed, legislation had been passed to counterbalance the disgrace of the Police Strike and riots of November, 1923.

As on a legislative basis, so on a party basis, the Nationalists were to gain nothing from the Composite. Lawson's efforts to ensure electoral co-operation, begun in private discussions with Allan, continued at the cabinet meeting of 7th January 1924. He referred to "our agreement that we would each endeavour to promote harmony and co-operation between the organisations supporting our respective parties and that we would use our influence to secure for ministerial supporters immunity from opposition by our respective party organisations". Lawson felt a composite government involved "preservation of the status quo during the period of the alliance" and to ignore this "would inevitably lead, either immediately or at an early date, to a severance of the alliance, and the downfall of the Government".\textsuperscript{68}

This polite threat implied that in the coming by-election in Dalhousie, caused by the death of a Nationalist M.L.A., the V.F.U. in cabinet should dissuade their party executive from endorsing a

\textsuperscript{67} eg. Angus. Also entitled to be dissatisfied were other ministers from previous governments. Governments now dropped - Barnes, Oman, Baird and Pennington. The only 2 Country Liberals in the Ministry - Groves and Gordon - were only Honorary Ministers. Argyle later claimed certain dissatisfied members had plotted against the Ministry. \textit{Age} 28 May, 1924. and Eggleston Papers, N.L.A. MSS.423/7/1, pp.2-3.

\textsuperscript{68} Eggleston Papers, N.L.A. MSS.423/7/76. type copy.
candidate. When the V.F.U. executive went ahead and endorsed their candidate, the Country Liberals in particular were irate, as they would not have supported the composite's formation, if they had known there would be no electoral truce, and they had now sacrificed chances of cabinet posts to a V.F.U. which was a personal electoral threat to each of them.69

Country Liberals were invited to a meeting to discuss this, by one of their number, Toutcher, M.L.A. for Stawell. He may well have been operating in the role of peacemaker which he adopted in similar circumstances a few months later. Certainly, when the Country Liberals attended the Nationalist Party meeting, just after this, on 16th January, Lawson was able to convince them to retain the Composite, at least until the V.F.U. Annual Conference in March. Plain, President of the National Federation, with whom Lawson conferred, seems to have endorsed this. Party members agreed to it, partly in fear of an early election, partly to get at least some legislation through, and also because Dalhousie seemed a trivial issue to end the Government on, especially as it could be argued that the Daylesford defeat was unlikely to be repeated.70

When Pollard of the A.L.P.won, on a drift of V.F.U. preferences, which the V.F.U. had refused to direct, an electoral arrangement became urgent for the Nationalists.71 However the V.F.U. Central

69. Age 17 Jan. 1924. They were also concerned at the resignation of the "Economy" Treasurer McPherson 21.11.1923.

70. Age 15, 16, 17 and 18 January 1924.

71. Age 1 Feb. 1924. Reg Pollard, a local from Woodend, a young returned, wounded, soldier settler got a good drift of V.F.U. preferences to win by 90 votes. Age 4 Feb. 1924.
Council's unanimous motion for the party annual conference, upholding the right to contest all seats, indicated an agreement was not at all certain. Allan's talk of "a possibility of some arrangement before the general elections", since it might not be advantageous for the V.F.U. to contest all seats, failed to calm Nationalists' fears.72

So the Cabinet went ahead and drew up a three point agreement to work for co-operation between the two party organisations in the electorates, and especially to prevent fighting in the constituencies. Allan was warned both then, and twice later, that the Nationalist Party would be virtually certain to end the composite if the V.F.U. annual conference accepted the motions of the Central Council.73

When all the motions of the Central Council, and others more radical, giving the Composite approval for the life of the present Parliament only, were passed by the V.F.U. Conference, Lawson resigned immediately. The V.F.U. members of cabinet at the conference had not mentioned their promises to him to the party or the conference, as agreed, and Allan had not bothered to contact him on the conference results.74

This lack of communication was typical of relations between the Nationalist and the V.F.U. parties. Neither party seems to have understood the internal position of the other, or else neither faced the reality. This led each to make unrealistic demands. The

72. Farmer's Advocate, 15 Feb. 1924.

73. See Eggleston Papers, N.L.A. MSS.423/7/1 Page 7, and 423/7/86 Quote of Lawson, and copies sent later to Allan 423/7/109, and Goudie, 423/7/104.

74. Eggleston, op.cit., p.9.
Lawson telegraphed by Robertson 423/7/114.
See also Ch.2, above, p.53.
Nationalists failed to appreciate the radical strength in the V.F.U., being gravely misled by John Allan, who, in turn, failed to understand the Nationalists – or refused to face the fact that for them the price of the V.F.U.'s five portfolios was an electoral arrangement: no arrangement, no government. This head on clash destroyed the Government. The Government could have carried on, under the terms of the V.F.U. conference, "for the life of the present parliament", but Lawson's followers, already exasperated with a V.F.U. party which wanted everything for nothing – which hoped, evidently to take their cabinet seats for the time being, and then their Parliamentary seats in the next few months at the election – had already indicated their abhorrence of this alternative. Lawson's sudden resignation was, then, a product of the unrealistic expectations of the V.F.U. on the one hand, and the Nationalists' exasperation with the V.F.U. on the other.

The third Lawson Government, which replaced the composite, on 19th March was short-lived, and notable chiefly for the return of Nationalist unity which occurred. Their experiences with the V.F.U., plus the approach of a general election by the end of the year, produced two Liberal meetings. The first, called by Angus, a Country Liberal, and Farthing, a Metropolitan Liberal, was for the two groups "to compose their differences", 75 and the second, led by Toutcher, was for Country Liberals to discuss the proposed admission of City Liberals into a combined organisation, or the formation of a new "United Liberal Party". This last suggestion,

75. Age 16 April 1924.
in line with calls from men like C.E. Merrett and A.A. Billson, for a Liberal revival, was lost sight of, when the Angus-Farthing meeting urged unity on the two factions, and the Toutcher one achieved this.

This success in destroying the old divisions in the Nationalist Party seems to have been dependent on Lawson's departure from the leadership. An outside observer, F.E. Old, a V.F.U. M.L.A. and former minister, felt the prevailing opinion in the Nationalist Party and Federation, was that Lawson had outlived his usefulness. Angus and Farthing, "known aspirants for ministerial rank" disappointed by Lawson, could have had personal axes to grind, and after the meeting, Farthing signed a document for the Metropolitan Liberals, and Angus one for the Country Liberals, supporting Peacock for the leadership.

Lawson obligingly pleaded he needed a rest on doctor's orders, and stepped down for Peacock who was elected unanimously.

The political instability of 1920 to 1924, the fall of the three Lawson Governments, was due to the attempts of the two groups in the Nationalist Party, the more "liberal" Metropolitan Liberals,

76. For Billson see Age 5 April 1924; Merrett - Age 19 Feb. 1924.
77. Age 3 June 1924.
78. Peacock later admitted this. Age 17 July 1924. Argyle claimed later that men "overlooked in the formation of the Lawson Government", plotted its downfall. Age 7 May 1924.
79. Eggleston Papers, op.cit, p.11. He had cancelled participation in West Gippsland By-Election on doctor's orders - Age 23 May 1924; Lawson felt he stood in the way of a rapprochement between the Nationalists and the V.F.U., since there were reports of negotiations between Allan and Peacock, while Lawson was still Premier.
and the more "conservative" Country Liberals, to adapt to a new political situation. The Metropolitan Liberals, restive at the conservative inactivity of the first Lawson Government, pushed it out of office in favour of a Lawson-Allan Composite Government with the V.F.U. The Country Liberals, in their turn, threatened in their very existence by the V.F.U., brought this composite government to an abrupt end. The ironic conclusion was the collaboration of both groups, in the dismissal of Lawson, and the recall of Peacock, a leader twice (1902 and 1917), rejected by both the Party and the electors.

All these actions of the Metropolitan and Country Liberals were responses to the existence of the V.F.U. and in particular to its grasp of the balance of power in Parliament. For the first time in all the years since 1879 the non-Labor side of politics, the Liberal or Nationalist Party, no longer controlled the House, and faced pressure from the V.F.U. the new group which did. Factions within the Party could no longer operate with the freedom and autonomy they had in the past, without imperilling the Party's grasp of office and its political effectiveness, vis a vis its opponents.

The loss of its majority in the House was due to the Nationalist Party's inability to hold onto country seats. Between the elections of 1917 and 1921 a total of eleven country seats slipped from its control. In that time only one Metropolitan seat, Prahran, changed hands, and it swung to Labor in 1920 and back to the Nationalists in 1921. The Nationalists were thus holding onto

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80. In 1917 election it had already lost - Korong, Rodney and Swan Hill to the V.F.U.
Melbourne electorates. Country electorates were a different matter. Geelong and Glenelg went to Labor, Gippsland North to an independent, but the bulk of the lost country seats went to the V.F.U. 81

This failure represents the failure of the Country Liberals. Their "economy" policy of 1917, had, by the 1920s degenerated into a "policy" of government inactivity, at a time when country people were demanding government action. The V.F.U., on the other hand,capitalised on demands for government action on such issues as closer and soldier settlement, the continuance of wheat pools, irrigation and water trust extensions, and a rural bank. The Country Liberals had proved more conservative than the electors in many country areas. This was demonstrated when the Lawson Government they backed, changed its mind and dropped the compulsory wheat pool in 1920, due it was alleged to pressure from the Nationalist Party's financial backers the conservative National Union, and its fund suppliers like John Darling and Son. 82 The conflict of interest in the Nationalist movement was abundantly illustrated.

The Nationalists were unable to win back any of their lost country

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81. All the doubtful Melbourne seats were theirs in 1921, eg. Prahran, East Melbourne, Essendon. The V.F.U. won - Benalla, Borung, Gippsland East, Goulburn Valley, Lowan, Mornington, Upper Goulburn, Wangeratta.

82. B.D. Graham op. cit., p.146 notes the Victorian Government was first neutral and then turned against the Pool. E.J. Hogan was still alleging National Union influence in 1927. See Age 4 April 1927. Lawson promised retention of Necessary Commodities Act and Wheat Pool in 1920. Election policy speech then dropped both under pressure from "Flinders St." (National Union chiefs, McBeath etc. offices there). Firms published a circular and held a deputation of "open market" wheat buyers. Age 7 April 1927.
seats, either from the V.F.U. or from a resurgent A.N.P. whose soldier settler candidates won in Daylesford and Dalhousie in 1924. The Nationalist Party's only hope of regaining its former position was to regain the support of the country voters, unless the structure of electorates themselves were radically changed by a redistribution. 83

(c) The 1924 Split - The Five "Redistribution Liberals"

The unity of the Nationalist Party in April 1924, the collaboration of Metropolitan and Country Liberals was hard bought - with the political eclipse of H.S.W. Lawson, one of the Party's most able men. Unfortunately unity was not to last for long. This was not because the old divisions revived: Country and Metropolitan Liberals were gone for good. The Metropolitan Liberals slipped out of existence when their leading lights Argyle and Eggleston were incorporated into the Government. The Country Liberals too, after years of functioning dating back to the Kyabram Movement, ceased to function as a separate group.

New divisions emerged, centred on a new issue - redistribution. The issue of an equitable and democratic redistribution of seats was to be a major touchstone of political divisions in the Nationalist Party for the rest of the 1920s, and perhaps, intermittently, till 1952. 84

83. They had to win Country Seats as there were no more urban seats they could hope to win from Labor.

84. Perhaps there are 2 issues, that make political divisions from 1879 to 1952 in non-Labor politics: Redistribution and Economy in Government Expenditure. Both operated in 1920s, causing a very confused situation in the Nationalist Party.
Peacock's Government, finally fulfilling the Nationalists' 1920 election promise, produced an electoral redistribution bill, on 1st May 1924. It left the vote ratio, of country to city voters, much as it was, at forty-five country votes to one hundred city votes, and merely distributed the electorates more evenly within the country and city divisions. Its only innovation was in creating three new metropolitan seats. This was in contrast to Lawson's 1920 promise of a ratio of sixty country voters to one hundred city voters, and a reduction in the number of seats from 65 to 60. The Metropolitan Liberals had echoed this in 1923, but now their two leaders were in the Ministry, and one, Argyle, was actually in charge of the bill. The rest of the group remained silent, with the exception of Snowball and Farthing, whose protest was made as members of an entirely new group, which included some former Country Liberals: Angus, A.A. Billson and W.H. Everard.

When Peacock's redistribution bill reached its Second Reading, there were some public protests in "The Age", which scorned the bill as inequitable and undemocratic, and urged "one vote one value". Dissatisfied electorates held protest meetings. The Labor Party claimed it was such a gerrymander as to constitute "a Nationalists' Relief Bill". Finally four of the Nationalist Party spoke out against it: first Angus, then Billson, Snowball and Farthing.

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85. _Age_ 2 May 1924.
86. _Age_ 13 & 14 May and 2 May 1924.
   Protest at Beechworth against Ovens joining Wangaratta.
   _Age_ 20 May 1924.
87. Murphy M.L.A. _Age_ 2 May 1924.
88. _Age_ 15 May 1924.
The Government attempted to enforce discipline by declaring the bill a confidence issue, and putting pressure on individuals. Snowball, for example was given "friendly advice" by Cohen, Toutcher, Groves and Eggleston, that he would be opposed at the next election by an endorsed candidate of the National Federation, unless he voted with the party. These tactics were ineffective, and Snowball, together with Angus, Billson and Farthing voted against the bill, while Everard paired against it. With the A.L.P. and some of the V.F.U. against it too, the Government was defeated by only two votes. 89

Peacock's Bill was conservative in that it retained the very inequitable status quo of country-city voter ratios, though it did at least create three new seats as a sop to metropolitan Melbourne. The five Nationalists opposing the bill, seemingly automatically took the name "liberals". Much of the public protest from "The Age" and elsewhere condemning the bill as "inequitable and undemocratic" and demanding one vote one value, can be seen as liberal in ideology. The five Nationalist protesters, by and large, cannot. Their motives were deplorably mixed. A.A. Billson urged adherence to Lawson's 1920 promises, but even in his speeches was just as concerned about the elimination of his own electorate and the geographic size of the new Wangaratta electorate thus created in mountainous country. 90

In his existing electorate of Ovens, Billson, from the pioneering family owning Beechworth's Brewery and Soft Drinks firm, had a virtual

89. Age 21 May 1924 and 28 May 1924.
90. Age 14 May 1924 and 17 June 1924.
"pocket borough". In the new electorate he would compete with local member Bowser (V.F.U.) owner of the Wangaratta newspaper and a formidable opponent, who could rely on A.L.P. preferences to ensure his victory.

Farthing and Angus, similarly, were concerned about the elimination of their electorates, and since there were no reports of their being offered other seats, their political livelihoods were at stake.  

Even when the five "liberals" spoke of adherence to Lawson's promises of 1920 they often referred to the proposal to reduce the number of seats to sixty, and not his more democratic proposals about the voter ratio. Snowball and Everard, the only two who had nothing to lose under the new proposals, protested only at the failure to keep to Lawson's promise to reduce the number of seats. Thus the whole so-called "liberal" protest of 1924 was akin to the Kyabram movement of 1902, and not to the more liberal redistribution attempt of W.A. Watt in 1913.

Peacock gained a dissolution and the resulting election of 26 June 1924 revealed the low electoral appeal of the National Federation, and the folly of open divisions within it. Peacock and Groves, the parliamentary representatives on the National Campaign Council, urged it to oppose the five "liberals". Candidates were found to oppose

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91. Both claimed the Bill did not do justice to their electorates. 
Age 14 May 1924, 24 May 1924, 19 June 1924. Was Peacock trying to get rid of two "trouble makers"? For these two an added incentive was Peacock's overlooking them for cabinet when they had helped him into office.

92. Their secure electorates were reshaped favourably by the redistribution Age 15 May 1924 and 27 May 1924. 
For speeches Snowball Age 15 May 1924, 28 May 1924, 
Everard 27 May 1924, 14 June 1924 
Angus 24 May 1924. 
Billson (Age 14 May 1924) advocated the 60/100 ratio, the only one to do so explicitly.
Snowball and Everard, but fear of a split vote helping Labor saved the others.  

At this point, an organisation called the Australian Legion offered the five liberals its support. Seen by David Potts as one of the "most extreme right groups", it had claimed to model itself on the Fascists of Italy, in 1922. Its 1922 Federal Platform bears this out, being anti-socialist, Empire Loyalist, nationalist in sentiment, and full of complaints of the maladministration of public money, the need for economy in government, and "drastic reductions" in taxation. These first give a clue to the reasons for their support for the five liberals. So does their statement "We denounce the monocratic dictatorship of the Nationalist Party and its executive and administrative autocracy". The Australian Legion, became the Progressive Liberal League at a public meeting on 6th June 1924 reviving the Liberal Movement in Victoria, and claiming the need for Nationalism, had passed with the War. The new body endorsed eleven candidates for the election, including the five liberals. 

"The Age" also adopted these five candidates as its own. Even in the Nationalist Party, the local branch of the Australian Women's National League supported Billson in Ovens, and the Sandringham

93. Age 23 May and 4 June 1924. The Federation refused, still, to endorse them.
95. Latham Papers N.L.A. MSS.1009/24/8. This organisation had supported Latham's campaign in 1922.
96. Age 6 and 7 June 1924.
National Federation Branch came out just before the end of the campaign in support of Snowball. The result was that the five liberals were re-elected, though elsewhere loyal Nationalists lost their seats.

The Nationalist campaign had been uninspiring. Later Nationalists were to refer to "the apathy of 1924". Argyle had to defend the Redistribution Bill as the only one which would go through the House, and then accuse his opponents of acting from personal interest. Peacock, after a rather shop-soiled list of promises left over from 1920, had to fall back on the socialist bogey of the Labor Party. The apathy of the Nationalists extended to the electors, of whom only 56.2% voted.

The main result of the election was a gain of six seats for Labor. The Nationalists had already demonstrated their inability to hold country seats. Now they were finding it difficult to hold urban and near urban seats. The loss of Bulla, Dalhousie, Daylesford and Bendigo West, showed a poor performance in marginal areas, and three cornered contests. Prahran and Essendon were perhaps more important, indicating an urban challenge from the A.L.P., and, when added to the victories of Farthing and Snowball, the beginning of

97. Age 4 June 1924, 11 June 1924 and 25 June 1924.

98. Age 24 Sept. 1924. Twenty seats were uncontested, though 2 V.F.U. candidates in Nationalist seats Hampden and Gippsland South, arrived too late to nominate. Age 13 June 1924. There were complaints Nationalist Party was "starved" by the National Union - see Smith's Weekly 20 Feb. 1926.

99. Age 28 May 1924 and 11 June 1924, and 28 June 1924.

100. Bulla and Dalhousie were three cornered between Nationalists, A.L.P. and C.P.
a Nationalist urban weakness,\textsuperscript{101} which was directly related to the continued legislative neglect of the urban area's problems.

The five liberals showed the extent of their alienation from the Nationalist Party by urging the Government's resignation, negotiating for a V.F.U.-Liberal government, sitting with the V.F.U. on the corner benches, and finally joining them in removing the Peacock Government from office.\textsuperscript{102}

The split of the five liberals, which thus put a Labor Government into office, culminated in the defeat of the Nationalist Party by the V.F.U.

The shock of a Labor Government brought some unity and conciliation\textsuperscript{103} back to the non-Labor side of the House, but attempts to concert the Opposition broke down, and the Liberals voted with Labor.\textsuperscript{104} United action was finally achieved when Labor increased taxation in its Budget. The Liberals maintained their separate identity, holding the balance of power, but agreed to support a Nationalist-V.F.U. composite government for at least a year.\textsuperscript{105}

\textsuperscript{101} This trend continued in 1927 and 1929 elections.

\textsuperscript{102} Age 28 June and 5 July 1924. 4 Nationalists at least, including Deany and Greenwood, indicated support. Age 8 & 9 July & 17 July 1924. Negotiations of Nationalists with V.F.U. were broken off when Nationalists refused to give V.F.U. premiership, though agreeing to 6/12 portfolios. Peacock also suggested (Age 12 July 1924) to S.M. Bruce a new Liberal organisation. An unlabelled circular in Herbert Brookes Papers (N.L.A. MSS.1924/39) also suggested this, but such moves for a progressive Liberal policy, were lost completely.

\textsuperscript{103} eg. Billson's election as Chairman of Committees. Age 26 August 1924, and Nat. Federation Conference's declaration M.P.s were responsible only to their constituents - an excuse for the five Liberals.

\textsuperscript{104} eg. Snowball on Police Strike Inquiry - Age 11 Sept. 1924. Liberals attitude pro Economy from 1917 ties and 1924 election backing. Age 27 & 30 Oct. 1924.

\textsuperscript{105} Age 22 Nov. 1924 and Argus 16 Dec. 1926.
In this Nationalist-V.F.U. Government - the Allan-Peacock Government, the Nationalists gave in to V.F.U. demands for the Premiership and six out of twelve portfolios, to protect the pockets of their supporters, and under pressure from the city, and their own financing organisation, the National Union. There was no electoral arrangement, and not even an official protest when the V.F.U. announced soon after, its plan to contest all country seats in the 1925 Legislative Council elections.

The chain of events set in motion by the redistribution liberal split had resulted in a Government in which the Nationalists, the numerically stronger party, were junior partners, but had to take full blame for the Government's action or inaction.

106. For pressure see below pp.113-5 the same as the Nationalist Peacock Budgets. Laborites alleged "Collin St. farmers" and "Flinders Lane" destroyed their government. V.P.D, Vol.16B, pp.1340, 1388, 1407-8. The Nationalist Party eventually left negotiations in Peacock's hands and he succumbed to the V.F.U. (or to the National Union, see below p.121 ff).

107. The V.F.U.'s plans were protested at by Oman, M.L.A. Hampden who held a public meeting but did not follow it up. Age 1, 3, 5 Dec. 1924. When the election occurred the V.F.U. contested only one extra seat - Northern Provinces (Mallee) so perhaps negotiations occurred behind the scenes (Age 5 June 1925).
CHAPTER 4

THE NATIONALISTS: THE CONSERVATIVE VICTORY

(a) Domination by the Conservatives - the Upper House and the National Union

The period of the Allan-Peacock Government saw the further decline of the Nationalist Party, not only from the external victory of the Country Party, but through the growing internal influence of its own conservative forces, concentrated in the two power structures of the Upper House and the National Union.

The first rallying point of the conservatives was opposition to Peacock's budget in 1924. Ex-Treasurer McPherson had never anticipated, when he supported the formation of the Allan-Peacock Government that "they would practically adopt the Labor budget which they had strongly denounced". He opposed the increases in taxation and the extent of tax concessions, preferring the old tax schedule plus 10%, the old betting tax, and a reduction in expenditure. McPherson must have had his supporters since the government took back the budget for consideration.

The disputes over the Peacock 1924 and 1925 Budgets were thus a return to the old battle of Peacock versus the more conservative "economy party" of 1917, or even the Kyabram Movement of 1902. Even the personnel were often the same.

1. V.P.D., 168, pp.1655-8.

2. V.P.D., 168, p.2167 for votes; the later votes of Snowball and Farthing and the statements of Angus, indicate they may have supported him. V.P.D., p.2167 for Angus speech and p.2301 for Everard's.
Outside Parliament, reactions to the budget\(^3\) began with a meeting called by Frank J. Boileau and attended by representatives of the Chamber of Commerce, the Chamber of Manufactures, the Wool Brokers Association, the Employers Federation, with McPherson, Robertson, A.T. Evans and others. They sent a delegation on 18th December, to assure Peacock no tax increases were necessary. Peacock announced a 6\%\(^4\) rebate but nevertheless the Upper House, in accord with self-interest, called for economy, and passed "suggested amendments" to the Bill, namely McPherson's plan of last year's schedules plus 10\% with no exemptions.\(^5\) At the same time the Council rejected the Government's Stamp Duty Bill, and the Assembly refused to deal, at 4.30 a.m, with its Betting Tax.\(^6\)

Peacock's solution was as much a surrender as a compromise, since he adopted McPherson's plan of the previous year's schedules plus 10\%, albeit retaining his increases in Company tax and some of his tax exemptions. Despite a deficit of £110,000 this budget quickly cleared both Houses and was also accepted by the protesters outside.\(^7\)

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3. *Argus* 6 Dec. 1924, for Boileau's letter, which opened the issue. Boileau was President of the Country Land Agents Association, Knight, President of Taxpayers Association supported him.

4. *Age* 18 Dec. 1924 and 19 Dec. 1924 and *V.P.D.* Vol.168, p.2154. McPherson also opposed even this compromise - *V.P.D.* Vol.168, p.2160 - and was supported by Angus and Everard, though none of these three voted against it. McPherson absented himself. The other two voted with the Government. But Snowball and Farthing voted against it.


6. *V.P.D.* Vol. 168, pp.2299-2302 - the Government was refused leave to introduce it, on the voices. Morley & Everard with A.L.P. - exhaustion!

The second Peacock budget, in 1925, again raised income tax and company tax (1d. in £1, and 2d. in £1 respectively), introduced a totalisator, and ran into the same opposition. This was joined because of the tote, by groups from every church but the Roman Catholic. So the tote was left aside in the end of session rush—deliberately.

The protests over the budget from the business community were led by W.L. Raws, President of the Associated Chambers of Commerce, and also a leader in the National Union. Criticizing extravagance in capital expenditure he demanded economy and an end to all tax increases. When the bill reached the Legislative Council, M.L.C.s led by Cohen and Merritt rebelled and voted 19 to 10 to keep existing tax rates.

This time, Peacock fought back, despite protests from Lemmon, President of the Melbourne Chamber of Commerce, and sent the same bill back to the Council. The Council also refused to change, and the Assembly, receiving the Bill back a second time, was faced with

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8. Argus 23 Oct. 1925 and 27 Oct., 7 Nov., 11 Nov., 19 Nov., 1925. Methodists and Baptists and Congregationalists led the way, and others followed, including the Council of Churches, the Protestant Federation, the Women's Christian Temperance Union, the Housewives Federation, and even Caulfield Council. Among M.P.s Greenwood, Snowball, and Edgar joined in.

9. On 18 November a joint delegation met Allan and Argyle, representing all protesting groups. Though Parliament sat till 24 December, the tote was not gone on with.

10. Raws was supported by the Taxpayers Association who demanded an independent body inquire into expenditure (Argus 23 Oct. 1925). J. Wallace Ross was later appointed for this task. (Argus 28 Oct. 1925). McPherson also agreed with this and, rather than vote against the government, walked out on the Income Tax Bill. (Argus 16 Dec. 1925).

a possibility of deadlock, followed by dissolution, if this happened
again. 12 A conference of the "business community" encouraged the
Council in its fight. 13

The Allan-Peacock Government fought on. It extended the
Parliamentary session, offered the Council the unattractive possible
alternatives of an election or a Labor Government, and sent its
budget up a third time. The Council again rejected the increases,
this time by only five. 14 Deadlock now existed. If the Assembly
referred the Bill to the Council for formal acceptance and was refused,
no tax could be collected. The Assembly risked this, but early on
Wednesday 23rd December, the Council side-stepped the whole issue
by laying the bill aside. 15

An "unofficial Conference" of five M.L.As and five M.L.C.s had
met on the night of Tuesday/Wednesday, 23-24 December, and reached
a compromise. Peacock now accepted this, by introducing a new Bill,
halving the income tax increases. Though this left another deficit,
of £135,000, both Houses accepted it promptly. 16

12. Argus 17 and 18 December 1925.
13. Argus 18 and 22 December 1925. (The business community included the
        Chamber of Commerce, the Chamber of Manufactures, the Taxpayers
        Association, the Victorian Employers Federation, the Merchants
        Association, the Pastoralists Association, the Royal Agricultural
        Society, the Commonwealth Institute of Accountants, and the Real
        Estate Agents' Association, most of whom had protested against the
        1924 budget.
The third Peacock budget, in 1926, was symptomatic of the defeated and exhausted state of the Allan-Peacock Government. Since the only change it envisaged was a Betting Tax of 1½% on turnover, the Government was commended by both Chamber of Commerce and Taxpayers Association.17

The Betting Tax was opposed by Methodists, the Victorian Club, and bookmakers generally, and by Snowball and Everard in the Assembly. In the confusion of the Milvain case protest votes, it was lost in the House by one vote.18 But, despite a deficit of £250,000, the budget went through both Houses "with a minimum of fuss".19

The fate of the three Peacock budgets reveals the persistent cleavage in the Nationalist Party - between producers and consumers, employer and employee, or upper middle class and lower middle class. The upper middle class, through organisations such as the Chamber of Commerce, Employers Federation, the National Union, and through the Legislative Council, which they dominated because of its property franchise, refused to countenance increases in taxation, feeling the role of governments should be minimized. McPherson, owner of a major Melbourne engineering business falls into this category, too.20

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20. eg. An ex-President of the Chamber of Commerce.
This whole group and especially M.L.C.s and members of the National Union tended to share the same schools and clubs.\(^{21}\) W.C. Angliss was a rarity, being both an M.L.C. and a National Union member, but both groups did move in the same social circles of school, club, suburb and occupation. Of 23 M.L.C.s (Nationalists) in 1924, eight, with a possible two more, were pastoralists, two were major company directors, two were big stock and station or property agents, and three more, either themselves or their families, owned large amounts of property, while one was a lawyer.\(^{22}\) These backgrounds are similar to National Union, and differ widely from those of many of the Legislative Assembly.

The lower middle class section of the Nationalist Party, of which Peacock had emerged as the leader, was more ambivalent in its

\(^{21}\) Main school was Melbourne Grammar (especially for Pastoralists) and National Union (e.g. Grice and Miller). Some M.L.C.s also went to Scotch e.g. the Clarkes, A. Robinson, H.I. Cohen.

Clubs were (a) Melbourne - McBeath, Miller and Grimwade (Union) and Clarke, Robinson, Manifold, M.L.C.'s

(b) Australian - McBeath, Raws, Elder, McKay (Union)

See Appendix for Lists of National Union Members and for M.L.C.s.


The Diaries of Sir John Grice (Archives, University of Melbourne) give an enlightening picture of the social connections and political and business methods of this group. Connections between M.L.C.s and National Union men are frequent e.g. the presence of Arthur Robinson M.L.C. and William McPherson M.L.A., at a National Union Dinner on 6 February 1924.

\(^{22}\) Five are untraced.

For the economic connections between individuals see E.W. Campbell The Sixty Families Who Own Australia, Sydney 1963.
attitude to taxation. While also disliking tax increases, they accepted a wider role for government, and their desires for government finance for schools, hospitals, roads and even the takeover of the Metropolitan Gas Company, to improve its service, forced them to admit the need for some increase in taxation.

In the Legislative Assembly, even in the Nationalist Parliamentary Party, origins were less wealthy. Men like Peacock, Greenwood, and Lawson (in his early years) were state school educated. They did not belong to the clubs, or were more likely to be Masons, as were Peacock and Snowball. Of 23 Nationalists in the Legislative Assembly in 1924, six were farmers, four lawyers, four merchants, four managers, one a plumber, one a civil servant, one a secretary and one a doctor.

This difference between M.L.C.s and M.L.A.s reflects the difference between the membership of the National Union, and the National Federation. Tension between the two groups, especially over

23. Peacock's record included Factory Legislation (Anti-Sweating) in co-operation with the A.L.P., participation in Watts' 1913 attempt at a more equitable redistribution, and a personal attempt in 1916 to increase taxes. He had originally been a country school teacher, worked in a Melbourne grocers, then became a legal manager. He first achieved prominence politically in Turner's "liberal" Ministries and remained in that political attitude.

24. Snowball was called "the juiciest Orangeman" by Smith's Weekly 25 September 1926.

25. One untraced. (W. West - a country member)

Even protesters like the 5 liberals, who joined with McPherson on the Budgets, do not really fall into the upper middle class group, but are smaller scale businessmen influenced by the ideas of the Economy Group of 1917 of which they were one-time members. i.e. Angus - Farmer/Grazier, Farthing - Manager, Everard - Tea Merchant, Snowball - Solicitor, Billson - Brewery owner. This division between M.L.C.s and M.L.A.s, between upper middle class conservatives and lower middle class liberals, probably dates from the 1890s, see above, p.77.
government financial policy, was always on the cards.  

It is significant that in the battles over the budgets the upper class section of the party was always the victor. This, and the related, and repeated, failure of the Nationalist to pass legislation agreed upon as necessary, accounts for the party's lack of electoral appeal. While so dominated by its upper middle class section, the party could not hope to capture the mass votes needed to give it a parliamentary majority.

In January, 1925, the National Federation, recognising its electoral failure, organised a revival. Its network of branches had contracted, and membership numbers were depleted, while its performance in the 1924 State election had shown a mixture of apathy and division. Since 1925 was a Federal election year, revival meetings were held in branches all over Victoria in January and February, and March, by the State Secretary, McLean and Organiser, Forsyth; new branches were formed; and, led by its Chairman Sir William McBeath, the National Union began a canvass of business circles for funds to support this additional organisation and the publicity for the Federal campaign. A sop to the more restive branches was the Executive Committee's transfer of greater responsibility to electorate committees. Later the State Council suspended Rule 42, requiring a candidate to

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26. Individual M.L.A.s or members of the National Federation (as with the "economy" ideas of the 5 liberals) are occasional exceptions to this cleavage of attitude and interest.

27. See below, Ch.6.


29. This was not widely reported. Smith's Weekly ran a "scoop" feature much later - *Smith's Weekly* 20 Feb. 1926, 6 March 1926, and see below, p.126.
promise to withdraw from an election if not endorsed by the Party.\textsuperscript{30}

Though this last was a victory for the liberals, in general they, and their supporters in the lower middle class, were defeated in the Nationalist Party by the National Union. The Union succeeded in ignoring claims from G.L. Mayman, that it was guilty of wire-pulling in selection of candidates, especially in the case of Dr. Fetherston, who stood for Prahran in 1921, and South Melbourne Legislative Council Province in 1925.\textsuperscript{31} The National Union then engaged in more open economic influence, with Sir Lennon Raws, as Chairman of the Associated Chambers of Commerce, calling for a reduction of large capital expenditures and no increases in taxation, indeed, if possible, a decrease.\textsuperscript{32}

This was incorporated into the National Federation's Annual Conference resolutions at the same time as Lawson replaced ex-Federal Labor man Plain, as President, Cuthbertson of the National Union became Treasurer, and liberal motions to change the name of the Party were withdrawn.\textsuperscript{33} The National Federation was thus successfully dominated by the conservative National Union.

This domination of the National Federation by the National Union extends back in a less complete and less obvious way, to the genesis of the National Federation.

\textsuperscript{30} See \textit{Argus} 23 Sept. 1925.

\textsuperscript{31} Mayman had been Secretary and Organiser for Sir James Barrett one of National Federation executive, and wrote a revealing letter to the Editor - \textit{Argus} 14 May 1925. A similar claim appeared in \textit{Age} 6 May, 1927.

\textsuperscript{32} \textit{Argus} 19 May 1925. Raws was a long time and most influential member of the National Union, and its President 1925 - 6.

\textsuperscript{33} \textit{Argus} 25 Sept. 1925.
From the beginning the National Union paid the National Federation a weekly subsidy to keep its office going. The National Federation had no separate funds of its own. This financial dependence was ironic, for no-one from the National Union had attended the meetings to launch the new federation. Present had been, at first, W.H. Irvine, W.A. Watt, Senator Plain (ex-Labor), and J. Hume Cook. Later there were McMahon, Groom, Airey, and D.J. Gilbert. Premier Peacock, of Victoria, and the Prime Minister Billy Hughes, came in at the next meeting the last stage before the major meeting to launch the new political formation.

This was all at the end of 1916. The predecessor of the National Union, the Constitutional Union, was already in existence, started after the Fusion of 1909 by Herbert Brookes, with help from W.A. Watt, to fund the new Liberal Party. The Union held regular meetings, had a paid Secretary (John West), an Executive, and a long list of committee members. It had changed its name to National Union, and by March 1917 it was disturbing the National Federation, by competing with it in the running of the Senate campaign.

By June 1917 Hume Cook, Secretary of the National Federation, and


35. ibid. N.L.A MSS.601/92/5. Memoranda. Cook's account which may of course be incomplete, sees the National Federation growing out of a meeting of the Victorian State Referendum Council before 15 Nov. 1916.

36. R. Rivett, Australian Citizen: Herbert Brookes 1867 - 1963, Melb. 1965, pp.43-44. Brookes gives continuity from 1909 - 1929 between the National Union and its predecessors and is reported to have been involved in the negotiations to set up the Nat. Federation. Smith's Weekly 20 Feb. 1926. Watt spoke at the first major fund-raising dinner.
Billy Hughes were discussing the danger of the National Union trying to assume policy control in the Federation. Cook felt "Let the public once know that the National Federation is securing its main support from capitalists and its period of usefulness will end at once." 37 Turner, for the National Union, agreed to stay out of the limelight, but asked that the Union be consulted.

The National Union was already using the influence of its money power. How far it "produced the Nationalist Party and controlled the Federal Ministries from 1916 to 1929" 38 is impossible to ascertain. If it "produced" the National Federation it did so through intermediaries, perhaps W.A. Watt, who had a long association with them, and to whom they were reputed to listen. In Victorian politics, according to a later statement by Glowery, one of the V.F.U.'s earliest members, the Union did interfere. 39 In 1917, during negotiations for a State National Federation Party, John West, Secretary of the Union, urged the V.F.U. to attend a meeting to form a united anti-Labor force. When the V.F.U. asked West how he could expect the Liberal Party and the People's Party to attend and scrap their political principles at the behest of the Constitutional Union, West replied: "We provide the finance and if we cut off their supplies they'd go out of existence". When the V.F.U. refused, West went on, unsuccessfully, to offer money, with the V.F.U. retaining independence in

39. Age, 7 April 1927. Glowery is not explicit on dates, and mentions only the year.
organisation, and the Constitutional Union gaining a say in policy.

In the infighting, in the National Federation leading up to J. Hume Cook's resignation as Secretary, in May 1919, pressure was put on Cook by the President, Plain. The interference of the National Union cannot be discounted, especially as Cook had a very strong belief in the necessity of the National Federation retaining complete independence.

After an absence overseas from 1921 to October 1922, Cook commented on the "changed atmosphere" at the National Federation. "...during our absence overseas the National Union had gradually acquired a dominance over the Executive which made the free and efficient working of the Federation well-nigh impossible".

Cook and his associate Levy suggested a conference with the National Union - held in March 1923 at the National Union offices, with its Chairman presiding. The Chairman took a "rather dictatorial attitude" - and began by stating the National Union's proposals, for a Standing Committee of three National Union, three A.W.N.L., and three National Federation members, and a permanent Campaign Council, to consist of the same membership.

Plain, President of the National Federation tried to switch discussion to the "restoration to the National Federation of the

40. Cook's Papers "The Story of My Life". Typed, 25.1.1935. Later events support the idea of Union pressure - see below. Cook ended up still on the Executive but not as Secretary. The National Union was also credited with forcing Billy Hughes' resignation in 1922 - see B.D. Graham, "The Place of Finance Committees in Non Labor Politics 1910 - 1930" in Australian Journal of Politics and History Vol.6, No.1 1960. Also with getting Bruce the Prime Ministership, though once Bruce was in Parliament, this was a foregone conclusion (see F. Green, Servant of the House, Melbourne 1969, p.37).

powers and functions it originally possessed but which, in various ways the National Union has itself assumed”. He also tried to discuss "the error made by the National Union in pledging the National Federation to withdraw from or cease to operate in, certain Federal constituencies held by Country Party members, thus depriving State Nationalist members of the services of the National Federation", in the negotiations which were to bring the Bruce-Page Federal electoral pact.  

The snapping reply of the National Union Chairman is indicative of the attitude of the Union, then and ever: "As we pay the piper, we think we have the right to call the tune". Protest, as the Federation did, that such remarks were inappropriate to an Honorary Executive, they were unable to change the Union’s attitude. The Bruce-Page Pact was amended to allow the National Federation to continue to operate all existing branches, but the Union next by-passed the National Federation complaints, and forced Plain to accept its proposals. Some of these, handed to him in a document as he left, had not even been mentioned at the meeting. The National Union was making the National Federation its "office-boy", with Federation decisions subject to its approval through the Standing Committee, which was to discuss policy, annual conference resolutions, and political candidates. The Standing Committee was to have all candidates' names submitted to it prior to pre-selections - which could enable it to force withdrawals. The new committee of only

42. ibid, p.273.

43. ibid, p.274.
nine members would also be much easier for the Union to dominate - the old Campaign Council had been much larger.

By the end of April, 1923, the struggle was over, to the advan' of the National Union. Plain, with his re-nomination for the Se coming up, could not afford to offend them. 44

The Union showed their hand by finalising the Bruce-Fage without the Federation's knowledge, and sending the Federation i copy. Hume Cook and Levy both resigned from the Federation executive in protest. Cook urged again the National Federation needed "ample monies" to be able "in its own right to carry out functions". 45

The National Union had always had a representative on the National executive, in R.M. Cuthbertson. E.H. Willis, later Secretary to the National Union, had also been on the National Federation Executive. Cook and Levy's removal tightened the Union's grip. Plain, suspect as an ex-Labor man and generally felt to be a non­conservative, 46 was next to go. By June 1925 he was complaining to Hume Cook that the Nationalist Party (read Campaign Council), would not endorse him for the Senate unless he resigned as President of the Federation. 47

The National Federation conference of September 1925, represented then an important stage in the development of Union control. Ex-Premier Lawson had been described as "one of the marionettes of

47. ibid.
the National Campaign Council", and he was the only candidate for the Presidency of the National Federation. R.M. Cuthbertson became Treasurer. By the 1926 Conference, G.W. Turner of the Union, was also elected to the Federation executive. By 1928, R.M. Cuthbertson, a long time member of the National Union, was elected President of the National Federation.

This domination of the Nationalist Party by the National Union did not escape the Press, especially as the 1920s drew to a close. "Smith's Weekly" published an "expose" in 1926, while "The Age" made increasingly explicit references. The "Smith's Weekly" report listed names of contributors, and spoke of Union attempts to force Bruce's hand over the deportation of Seamen's Union representatives. These revelations of where the National Federation's funds came from were just what Cook, then Secretary of the Federation, had dreaded.

"The Age" began by hinting at the role of the National Union, on 31 May, 1924, when it spoke of the Nationalists being a "cloak for Monopolies and Combines of Manufacturers" - e.g. the Gas Company. By 21 September 1926, it was more explicit, and alleged control of the Federation by the Union, in its editorial. During the election campaign in April 1927, it wrote of "the capture of the National machine by the secret and conservative National Union". Finally,

48. Age 22 Sept. 1926.
49. Age 13 Nov. 1928.
   It did not know of £1000 from Lord Inchcape in 1917, which would have given even further scope - See Cook N.L.A. MSS.601/11/1 - Note of 26 April 1917.
51. Age 4 April 1927.
in 1928, "The Age" ran one of the few "inside stories" of the National Union, telling of members dissatisfied, and of a "Big Four" trying to run Victorian politics from the Melbourne Club.  

Hume Cook had said in 1923 that, since the National Federation was composed of "several sections of political thought" domination by the National Union would be fatal. By the second half of the 1920s his words were beginning to come true. The public, and especially the supporters of the Nationalist Party were now in no doubt of the nature and role of the National Union. The consequences were seen in the electoral set-backs of 1927 and 1929, and the emergence of a new, rival political party - the Australian Liberal Party.

(b) The Emergence of an Australian Liberal Party

The advent of conservative control inside the Nationalist Party, was accompanied by the growth of middle class protest against the party from outside. The first example of this was the "Bus Agitation". The Allan-Peacock Government's Commercial Vehicles Act of 1924, appointing a Motor Bus Board to prescribe routes for privately owned buses, was under attack from the bus owners as some of their routes

52. Age both 18 April 1927 and 10 Nov. 1928. The "Four" were probably the executive of W. McBeath, Colonel Holdsworth, Sir Robert Gibson and P.C. Holmes Hunt—Smith's Weekly 20 Feb. 1926.


54. As if the deadening influence on policy were not enough, the Campaign Council made some serious errors in "preselection".

   e.g. 1. choosing Reynolds against Kent Hughes in Kew in 1927. Hughes claimed it was rigged.
   2. Fetherston - Prahran ) unpopular locally as locals felt
   3. Farthing - Caulfield ) they were "foisted" upon them.

See below, p.141.
were being cut out, or given to the Tramways Board.\(^55\) Early in 1925 owners organised public meetings and deputations and one owner, Knight of Kintrak Bus Co., ceased operations as a protest. New middle class suburbs in the South East were particularly affected and one and a half thousand people attended a meeting at Caulfield Town Hall on 5th February 1925 to protest.\(^56\) F.W. Eggleston, the Minister, and M.L.A. for St. Kilda, attempted rather unsuccessfully to defend the ministry.\(^57\) But a petition collected 70,000 signatures.

The bus owners, having won public support with this strategy, now became frankly political, and linked up with some liberals, led by J. Harrison, President of the Progressive Liberal League to form the Victorian Progressive Party - proclamation "Nationalism.... has outlived its usefulness".\(^58\)

This Victorian Progressive Party soon faded. Its first meeting on 6th March 1925 was attended by 20 people, not the 50 expected, and its over-close association with the bus issue probably worked against

\(^{55}\) This was a carry-over of the Prendergast Labor Government’s Bus Tax Bill, supported by Municipalities, but defeated in the Legislative Council, after an Owners’ Protest - see *Age* 23 Oct. 1924, and 29 Oct. 1924, and 5 Nov. 1924. This preparation could account for Bus Owners’ strategy and organised attack - 1924-25. The Act was originally drafted in 1922 - see *Argus* 6 Feb. 1925.

\(^{56}\) *Argus* 6 Feb. 1925.

\(^{57}\) Eggleston claimed Kintrak lost only one route - see ibid, and *Argus* 19 Feb. 1925. The Housewives Association, the Gardenvale Progress Association, St. Kilda Council, and even F.J. Boileau of the budget protests, ranged against him. Significantly, there were then only 40 buses, out of a previous 320, running in the metropolitan area.

\(^{58}\) *Argus* 7 March 1925.
it. With an election not due for some time, its appeal and practicality were lessened. However, the dissatisfactions it had revealed continued, especially as the Allan-Peacock Government's legislative record for 1925 proved so barren.

The following year in March 1926, Caulfield Council began agitating for an autumn session of Parliament to deal in particular with roads, drainage and bridges bills, claiming the metropolitan area had been neglected. A deputation to the Premier from St. Kilda and Caulfield was planned. In the end, twenty-seven councils supported a deputation introduced by Greenwood, M.L.A. for Boroondara, and Edgar M.L.C. and J.K. Merrit, M.L.C., and verbally supported by McPherson.

Due mainly to the late arrival in Australia of a new Governor, there was no early session, but the agitation is the link between the earlier bus agitation, and the final emergence of the Australian Liberal Party in December 1926. The key figures of Packer (Caulfield Council), Burnett Gray (St. Kilda), and C.E. Merrett (Liberal Leagues), and the geographical basis of their support, are the same - a blue ribbon Nationalist area. When the National Federation expressly dissociated itself from this agitation, it was another step towards a separate and successful liberal party.

59. Argus 9 March 1926 - South of Yarra was especially affected by bridge delays especially failure to build Spencer Street Bridge.

60. Argus 9 April 1926. McPherson (Argus 16 March 1926), criticised the Government as a "do-nothing" Ministry, thus associating himself with the agitation but added a demand for a 35 country/30 city seat redistribution, on Federal basis with 20% margin. Greenwood demanded early session including Redistribution, not the "undemocratic" one of last session, but a 29 country/36 city seats one.

61. Argus 12 April 1926. The geographical area of Brighton, Caulfield was rapidly expanding along "proposed electric tram routes" with buses providing the transport. See W. Bate, History of Brighton Melbourne 1962, pp.379 and 381.
The final step came with the Allan-Peacock Government's Redistribution Bill. The National Federation, had, back in February 1925, begun this by urging a redistribution and compulsory voting on the Chief Secretary, Argyle. When he turned the tables, asking for practical suggestions - ratios of 100 to 60, 100 to 45, or what, the Nationalist State Council passed a unanimous motion urging "equitable representation as between country and metropolitan electors" as the basis. This was interpreted to mean: acceptance of the ratio of 100 city voters, to 45 country, already existing; the same number of country and city seats; and adjustment merely of the size of electorates within each division of country and city.\textsuperscript{62} The conservatism of this resolution was largely unremarked at this time, possibly because no redistribution bill could be brought forward for at least a year, till nearer the end of the Parliament. It meant, though, that the National Federation had adopted a line which, while practical politics for a party in a coalition government with the V.F.U., was bound to disgust a number of its supporters.

The five liberals of 1924 seemed to provide a rallying point for such persons. Their refusal to attend Nationalist Parliamentary Party meetings, despite their support for the Allan-Peacock government,\textsuperscript{63} marked them as a separate group. When they did attend a meeting, on 8th July, claiming their separate status still, they bargained for "new redistribution" and some infusion of the ideals of liberalism into the Nationalist Party. They suggested the name

\textsuperscript{62} Argus, 19 March 1925.

\textsuperscript{63} Argus, 14 March 1925, for example.
Nationalist be dropped for Liberal, and used their control of the balance of power in the House so well, that a redistribution bill was brought forward in 1925. 64

The type of redistribution bill introduced, containing a voter ratio of 100 to 46, and even proposing to increase the area of Greater Melbourne, showed the bankruptcy of the Nationalist Party. 65 It was obviously out of touch with a large number of its metropolitan supporters. All Nationalist Party M.L.A.s voted it through its Second Reading, though five had objected in party rooms and managed to have the Melbourne area left the same. 66 The action of the five Liberals in, first letting such proposals through the three party committee of which they were a part, and then voting for the bill, 67 showed that voters wanting an equitable redistribution would have to look either to the Labor Party, which had stopped the Bill after the Second Reading by stonewalling tactics, 68 or else to groups outside Parliament.

64. Argus 18 June 1925. What the Liberals meant by "equitable redistribution" is unclear. In any democratically equitable redistribution, the electorates of at least Angus and Billson would disappear, so their definition could have followed the National Federation Executives. Allan promised the Redistribution in June 1925; it was introduced into Parliament on 2nd December, after much urging from M.L.A.s like Greenwood - Argus 8 July 1925, and 14 Sept. 1925.

65. Argus 25 Nov. 1925 - Cabinet had referred the issue to Party meetings which appointed Committees to confer, inter-party, and accepted their recommendations.


67. They had even allowed through the suggestion of increasing the Melbourne area. Argus 20 Nov. 1925. Parthing & Angus were the representatives of the Liberals - Argus 5 Nov. 1925.

68. Argus 5 Dec. 1925 and 10 Dec, 11 Dec. 1925 - Prendergast had introduced a No Confidence motion, and the Government, fearing this would completely obstruct its business, made an "understanding" to defer Redistribution if Labor cut the No Confidence debate short.
In the New Year, 1926, McPherson and Greenwood, Melbourne M.L.A.s appeared for a time to offer a hope that Nationalist parliamentarians might support an equitable redistribution. McPherson linked himself with the agitation for an early session, told the Ministry it must do something or go, and demanded a redistribution of 35 country seats to 30 city seats, on the Federal franchise, with a 20% margin. This was a popular line. Greenwood went further, suggesting 29 country, to 36 city seats, criticising the Government's last bill as "unfair" and "thoroughly undemocratic in principle", and supporting the formation of a committee in the Eastern suburbs to fight for an equitable redistribution. McPherson then made moves to rally the six Metropolitan Nationalist M.L.A.s to oppose the Government's old bill. The Government, being a coalition of Nationals with the V.F.U. was faced with the problem of what would go through the House, and urged the 1925 bill on its members as an "instalment".

69 See above, p.129 n - the Agitation for an Early Session in 1926 - especially Argus 23 March 1926. McPherson's action was a reversal. He had been "the strongest advocate of a ministry to put the Labor Government out: he was one of those who accepted Mr. John Allan as Premier". His change of attitude to the Allan Government began on the 1924 and 1925 budgets, and with this "early session" and redistribution agitation in 1926, was now so complete that Eggleston, a former associate, was to describe it as "treachery" and "unforgivable", feeling "When Sir William found that the Ministry was unpopular he was the first to save himself". He could have also been making a bid for the leadership. See Eggleston Papers, Letter of Eggleston to Swinburne 22 April 1927, N.L.A. MSS.423/7/596, and Age 20 Nov. 1928 for a Claim that on 19 Nov. 1925 McPherson was offered the Premiership by influential Nationalists in the Composite. He accepted but the plan fell through.

70 Argus 14 April 1926 and 15 April 1926.
Hopes that either liberals or Nationalists in Parliament would fight to the death for an equitable redistribution were quickly proved illusory. McPherson's statement that he would support the Labor Party if necessary, rang a little hollow from the start, when he had failed to vote against the Government on its budgets, despite his criticisms of them. Peacock called a Nationalist meeting in recess, and the liberals also attended. Dissatisfaction with Allan's leadership was rife, but lack of an alternative soon stalled this issue, and Peacock was able to suggest a conference with the V.F.U. and eventually able to get authority to appoint the six Nationalist representatives to the conference himself. The breach in the composite government was healed.

The internal restlessness of the Nationalist Parliamentary Party continued, so that a number of times the Government appeared insecure. This really dated back to the Government's first session in 1924 - when it had trouble getting the Dried Fruits Bill through, and certain members, namely Greenwood, Morely, McPherson and Toutcher, had proved at times unreliable in their votes. Others, like Cohen

71. On both 1924 and 1925 Budgets he had criticized and then absented himself on the vote - see above. Was he angling for party support, with leadership plans? Labor advocated 30 country and 30 city seats.

72. Argus 22 April, 29 April, 30 April, 5 May, 4 May, 7 May, 1926. Over this fortnight, Peacock was able to re-assert his leadership and the necessity of the composite's continuance.

73. Age 17 Dec. 1924 - Massive absenteeism and criticisms from Snowball, Toutcher, McPherson and Greenwood. The Government acceded to Labor's demands to get the Bill through - Age 20 Dec. 1924.
and Oman had been highly critical. This continued in 1925 when Toutcher and Morley slated the Government's failure to handle unemployment. Massive absenteeism followed, so that the Government nearly lost its Forest Bill. 74

In 1926 the session opened ominously when Snowball’s amendment to The Address in Reply, regretting there was no mention of the Commonwealth Roads Agreement, was defeated only with the casting vote of the Speaker. 75

The liberals now participated in Labor’s moves to stave off the Redistribution Bill, by discussing other "urgent business". 76 In the debate on the Government's Amendments to Standing Orders, enabling the Ministry to declare bills "urgent" and insist on a division, and fix time limits on bills, stages of bills, and motions, and aimed at guaranteeing the passage of Redistribution, the liberal attitude was never fully clarified. Poor parliamentary procedure from Allan, when attempting a closure, caused a fracas which so confused the Speaker that an exasperated Labor Party walked out en masse as a mark of disgust, and there was then no division. 77


75. Argus 30 July, 2 Aug. 4 Aug. 1926. - fortunately for the government which had insisted on seeing the issue as one of confidence.

76. Argus 1 Sept. and 2 Sept. 1926. Most notable was Everard, who led criticism of the Melbourne Board of Works establishment of a sanitary depot at Bundoora in defiance of the Health Department, the Agriculture Department, and the Chief Secretary. Snowball also supported Labor against a guillotine, resulting in an all-night sitting.

77. Age 2 Sept. 1926.
The Standing Orders debate worked against the Government and the Nationalist Party, first through the discredit of Premier Allan and Speaker Bowser, second through the alienation of the Snowball group who, in the haste, had not been permitted to put their amendments. 78

The Government's Redistribution Bill now came before the House, with a distinct possibility of defeat - McLachlan (Independent), Dunstan (C.P.F.) and the five liberals, and even Greenwood and McPherson were possible opponents, and Labor only needed some of these to win.

A Nationalist Party meeting on 7th September refused to accept the bill, demanding 27 city seats to 38 country, or they would defeat the Government. This was a serious reduction of earlier demands, like McPherson's 30/35, but an even greater one was to come, when the Nationalist Party accepted the Country Party's suggested compromise of 26 to 39. 79

The position of the five liberals was still uncertain. Snowball and Everard joined Labor in opposing, unsuccessfully, the Ministry's declaring the bill "urgent". 80 However, as the 1924 Peacock Redistribution Bill had seen the birth of the liberal group, the 1926 Redistribution saw their demise. Angus had moved away, as a more thorough redistribution would have wiped out his seat. A.A. Allison was away ill, but shared Angus' position, while Farthing may, from

78. ibid.
79. Age 8 Sept. and 9 Sept. 1926.
80. Age 16 Sept. 1926.
later events, have been "bought out" by the Nationalists with the offer of the safe Caulfield seat, in exchange for his notoriously unsafe East Melbourne one, to be obliterated anyway in the redistribution. Snowball and Everard, succeeded in threatening the Government into allowing time for amendments, and in fact introduced some ameliorating details into the bill, but further than that they were not prepared to go.

This Redistribution thus marked the virtual disappearance of the five liberals as an independent force. A gap was left, which extra-parliamentary organisations were to fill — to the detriment of the Nationalist Party. To their detriment also, was the whole issue of redistribution. Not only had they alienated a large number of Melbourne voters, but damaging revelations during debates from Hogan and Dunstan, backed with affidavits, alleged the National Federation knew two months before of the plan to cut Altona subdivision from Bulla and add it to Williamstown, to enable the Nationalists to win Bulla. This helped further discredit a Government which had already been described as moving "just about as fast as a glacier". The Spencer Street Bridge, for example was still, despite massive public pressure, only on the drawing boards at

81. He was the endorsed Nationalist candidate for the new "blue ribbon" seat of Caulfield in 1927 election.

82. Age 22, 23 and 29 Sept. 1926. Labor Call 30 Sept. 1926 felt "Anti-democracy has won" and the sham 'Liberal' corner yielded to pressure. ("The Snowball Melts").

83. Age 22 Sept. 1926. Hogan had a sworn declaration of a conversation with the prospective Nationalist candidate.

84. Dean Hart in Age 9 Sept. 1926.
the end of the session. Perhaps this combination of inactivity and
chicanery helps account for the continuing restlessness inside the
Nationalist Parliamentary Party. Cohen, Abbott, Merrit, and
Saltau, for example, all voted with Labor in the Upper House against
the Government’s Standing Orders, and demanded an independent
inquiry into education, and the securing of Victoria’s share of the
petrol tax collected by the Commonwealth.

Outside Parliament the Nationalist organisation was smooth,
perhaps because, as "The Age" alleged, they were controlled by "a few
astute men" from the National Union, who paid all the bills. Both
Cuthbertson and G.W. Turner of the National Union were now on the
Federation Executive. Despite the contentious "per capita" payments
issue, the September Annual Conference went by amicably, though
significantly another attempt at a name change, to 'National Liberal
Federation' again failed. Peace in the National Federation indicates
debate on "live issues" was moving outside it, and its conservative
domination.

This united front was not preserved in Parliament where the
Milvain case proved a sad defeat for the Government, when Snowball
and Everard defected. These two were influenced by Labor arguments
that Milvain, a train driver already acquitted in court for an accident,

85. *Age* 22 Sept. 1926. J.K. Merrit, M.L.C., not C.E. Merrett, the
    liberal.

86. *Age* Editorial 21 Sept. 1926.

87. *Age* 22 and 23 Sept. 1926. For "per capita" issue - see above
    Ch.1. Federal Scene, p. 12.

should not be tried again by a Railways Board of Discipline. However, their motive, as well, was to defeat the Betting Tax, which they considered as a wrong source of income, and which the Government was trying to introduce on the same motion. Over the earlier stages of the Milvain case, Labor also had support from Nationalists Toutcher, Greenwood and Beardmore, indicating that once again either the Nationalist leadership was a little out of touch with its members, or Nationalist indiscipline was endemic.

Despite its defeat on the Milvain/Betting Tax vote, the Government survived, rallying its supporters with the argument that the redistribution, which still had to be returned to Parliament by the Electoral Commissioners, should be saved. This was all that held the Government together into the New Year of 1927.

Already both Country Party and Nationalists had decided, in their organisations, to contest all seats at the 1927 general election. The Nationalists had completely abandoned their earlier hoped for an "understanding", and were hoping to win at least Mornington from the Country Party. Behind this change of attitude were the final realisation that the Country Party was unlikely to ever agree to any "understanding", and increasing exasperation with the Country Party and its "parochial spirit", exorbitant demands, and often, lack of ability in government, and utter disenchantment with the Allan-Peacock Government.

89. These had strong Railway votes in their electorates. Toutcher - Ararat - Stawell; Greenwood - Boroondara (Box Hill). Argus 20 Oct. 1926 and Age ed. 28 Oct. 1926.

90. Argyle urged this. Argus 22 Oct. 1926. So did "supporters outside" (possibly afraid of a Labor Budget?)

The 5 Liberals also talked of Allan's "inability to govern" and criticized especially the budget deficit, wanting a change of leadership, to Lawson. They spared no efforts to dissociate themselves from the odium of the Allan-Peacock Government. 92

At this point in the Nationalist decline the extra-parliamentary agitation of the preceding two years received its full political expression when on December 23rd, 1926, the Australian Liberal Party was launched. Its founders, a collection of people associated with all the earlier organisations and protests were J.D. Murphy, F. Knight, D. Mackinnon, C.E. Merritt, and Cr. J.T. Packer. 93 The new party signified its disgust with both Nationalists and earlier parliamentary liberals by selecting candidates to stand against many of them in the coming election. 94


93. Argus 24 Dec. 1926. C.E. Merritt, one of the most influential men in the formation of the new Party, had also been leader of the Liberal Union. (J.G. Latham Papers N.L.A. MSS.1009/24/10. Manifesto of Union 1922). Started by T.R. Ashworth of the Employer's Federation, and Merritt, it was a breakaway from the National Union, at the start of the 1920s in protest against its continued support of Billy Hughes. (D. Potts, op.cit., p.103). It rallied some Melbourne interests (Broken Hill Chambers for example), (Brookes Papers, N.L.A. MSS.1924 Box 6. Letter from Miller (National Union) 10.10.1929) and in 1922 it supported the election campaign of Latham, as an independent liberal. It gained support from Latham and Gullet, and even Watt, in Federal Parliament. Dedicated to private enterprise and efficiency (economy) in government it was rated as "conservative" by S.M. Bruce. It was still functioning in 1924, and from references in Herbert Brookes' Papers was operating again at the end of the 1920s, so this could have been a possible source of both funds and contacts for the new party. The Liberal Party was closed down (see Smith's Weekly 7 May 1927) "due to lack of cash, with scarcely enough to pay for the funeral", but the Liberal Union continued and participated in the 1929 election. (see below p.146.

94. The Labor Party was particularly hostile to the Liberal Party (Labor Call, 17 March and 24 March 1927) seeing it as a group of "old timers" from cast-off Parliaments whose existence gave The Age a way out of supporting Labor. The Country Party (Countryman 4 March 1927) saw the new party, also, as composed of ex members of Parliament, and as brought into existence by "a section of the Melbourne Press".
The Nationalist Party Executive at the 1927 election was anxious to dissociate itself from the Allan-Peacock Government. It took the unusual step of having its policy speech delivered by Lawson, as President of the National Federation. He excused the Government with the difficult state of the House, the redistribution with being "the best obtainable under existing conditions", but failed to make much impact on the electorate. 94

Individual Nationalists also tried hard to dissociate themselves from the Allan-Peacock Government either by their speeches, or by action. 95 Snowball, Everard and Angus all stood as liberals, not Nationalists. Due to the unpopularity of the Government, Federal M.P.s were not much help: the only three who spoke in the campaign - Gullett, Maxwell and W.A. Watt - were more of a help to the Labor Party than the Nationalist. Watt, for example, spoke of the coalition being "mistakenly arranged", since "no-one was in power but someone was in office", and concluded with a paraphrase of Cecil Rhodes,"so much to do - so little done". 96 Publicity about control of the National Federation by the National Union, and a reported attempt by the Nationalist organisation in Caulfield to buy out the Liberal candidate Forrest, also told against the Nationalists. 97

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94. Age 11 March 1927 - "only mildly interesting" was The Age's comment on this policy speech.

95. eg. Reynolds - Kew (Age 11 March 1927) and Toutcher - Stawell-Ararat (Age 17 March 1927).

96. Age 1st April 1927.

97. Age 4 April 1927 wrote of "the capture of the National machine by the secret and conservative National Union". Forrest was campaigning against Farthing and the Farthing supporter concerned issued a slander damages writ, but nothing was cleared up before the election and the issue was left subside afterwards. (Age 6 April 1927). Gray also claimed dirty work by Eggleston's canvassers in St.Kilda. (Age 8 April 1927) but Eggleston refuted this.
Much of the Nationalists' support was being eroded, either by Labor, which put forward a moderate and responsible image with such statements as "we are living beyond our income" and "this suicidal orgy of borrowing must stop", or by the new Australian Liberal Party.

The new Liberals put up candidates for Nationalist seats like Nunawading, Prahran, Caulfield, Albert Park and St. Kilda, and though their programme was not spectacular, it provided an acceptable alternative for a disgruntled Nationalist Melbourne voter.

Liberal candidates were often Nationalists whose ambitions had been blighted by the Nationalist machine, and as locals, usually Town Councillors, they could rally local supporters, annoyed at having an outsider foisted on them as a candidate.

98. Hogan's policy speech - Age 4 March 1927. Labor's action for an equitable redistribution was also in its favour.

99. Policy Speech. Age 16 March 1927. The programme featured minor issues like Milk Supply rather prominently and was also heavily critical of the Bus Act; but others of its policies especially a one vote one value redistribution, economy in finance and a Greater Melbourne Council, were very attractive to the disgruntled Melbourne voter. Smith's Weekly 9 April 1927 claimed "substantially this young party represents the motor bus and car owners and users", fighting for free enterprise against the Railways, and the Tramways Board. Certainly its Secretary was Fred Knight, of Kintrak buses, until his arrest for "double bigamy" (Smith's Weekly 9 April 1927).

100. eg. Kellway, who stood for preselection in Caulfield was disgusted by the "previously arranged" Nationalist pre-selection in Caulfield. (Age 2 March 1927). Kent Hughes in Kew had similar criticisms (Age 8 April 1927). Packer the Liberal candidate was a Caulfield City Councillor and Gray, St. Kilda, was ex-Mayor, ex-Digger and in St. Kilda Yacht Club and Life Saving. Ironically in some other areas Nationalists were reported to be hard up for candidates - Ferguson of the Liberals, claimed they paid gratuities to get men to contest seats. (Age 19 March 1927).
When the election results came in the Nationalists were the chief losers. From 19 out of 65 seats they were down to 15. The poor result of 1924 could no longer be seen as the atypical result of an apathetic campaign, particularly as this time they had expected to win extra seats with a redistribution of their own making. If the three new electorates of Nunawading, Kew and Upper Yarra had not been created the Nationalists would have been reduced to a minor party smaller than the V.F.U. As it was they lost four seats, including a Minister, Eggleston in St. Kilda, defeated by a new Australian Liberal Party man, Burnett Gray. West, Barnes and Oman had all lost their seats, too. As well the sudden death of Nationalist candidate Deany, of Warrnambool, just before polling day had given that seat to Labor. The final ironic touch came when Farthing was defeated in the new seat of Caulfield, by the Independent Liberal Forrest.

101. Age 11 April 1927. Independent Nationalists and Liberals later rejoined the party.

102. Eggleston's loss was widely anticipated - he had been one of 1923 Metropolitan Liberals and had drifted from those principles in unpopularly defending the Government over the Bus Act, Budgets, Redistribution, in an electorate which was more lower middle class and against a strong and popular local figure - Burnett Gray. Argyle, with similar background was in the safer more conservative seat of Toorak and even he had a preference count - very unusual.

103. West to an Independent, Barnes to C.P., Oman to Labor (Arthur Hughes, ex Labor member for Grenville, now abolished).

104. Deany's rival, Bailey of A.L.P., ex-member for Port Fairy, now incorporated into Warrnambool, would have had a good chance, in any case. Age 21 March 1927.

105. Forrest, an "ex digger" Major, a local, had great advantages over Farthing who had changed sides between 1924 and 1926 on Redistribution and could therefore be accused of having betrayed his electors for the personal advantage of a safe seat and Nationalist re-endorsement. Some local ex-Nationalists campaigned against him.
This election result made the fall of the Government certain, as it no longer had a majority in the House. Thus the Government had been brought down by the Nationalists' electoral failure, caused in turn by the poor performance in government, the conservatism of Party leadership, unpopular policies like its "status quo" redistribution, and the further inroads of the Country Party.

The problem after the election was to find an alternative to the Government. The Nationalists promoted McPherson as the prospective Premier, electing him as their party leader, with the remains of the 1924 Liberals concurring. 106 The refusal of support by the two new Liberals, Gray and Forrest, and a new independent, Bodman, destroyed these hopes, as there was then no chance of a Country Party/Nationalist majority in the House. 107 The advent of the new Liberals, together with the success of the C.P.P., put an end to Nationalist hopes of office, either in a one party minority, or a coalition, government. These groups supported the formation of the new Hogan Labor Government.

(d) The Eclipse and Final Failure of the Nationalists - The McPherson Government 1929

The Nationalist Party took some time to pull itself together again after the Allan-Peacock Government and its electoral catastrophe.

106. Age 4 May 1927. Angus and Everard; Snowball apologised for his absence.

Peacock's removal to the Speakership, and a new leadership from May 1927 of McPherson, with Argyle as Deputy, was a start, but McPherson's age and conservatism counterbalanced the advantages of his image as a philanthropist and responsible politician. He had already shown himself to be more ready to protest verbally than to act, as in the budget troubles of the late Government. Nationalist unity was gained when Angus, Everard and Snowball were reabsorbed into the parliamentary party, as was the Progressive Nationalist candidate Kent Hughes, who became Secretary to it.

In April 1927, the National Union was under attack from two sides, from the men who contributed to its funds, and from the younger Nationalists wanting a progressive policy and resenting the Union's wire pulling. The allegations of a "Big Four" trying to run Victorian politics from the Melbourne Club, did not endear the party to many, while many Union contributors were upset at the thought of their funds being used against the 1924 Liberals. The National Federation, also made an unsuccessful bid for financial independence, to prevent further Union interference. These internal weaknesses were accentuated by "the period of depression" talked of in late 1928, which cut down the funds of the party. At the same time it emphasized

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108. Snowball was speaker 1927-28 when he died. Then Peacock 1928-33. Age 4 May 1927.

109. May 1927 immediately after election - See Age 4 May 1927.

110. Age 18 April 1927.

111. Letter to Editor Age 6 May 1927, "Big Four" - Age 10 Nov. 1928. Possibly the 4 executive members named by Smith's Weekly 20 Feb. 1926, p.1 - Sir Wm. McBeath, Col. Holdsworth, Sir Robert Gibson and P.C. Holmes. Hunt. R.M. Cuthbertson a long-time member of the National Union was now President of the National Federation (Age 13 Nov. 1928), so National Federation would seem to have lost its bid for independence.
the competence of the Hogan Labor Government, which, having straightened out the muddle and deficits of its Allan-Peacock predecessor, was now dealing with the recession. 112

By late 1928, with the prospect of a Federal election looming, a surface unity had been achieved in the Party, but even this was broken when Hogan introduced his Redistribution Bill. Melbourne M.L.A.s Everard, Greenwood, Macfarlan, and Kent Hughes, joined with the Liberals Gray and Forrest to allow the Bill through its first reading on 31st October 1928. 113

This division did not go further because the violence on the waterfront intervened. When Dunstan of the C.P.P. exonerated the government over the waterfront trouble, and tacked the words "only on redistribution" to McPherson's original no confidence motion, the Nationalists' desire for office, brought them into line, and the Hogan Government fell by one vote, 114 on 13th November 1928.

The McPherson Government which after some interparty manoeuvring took office, was the nadir of the Nationalist Party. Supported, without great enthusiasm, by the Country Party and the Country Progressive Party, it was used by them to prevent another redistribution. It certainly did very little else. Three of its original members, Menzies, Saltau, and Kent Hughes, all younger Nationalists, resigned

112. *Age* Ed. 22 Nov. 1928.

113. *Age* 2 Nov. 1928. The Bill was 32 city, 34 country seats. Macfarlan, a Nationalist had replaced the late O.R. Snowball as M.L.A. Brighton in 1928.

114. A Watersiders Strike had become bitter when volunteer labour was called in, with scenes at Flinders St. Station, and a protest by 2,000 unionists at Princes Pier broken up by police. 3 or 4 men were wounded. *Age* 3 Nov. 1928, and 15 Nov. 1928. McPherson's challenge was "insufficient police". See above, Ch.1 p.38. for more details.
early in 1929, protesting at its inactivity, and particularly its weak attitude to the financial situation.\textsuperscript{115} The Nationalists had become a party without a policy.

This criticism was warranted since the Government's 1928 budget had disguised a deficit of £190,248 or more, as a surplus of £34,751, according to the Auditor General's Report.\textsuperscript{116} In 1929, shattered by the signs of worsening depression on a world scale, the Government was either unwilling or unable to present a budget, and had still not done so by October 23rd.\textsuperscript{117}

On that day, on an adjournment motion from the C.P.P. over relief for the Mallee, the Government was defeated by a combination of C.P.P., the two Liberals and Labor. To gain the desired dissolution, Hogan and Dunstan forced McPherson to issue a financial statement, which revealed a deficit of at least £1,300,000.\textsuperscript{118}

This financial situation, the Government's lack of legislation while in office, rising unemployment, and the general demoralisation of the Nationalist Party after Bruce's Federal electoral defeat, all told against the Nationalists. Their refusal to include redistribution in their platform lost them the support of liberals, like Forrest, while they had little to promise on employment, and were also accused of "contemptuous disregard for the vital matter of education".\textsuperscript{119}

\begin{itemize}
\item \textsuperscript{115} Age 6 Nov. 1929. McPherson's health was probably failing too.
\item \textsuperscript{116} Age 28 Oct. 1929.
\item \textsuperscript{117} Age 23 Oct. 1929 - it had been oft-deferred. Usually it was presented first week of October.
\item \textsuperscript{118} Age 24 Oct. 1929 and 30 Oct. 1929.
\item \textsuperscript{119} Age 1 Nov. 1929. Protest meeting at Glen Iris State School. McPherson had been criticized while Treasurer. (\textit{Argus} 10 Oct. 1923), for refusing to make money available for repair of school buildings, and the school building programme was inadequate - eg MacRobertson High School was only completed in 1934. (J. Grant, G. Serle, \textit{The Melbourne Scene}, Melbourne 1957, p. 254 ). McPherson's policy speech was interjected with demands for a new Redistribution - Age 8 Nov. 1929 and the Liberal Union was running candidates in some Nationalist seats - Age 4 Nov. 1929.
\end{itemize}
To add to these disadvantages they had three candidates disputing the running in both Caulfield and Essendon. They were to lose both these seats, and may well have done the same in Nunawading, over the redistribution issue, had not Greenwood withdrawn as Nationalist candidate, in favour of the more liberal R.G. Menzies, transferring down from the Upper House.

The 1929 election not only predictably destroyed the McPherson Government, but brought with it the wreck of the Nationalist Party. Nationalist representation declined to 17 seats out of 65, while the A.L.P. had risen to 30, and the other parties maintained their position. Two Nationalist ministers, Groves and Cuthbertson, lost their seats, and there were many close results, even in supposedly "blue-ribbon" areas like Brighton. The Nationalists had slipped back further than the 18 seats held by Labor after its split in 1917.

The loss of confidence and identity in the Nationalist Party was further illustrated, during the negotiations for a new government. When McPherson's attempts to gain a new base of support were proving inconclusive, he countenanced his Nationalist members representing country areas, attending Allan's meeting to discuss the amalgamation of all country members into a new party. The Nationalists accepted

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120. Age 8 Nov, and 12 Nov. 1929. The Caulfield problem was slightly modified by a last minute withdrawal.

121. Age 9 Nov. 1929. J.M. Fowler had been contesting for the Liberals, but now withdrew. Age 8 Nov. 1929. Menzies wanted a 100/75 ratio.

122. Age 3 Dec. 1929. Both Cuthbertson and Groves had been close in 1927.

a suggestion of amalgamation with the Country Party, but this was lost
sight of, when the C.P.P. and the Liberals supported Labor and put
another Hogan Government in. 124 Thus the Nationalist Party hung on,
a shadow of its former self, till events in Federal politics decided
its fate. As it had been events in Federal politics which had brought
the birth of the Nationalist Party, it was the events of the depression,
Premier's Plan, and Labor split, which brought its death. The formation
of the federal party, the United Australia Party, under J.A. Lyons in
May 1931, 125 was followed by the disappearance of the Nationalist Party
in Victoria.

(e) **Summary: The Effects of the Decline and Instability of the
Nationalist Party**

The 1920s were a decade of Nationalist decline. Their continued
and increasing electoral disasters were due partly to the rise of the
Country Party and the revival of the A.L.P., but the Nationalist Party's
internal problems left them unable to meet the challenge this compet-
ition posed.

Some of these internal problems were specific, as with the black-
mail of the Lawson Government by the Metropolitan Liberals in 1923,
or the rebellion of the five liberals over redistribution in 1925.
Other problems were more general, as with the failure of party discipline
in both Parliament and in the organisation. This meant Nationalist


125. G. Greenwood *op.cit.*, p.360. There was some small sign of life,
from Kent Hughes & R.G. Menzies "Young Nationalists" group founded
1930 - see P. Howard *Kent Hughes, A Biography*, Melbourne 1972, p.57.
Governments were embarrassed and even hamstrung, by dissidents or absentees, sometimes in the Legislative Assembly, but more especially in the Legislative Council, while in elections disputes over pre-selection often destroyed the party's hopes in specific electorates.

Lack of leadership was a major problem. The three Nationalist leaders of the 1920s, Lawson, Peacock and McPherson were often out of touch with sections of their party, and with the electorate, perhaps because they were older men (Peacock and McPherson), or had been in politics since Federation (Peacock and Lawson), always in a safe seat. All of them came under criticism for weak leadership, and all led the party to elections in which it did badly, so their electoral appeal is doubtful. They gained or retained the leadership, partly because there was no-one else. Until the advent of Kent Hughes, and Menzies in 1927 and 1929 respectively, young talent was conspicuously lacking. The chief contender, Dr. S.S. Argyle, seems to have possessed some ability, but a rather nondescript and reserved personality. None of the Nationalist leadership had much

126. Peacock, b.1861, McPherson, b.1865, M.L.A. 1913. Smith's Weekly (12 March 1927) quipped "Nationalists select their leaders on the wait for age principle". Peacock had no enemies at all in Parliament but this could be construed as indicating a lack of deep convictions as in Prendergast's joke (Smith's Weekly 21 May 1927) - when the Allan-Peacock Ministry was breaking up Peacock received a phone call "will you join my ministry?" "Yes certainly" said Peacock, "Who is speaking?"


129. Even when leader from December 1929 and acting leader before that he did not arouse much enthusiasm.
appeal for the swinging voter. A strong and popular leader was needed to keep the disparate elements of the Nationalist Party together and in balance, but from the early 1920s his chances of success would have been limited by the existing conditions of power within the Party.

From the beginning of the 1920s, the National Union side of the Nationalist Party had tried to dominate the Party. By 1925 it had succeeded, through its control of finance, in establishing power over both the National Federation organisation and the parliamentary party. Its power over the organisation came because it paid the permanent of officials and through the National Campaign Council influenced policy, preselections and electoral affairs generally. It could deal with a parliamentary leader, through its control of election funds, or via its friends in the Legislative Council as Peacock found, both at the 1924 election, and with his 1924 and 1925 Budgets.\textsuperscript{130}

The last leader of the Nationalists in the 1920s, Sir William McPherson, was himself as a businessman, former President of the Chamber of Commerce and an associate of McBeath and others, virtually a member of the National Union group. Some saw him as their watchdog when he was Treasurer. His resignation in 1923, over increased government expenditure, was seen as "a blow to the Commercial World generally". Though he flirted with the idea of a redistribution giving more representation to the city, early in 1926,\textsuperscript{132} he was in every way one

\begin{itemize}
\item \textsuperscript{130} See above, pp.107-9, and 113 and 114-5.
\item \textsuperscript{131} Letter from L. Davidson, William Street, City. McPherson Papers, Resignation Folder. S.L.V. McPherson budgeted for surpluses, and borrowed heavily for works expenditure - keeping Victoria's taxation lowest in Australia. (See Argus 10 October 1923).
\item \textsuperscript{132} He never did anything so maybe he was saving his political skin - see above pp.129 and 132.
\end{itemize}
of the more conservative members of the Nationalist Party. His
election as Leader was the final stage in the domination of the
Nationalist party by the more conservative elements.

The domination of the Nationalists by the more conservative
elements and especially the National Union was a disaster for the
party. In electoral affairs the conservatism and self-interest of
this group, who refused to agree to any increase in taxation, made any electoral promises empty and therefore repetitive. The
party’s electoral appeal went steadily down, as its inactivity and
conservatism had little appeal for a middle of the road voter, who
chose either Labor, or, as a protest, one of the liberals or
independents.

Inside the Party, National Union dominance caused the more
liberal elements, as in 1923, and 1924, and thereafter, to become
restless and rebellious, but attempts at successive National Federation
annual conferences to update the party and set up its own finances for
the Federation, invariably failed. In electorates dissension was
caused by central office “foisting undesired candidates” on local
branches.

By 1925, this was leading certain people to move outside the
party. The Bus Owners agitation of 1925, the Early Session agitation
of 1926, the Redistribution of 1926, culminated in December 1926, in
the birth of an Australian Liberal Party, which further eroded
Nationalist support.

133. Hume Cook foresaw this – the heterogeneity of Nationalist Party
needed a moderate leadership for success. See above, p.127.

134. See above, p.141. The power group inside the Union seems also
to have narrowed – see talk of a Big Four – above, pp.127-144.
The problems of the Nationalist Party were a direct cause of the instability of governments in Victoria in the 1920s. The Nationalists' electoral failure made minority governments the rule of the decade. Their internal dissensions brought down governments - as the Metropolitan Liberals did Lawson in 1923, and the Redistribution Liberals did Peacock in 1924. The party's internal problems meant that governments in which it took part were generally unsuccessful in coping with the problems of the day, and therefore lost office. Finally, the growth of the rival Australian Liberals helped to topple two governments in which the Nationalists took part, in 1927 and 1929, in favour of Labor Governments.

The cure for the political instability of the 1920s could have been an equitable electoral redistribution: that possibility will be explored in the next chapter. The irony of the conservatives' power in the Nationalist Party, was that it put an alliance with the Labor Party out of the question, and thus eliminated the only way to achieve the redistribution which could have returned the Nationalists to their former glory.

CHAPTER 5
THE ELECTORAL SYSTEM

The instability in politics in Victoria in the 1920s was founded on two features of its electoral system — preferential voting and a most inequitable redistribution. The internal troubles of the Nationalist Party and the Country Party need not have created instability. 1 If it had not been for the electoral system, a stable majority Labor Government would have emerged from the 1924 and/or 1927 elections. The power and opportunity for the Country Party, in particular, to create governmental instability came from the electoral system.

Preferential Voting
Preferential voting was introduced in Victoria in 1911 — at a time when the Liberal Party (to become the Nationalist Party in 1917), was enjoying its long-unbroken hold on political power. Victoria was theoretically a two party political system of Liberals and Labor Party, but since the Liberals had monopolised the Government to the exclusion of the Laborites, it was more like a one party system. The preferential system of voting even helped preserve this, by preventing the Labor Party taking much advantage of a divided vote, when two Liberals stood against each other in the one electorate.

1. As will be seen below, my study of Victorian elections agrees with the suggestion of D.W. Rawson, op.cit., that the electoral system was in effect anti-Labor — or, as I would prefer to express it, pro-country party.
This was still the situation when a third party appeared on the scene. The Victorian Farmer's Union Party made its political debut, to quite a large extent, by courtesy of preferential voting. The preferential system was to continue to favour this party, above all others.

Of the first four seats the V.F.U. won, in 1917, two, Rodney and Grenville, were won on preferences. Rodney, as the seat of Allan, the V.F.U.'s first Parliamentary leader, and later, its first Premier, was especially important. At the next election, in 1920, the V.F.U. representation shot up to 13, depriving the Nationalist Party of its long-held majority. Of these seats only two, Upper Goulburn and Eaglehawk, were won on preferences, one from the Nationalists and one from Labor — so the Nationalists' invidious position as a Government with 31 seats in a House of 65 was not principally due to the distribution of preferences.

In 1921, the situation of 1920 was repeated, for though the V.F.U. lost the seat of Grenville, this went to Labor, while they held Upper Goulburn on preferences, leaving the Nationalists with a Government of 31.

Similarly in 1924, the V.F.U. held on to two seats, Mornington and Upper Goulburn on preferences. In all these cases preferential

2. All this information following has been collated from C.A. Hughes and B.D. Graham A Handbook of Australian Government and Politics 1890 - 1964, Canberra, Canberra 1968, pp.479-484.

3. Labor retained this till it disappeared in the 1926 - 7 Redistribution, with a popular "returned digger" M.L.A. Arthur Hughes M.C. but this was a rare case. The V.F.U. rarely lost a seat, once gained.
voting had changed the fate of seats but not of governments. The elimination of preferential voting between 1917 and 1924 would not have provided a Nationalist or a Labor majority, but the existence of the scheme was definitely an added gain, the icing on the electoral cake for the V.F.U. Seats where the result was changed by the distribution of preferences almost invariably went to the V.F.U.

Out of 14 such seats from 1917 to 1924, seven went to the V.F.U. with the next highest number being three to the Nationalists. The reason for this V.F.U. advantage can be appreciated with a closer look at the 1924 election.

In 1924 the V.F.U. received both A.L.P. and Nationalist preferences, and this indeed was the case at all elections since neither of the two major parties was willing to direct preferences to the other. Thus the V.F.U. won Gippsland West on A.L.P. preferences, and Upper Goulburn and Mornington on those of the Nationalists.

Though preferences were primarily to the advantage of the V.F.U., they were in a more secondary way, advantageous to the Nationalists, since they invariably received a majority, if not more, of V.F.U. preferences. The A.L.P. was the main loser under the system. For example, in the election of 1924, the A.L.P. was top of the poll in Bulla, Dalhousie, East Melbourne, Mornington and Upper Goulburn on the first count. In both Bulla and Dalhousie, strong A.L.P. candidates only squeaked through when V.F.U. preferences drifted, 394 and 625

\[
\frac{1577}{1498}
\]

4. Labor got one. The other three went to Independents. I am using 1924 as an end date here, as it is the last election before 1926-7 Redistribution.

5. The C.P. refused to officially direct preferences, but this was the result: See Votes and Proceedings of Legislative Assembly of Victoria 1924. Appendix I. li - liii Election Results.
respectively. In the other three seats the A.L.P. lost on preferences. This was especially likely to happen when it was the Nationalist preferences to be distributed, since these went even more solidly to the V.F.U.\(^6\)

This pattern of preference distribution was repeated in the 1927 election when preferences played a most important role - changing results in nine electorates.\(^7\) Preferences were distributed in 23 electorates, but though the A.L.P. led in 10 on the first count, it only held three – Bulla-Dalhousie, Grant, and Oakleigh. Of the others three went to the Country Party, one to the Country Progressives, and three to the Nationalists. The two Country Parties tended to exchange preferences and to collect the preferences, again, of both the A.L.P. (e.g. Mildura) and Nationalists (e.g. Walhalla).

The 1927 election is in another sense a break in the pattern – since with first-past-the-post voting, Labor possibly could have won an outright majority. On the first count it was ahead on 35 seats. Of course, in the first-past-the-post campaign much of the competition between candidates, and the number of candidates, could have been eliminated, perhaps with a C.P./Nationalist electoral pact. The fact remains that preferential voting worked principally to the advantage of the V.F.U. and heavily against an A.L.P., which with the electoral eclipse of the Nationalists was the main hope for a stable majority government.

6. eg. Upper Goulburn 1368 National preferences went to the V.F.U. 1556 
   ie. out of 1556 preferences to be distributed, V.F.U. got 1368.

The 1927 election represented the peak of A.L.P. electoral gain - they held 41.79% of the vote. By 1929 this was slightly down, to 39.9%, though they increased their number of seats to 30. The old preference pattern was repeated, with preferences changing the results in 3 seats - all going to the Country Party, two from Labor and one from the Nationalist, as of the first count. In 1929, as in 1924, preferences were the icing on the cake for the V.F.U. and the coup de grace to an A.L.P. already most unlikely to be elected on the existing distribution of electorates.

Redistribution

When the 1920s began a redistribution of electorates was considered overdue. The last redistribution, that of the Irvine Government in 1903, had been the aftermath of Federation and had even then only been passed after the agitation of the Kyabram Movement in its favour. In reducing the number of seats in the Assembly to 65, and redistributing them, this government had bowed a little to the concept that the country electorates, being of larger area, should contain fewer voters. The vote ratio thus instituted, of 100 city votes being equal to 73 country votes, set a precedent for inequitable electorate boundaries.

Immediately ensuing population movements into the outer suburbs of Melbourne, meant this redistribution was out of date by 1913. W.A. Watt the Liberal Premier, tried to introduce a redistribution on

9. ibid, p.484.
10. See below, Appendix F for Electoral Map 1903 - 1927.
the basis of 100 city votes to 60 country votes, but even this concession to country interests failed to placate the country section of his own Liberal party, and was defeated by two votes.\textsuperscript{11}

After The Great War, in the election campaign of 1920, Lawson, the Nationalist leader, promised Redistribution with the same ratio of 100 city voters to 60 country. Since he lost his parliamentary majority in this election, Lawson was unable to honour his promise, though he continued as Premier, and a section of his party, the Melbourne-based Metropolitan Liberals continued to press for it.\textsuperscript{12}

When a Bill, said to have been originally drawn up by Lawson's Government, was actually introduced by the Peacock Government of 1924, it suggested an even less democratic ratio of 100 city to 45 country votes.

The decline in democratic representation in the proposed redistribution of 1920 and 1924, was paralleled by an acute and continuing decline in the actual vote ratio. By the time of the election in 1924 this was down to 100 city votes to 37 country votes.\textsuperscript{13} The difference between the largest and smallest electorates was even more striking, with Boroondara at 63,123 voters and Grenville at 4,256. A vote in Boroondara was worth only 1/16 of a vote in the country area of Grenville.\textsuperscript{14} This disproportion was the extreme, but since 14 country seats had under 7,000 voters and 11 city seats had over 20,000 the disparity was generally between 1/3 and 1/2.


\textsuperscript{12} See above, Ch.3, p. 22.

\textsuperscript{13} G.W. Leeper, (ed.), *Introducing Victoria*, Melbourne, 1955, p.297. See below Appendix D for Table of Vote Ratio.

\textsuperscript{14} Votes and Proceedings 1924 *op.cit.* p.li - liii
By 1924, 63% of seats varied from the original 1903 quota of electors so a redistribution was long overdue.\(^{15}\) Population had moved away from the old gold-mining areas, and the growth was in Melbourne, especially the outer suburbs. Electorates such as Grenville (Buninyong-Sebastopol, near Ballarat), Ovens (Beechworth), Allandale (Creswick), Eaglehawk, and Kara Kara (Dunolly, St. Arnaud) were declining;\(^ {16} \) almost all the smallest electorates had been gold-mining areas. On the other hand, Metropolitan electorates like Boroondara (Camberwell to Oakleigh and Box Hill), Jika Jika (Northcote, Heidelberg, Ivanhoe and Preston), Essendon (which included Coburg), Brighton (which stretched down to Mentone) and St. Kilda (including Caulfield), had all experienced a population explosion.

With metropolitan electorates averaging out at just over 20,000 and country ones at just under 9,000, the principal beneficiary of the existing distribution was the Country Party: the Metropolitan seats it was unable to win were kept at a minimum, while country seats were maximised. In 1924, with only 11.97% of the vote, the Country Party won 20% of the seats. The Nationalists on the other hand with 39.04% of the vote could only gain 29.2% of seats, and Labor was closest to parity with 41.5% of seats for 34.87% of the vote.\(^ {17} \) The concentration of its voters, in geographical areas helped the Country Party to win seats, but the distribution, by supplying an inordinately high number of country seats for them to win, gave them the balance of power in Victorian politics.

15. Age 2 May, 1924.
16. See attached list: Appendix E.
17. Using C.A. Hughes and B.D. Graham, op.cit. p.482. The remainder was 4.62% Liberal rebels, 3.21% Independent and 1.01% informal.
If a strict "one vote one value" democratic system had been used, it would, according to S.S. Argyle, the Chief Secretary of 1924, have been necessary to obliterate 13 country seats and create 16 metropolitan ones. The three party system would have been unlikely to survive this, since the Country Party had little hope of winning seats in the three major provincial towns - Geelong, Ballarat and Bendigo - nor in the Western District, nor the old-settled areas closer to Melbourne, like Bulla, Dalhousie, Daylesford, Evelyn and Dandenong.

From 1903 to 1924, there had been 21 metropolitan seats, and 44 country. By 1924, of the 900,427 electors, 499,437 (56%) or more than half, were living in these 21 Melbourne electorates. For Melbournites a redistribution was urgent.

The first attempt at redistribution for the decade, Peacock's in 1924, ran foul of these Melbourne voters, and also of some of the V.F.U. and was defeated by a combination of both V.F.U. and Nationalist rebels in the Assembly. With a vote ratio of 45 country votes to 100 city, it was far from the democratic ideal of one vote one value, but it was an improvement on the existing ratio of 100 city to 37 country. It had tried to redress this imbalance, without offending

18. Speech reported Age 2 May 1924. This would have created seats of 15,000 each; or, with a 20% margin, between 13,000 and 18,000 each.

19. Generally A.L.P. areas - C.P. never held them to 1929 at least.


21. A.L.P. won these in tight contests but held them for the decade. Dalhousie & Daylesford: soldier settler candidates.

22. Both Nationalist seats, till 1929.

23. Based on election returns, Votes and Proceedings 1924, op.cit.

24. See above Ch.3, p.106 The V.F.U. rebels led by Dunstan opposed an increase in Metropolitan seats.
the Country Party, by increasing the number of seats to give three extra seats to Melbourne, leaving the number of seats the same. In the end it pleased no-one.

Learning from this failure, the Allan-Peacock Government was less ambitious - it aimed in its 1925 Redistribution Bill merely to redistribute seats within the country and metropolitan sectors, leaving the number of seats and the ratios of electors in each sector the same. This ran into such opposition in the Nationalist Party, that the scheme was made, on its second airing in Parliament in 1926 slightly more favourable to the city, giving a voter ratio of 100 city to 47 country - an improvement somewhat illusory since some voters were transferred to the Metropolitan area in the Western suburbs and Dandenong became classified as a Metropolitan electorate for the first time. The new division was 26 Melbourne seats and 39 country.\(^{25}\)

The Country Party was enticed into acceptance by the prospect of two new electorates it felt certain to win. Swan Hill, with 21,313 electors had been more than double the size of most country electorates. Its division into three, with the creation of Guyen and Mildura, placated the Country Party.\(^{26}\) Only four Country Party seats were affected by the redistribution, the biggest problem being the combination of its two seats of Eaglehawk and Korong. Here the split in the

\(^{25}\) See above Ch. 4, pp. 131-6. This is more of a concession on the surface than in reality - Melbourne appeared to gain 5 extra seats. However 2 of these were taken one each from the non-C.P. provincial centres of Ballarat and Bendigo. A third was Dandenong while the number of Metropolitan electors was raised from 552,519 to 569,272.

\(^{26}\) The Mallee was the C.P. stronghold, see above Ch. 2.
C.P. came to the aid of the Allan-Peacock Government, since Dunstan of the C.P.P. held Eaglehawk and Weaver of the V.C.P. held Korong. Each of the country parties could hope to hold the new seat against the other.\footnote{27} Of the other two Country Party seats affected, the combination of Borung with the Nationalist Kara Kara gave the Country Party a chance of holding the new seat, while the combined Wangaratta-Ovens seat was a Country Party certainty, with Bowser their strong candidate. Thus the Country Party did well from the Allan-Peacock redistribution, its slight losses being fully compensated by the new seats created in the Mallee.

The other parties did not fare so well. For the Nationalists, East Melbourne and Ovens were eliminated.\footnote{28} Their Ballarat West seat went too, into the new seat which combined Ballarat East and Ballarat West, but they were not inclined to count this as a loss till after the next election when they failed to hold the new Ballarat seat against Labor. Confident to hold the new outer suburban seats of Caulfield, Nunawading, Oakleigh and Upper Yarra, their losses were outweighed by their gains, they felt at the time. An interesting feature was the way two of the smallest electorates, Allandale and Castlemaine, coincidentally belonging to party leaders Peacock and Lawson, had been preserved and built up with odd cutoffs from surrounding electorates. Allandale collected pieces of Daylesford,

\footnote{27. Dunstan being "persona non grata" with the C.P. hierarchy, they would have rejoiced at his political demise. See above, Ch.2, pp.56 and 62-3.}

\footnote{28. This was not a disaster, for East Melbourne had been very difficult to hold, and both East Melbourne and Ovens were represented by two of the five Rebel Liberals of 1924, who were therefore not very popular in the party.}
Hampden, Maryborough and Warrenheip, while Castlemaine now took in sections of Dalhousie and Daylesford. All but one (Hampden) of the electorates thus tampered with were Labor. Labor, as might have been expected, did poorly from the redistribution. Any redistribution was sure to have disadvantages for it, with five of the 14 smallest country seats being Labor, as well as most of the smaller inner suburban city seats. The redistribution wiped out a lot of Labor strongholds. Its country seats were combined — Warrenheip with Grenville, Daylesford with Maryborough, Bulla with Dalhousie, Glenelg with Port Fairy, while East Ballarat was combined with the Nationalist West Ballarat seat, and the two Bendigo seats were thrown together. This represented a loss of 5 or 6 seats.

As well, in the city, Abbotsford, Fitzroy and North Melbourne were wiped out completely, bringing their losses to 9. Labor's only chances in the new country seats were Grant and Wonthaggi. In the city, the new seats created in Coburg, Clifton Hill, and Footscray were almost certainties for Labor, so the party hoped for five seats against its losses of nine.


30. See accompanying Table — Appendix E.

31. Coburg was safe for Labor as it was the Labor-voting section of the old Essendon Electorate. The Nationalists thought to have made Essendon safe for themselves by lopping off Coburg and Ascot Vale (added to Flemington). See Smith's Weekly 19 March 1927. They hoped likewise including a lot of St. Kilda in Albert Park Seat would keep Albert Park from Labor. (Smith's Weekly, 9 April 1927).
The Nationalists were confident before the 1927 elections that the new redistribution would work to their advantage. When they lost Oakleigh, Essendon, Hampden, and Warrnambool to Labor, and Caulfield and St. Kilda to new liberals, they disproved this. After the 1927 redistribution, the Nationalists were down one seat, while the Country Parties were up one, as was Labor. The real victors were the Country Party—they had exactly the redistribution they wanted, and having survived so handsomely this threat to their power, they could be sure it was unlikely to come again for quite some time—a redistribution being a notoriously difficult piece of legislation to get through Parliament.

The 1927 redistribution proved a great disadvantage to both Labor and Nationalist Parties, as any redistribution which failed to redress the imbalance between country and city would have been. A redistribution solely of country voters could only eliminate the small country seats of the Nationalists and Labor and give seats to strong Country Party areas which had greater population like Swan Hill. The complementary redistribution of Melbourne voters would help the Nationalists a little in cutting down or out Labor’s strongholds in the inner suburbs, and creating new seats in the supposedly more liberal (i.e. Nationalist) outer suburbs, but this could never make up for the country-city imbalance and give the Nationalists, or Labor either, a majority in the House. After the redistribution, when the total number of voters was 972,885, the country voters numbering only 354,925 were electing 36 members of the 65 member

32. Age 11 April 1927, and 16 April 1927.
The 1926–27 Redistribution perpetuated the three party system, in that it ensured the continued election of a Parliament in which no single party would have a majority. With the situations in both the Country Party and the Nationalist Party, already described, this meant a continuance of political instability in Victoria.

Why then was there no equitable redistribution in the 1920s or indeed until that of 1953–54 — especially when it would have been so much to the advantage of both the major parties?

The problem was always to get a parliament to carry the bill — and in the existing three party situation there were only two possible combinations — Nationalists with Country Party, or Nationalists with Labor. The electoral ideas of Labor and Country Party were so opposed as to preclude co-operation on this issue. The combination of Nationalists and Country Party produced the inequitable 1927 Redistribution Act, as the ultimate in concessions from the Country Party. The only chance then for a redistribution thorough enough to end the three party system and the ensuing political instability was some combination of Nationalists and Labor to force it through the Assembly.

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33. Parliamentary Papers 1927, op.cit. p.5. By 1929 the ratio had already drifted to 100 city votes, 46 country. (Age 7 Nov. 1929) and some city electorates were nearly four times country ones eg. Oakleigh 27,749, Gippsland East 7,135. The problem was worse with the Legislative Council where East Yarra (Metropolitan) was 62,824 but Bendigo was 11,385. No Redistribution for the Council was even attempted.

34. Country Party wanted the status quo and Labor was committed to "equitable redistribution" usually on a 30/30 seats basis — (eg. Argus 8 April 1926) which C.P. would never accept.
This was what Labor Premier Hogan tried for with his Redistribution Bill of 1928. His bill, giving a vote ratio of 100 city to 77½ country was the most democratic project seen for years before or after. With 32 city seats and 34 country it would have transferred 8 seats from country to city, breaking the power of the C.P. Naturally the Country Party were hostile, but the bill was attractive to the under-represented Melbourne area, and to the younger or more liberal of the Nationalists. Hogan was able to split the Nationalist Party vote, and the bill passed its first reading on the vote of the A.L.P. the two Australian Liberals Gray and Forrest, and four Nationalists – Kent Hughes, Macfarlan, Greenwood and Everard. Hogan's bill was killed only when the Nationalist Party joined the C.P. and C.P.P. to engineer the fall of the Government on another issue, the Waterfront Strike. Even then, with Redistribution so close the party had to "crack the whip" on the four dissidents\(^{35}\) – and this was to be the last hope of a thorough redistribution until the 100 to 57 ratio one of 1945.

At the election of 1943 immediately preceding, the ratio was down to 100 to 39.

Redistribution was often, as with the Hogan Government in 1928, the rock on which a government foundered. The first in the 20s to suffer this fate was Peacock's in 1924. Defeated in the House by a liberal revolt from its own party, against its very conservative Redistribution Bill, this Government then suffered such severe set-backs

\(^{35}\) See above, Ch.1, p.38 and Ch.4, p.145.
in an election, primarily on the same issue, that it was forced to resign.

The downfall of the next government with which Peacock was associated, the Allan-Peacock Government of 1924–27, was also largely the result of redistribution. Often relying on the Speaker's casting vote, it had actually managed to get a redistribution through the House. The Parliamentary Nationalist Party had even managed to undergo the experience without any major split. The irony came when the Government faced the electors in the 1927 election, when despite the advantages inherent in having been responsible for drawing the new boundaries, it polled so poorly that it lost its combined majority. Melbourne voters, as has been seen, voted for candidates offering a more liberal redistribution—namely the two Liberals in St. Kilda and Caulfield, and Labor in the swinging seats of Heidelberg, Coburg, Essendon and Oakleigh. They resented a vote ratio of 100 city voters to 51 country.

Though the fall of the Hogan Government in 1928 began over the Waterfront Strike, the redistribution issue was crucial here too. Hogan's Government depended on C.P.P. support. It was his Redistribution Bill, alone, which alienated this support and led the C.P.P. to vote with the Nationalists on their no-confidence motion and bring down the Government.

36. See above, Ch.3, p. 107. Peacock was defeated partly by those whose electorates he eliminated and partly by members objecting to the breaking of the 1920 election promises of 60 seats distributed on a 100/60 ratio.

37. See above, Ch.1., p. 36–7, and Ch.4., p. 142.

38. The C.P.P. may not have even intended this result—see above, Ch.2., p. 68.
Thus, for introducing a liberal redistribution a government could lose office, in the House. On the other hand, for refusing to do this, it could lose in the electorates. This happened to the Peacock Government of 1924, the Allan-Peacock Government in 1927, and could have contributed to the miserable showing of the McPherson Government in the 1929 elections, when Dandenong and Albert Park, both metropolitan seats of Ministers, were lost. 39

Lack of an equitable electoral distribution was the major precondition of instability. To the extreme imbalance of the ratio of country and city voters, the Country Party owed its possession of the balance of power in Victorian politics in the 1920s. It was this power which gave it the opportunity to cause instability by bringing down governments. Conversely, the lack of an equitable distribution diverted political office from the one really stable party, the A.L.P. 40 to the more unstable parties, the Country Party and the Nationalists. The political issue of redistribution was in turn, a cause of instability, in splitting the Nationalist Party, diverting support to Liberal and independent candidates, and bringing down the Governments which tangled with it. 41

In this the 1920s set the tone for the whole period till 1953 - 54. The Country Party consolidated its hold on power, by increasing its

39. See below, Ch.3., p.147.

40. The A.L.P. was strong in 1920s - homogeneous with a moderate Executive, lots of continuity, stable leadership, no splits at all - even very few squabbles. (eg. that over Blackburn's election for Fitzroy in 1925 was one of the very few - Argus 12 Jan. 1925, to 5 Feb. 1925 - and it was satisfactorily solved, without damage to the Party).

41. Each of the 3 governments bringing in a Redistribution Bill fell, the Redistribution Bill being a major cause of defeat.
flexibility, after the unity of C.P. and C.P.P. was achieved in 193
The 1930s saw the odd spectacle of a minority C.P. Government, unde
Dunstan, lasting for 8 years with A.L.P. support. This phenomenon
indicates the basic reason for the failure of the two major parties
to gain an equitable redistribution. The hostility and fear of each
for the other was such that they preferred to see the Country Party
retain its position, and would even support a C.P. Government as
Nationalists did Allan in 1924 - 27 and Labor Dunstan in 1935 - 43,
rather than risk giving the other party an advantage.

The Nationalists, having campaigned against the A.L.P. at
election time on a "Red-Bogey" line were inclined to swallow their
own bait. In the twenties at least the idea of co-operating with
Labor over redistribution did not occur to the party leadership.
For individual Nationalist M.L.A.s adherence to the principle of
eQUITable electoral redistribution was sacrificed to the party's
attainment of office, as in 1928. In any case the Nationalists,
in the 1920s and beyond, were a party in decline. After the
Depression split over the Premier's Plan, Labor was similarly afflicted,
and the weakened state of these principal parties gave the C.P. its
continuing power in Victorian politics. It progressively drove the
other parties from country seats, and avoided skilfully any dangerous
redistributions. For example, the only redistribution from 1927 to

42. eg. 1925 Federal Election and Peacock in 1924. State Election:
"Mr. Prendergast's Little Lamb" speech Age 11 June 1924.
43. See below, Ch.I, p.38.
1953–54, that of 1945, by the U.A.P./C.P. Government, left the voter ratio at 100 city voters, to 57 country, not much of an improvement for Melbourne.\(^4^4\) The 1953–54 redistribution was on a "Two for One" principle—two State electorates for every one Federal, giving city voters practically equal representation for the first time in the 20th century, with a ratio of 102 city voters to 100 country, and 40 metropolitan seats, 26 country. It was passed by the Cain Labor Government with the support of Hollway's group of 4 Liberals.\(^4^5\) The long era of Country Party power, and of instability in Victorian politics was then ended.

\(^4^4\) G.W. Leeper (ed.), \textit{op.cit.}, p. 299.

The political instability in Victoria in the 1920s brought about by the electoral system and the activities of the Country and Nationalist Parties, would be an interesting example of "Victorian difference", but not of such vital importance, were it not for its consequences. Because of this instability, Victoria experienced a "legislative drought". Governments became administrations, often merely gaining Supply, only a month at a time, to keep the Public Service functioning. Legislation, of vital importance to the electorate, was delayed for years, even decades, while the politicians played musical chairs. In these circumstances, as has been more recently recognised by Senator Steele Hall, "The public's respect for Government diminishes. They think it is just a revolving door".

The legislative record of the governments of Victoria in the 1920s is, then, depressingly sparse. Some governments placed very little legislation before Parliament, not so much due to the lack of a legislative programme, since the same election promises recur for

1. eg. Prendergast's Government in 1924.
the decade, as to their fear of losing office, in the unstable political conditions of the Legislative Assembly. This fear affected alike, minority governments, who would not risk offending supporting groups, and composites, which had difficulty in agreeing on legislation, and thus feared a rift in their alliance. Thus little really important legislation was introduced.

Those governments which did put forward some substantial legislation often found it failed to become law. At the least, other groups in the Assembly could force amendments. Often, time simply ran out - either in the Christmas rush at the end of a session, or with the fall of the government itself. The constant rise and fall of governments meant many bills were introduced, lapsed, were re-introduced by the next government yet never became law.

For the select few important bills which did clear the Legislative Assembly there was a further hurdle - the Legislative Council. The Council defeated many measures, secure in the knowledge that, in the conditions of instability in the Lower House, no Government would be strong enough to challenge them either in a constitutional fight to the death, or in an appeal to the electors.

3. See below - Lawson's 1920 speech. Promises recurred eg. Hogan called Allan's 1927 promises "the usual bill of fare", Age 9 March 1927. Promises like a Greater Melbourne Council were repeated by A.L.P. and Nationalists at every election. So was the Gas Bill.


5. This happened especially if a battle developed over the Budget as in 1924 and 1925.

6. See G. Serle "Victorian Legislative Council" op.cit. pp.145-6. for the number of Bills "killed".
The decade opened with a series of promises by Premier Lawson, at the 1920 election in which he lost his majority, inaugurating the era of three party politics. By 1923 the Metropolitan Liberals had drawn up a Manifesto demanding Sinking Fund provisions, Redistribution, new schools, and health services, Police Pensions, and an increase in numbers, and a Metropolitan Gas Bill. Most of these had been in Lawson's 1920 platform. The Metropolitan Liberals rightly attributed this three year delay to the weakness of minority government, and though they could have added that the Nationalist Party itself was proving weak and divided in government, these defects were accentuated by its insecure political hold.  

To avoid challenges the Government met the House as little as possible, and was unwilling to take the risks involved in controversial legislation, especially the tax increases needed to implement much of its programme. This was even more the case since opposition would come, not merely from the old "Economy" liberals and the Legislative Council, but particularly from the Treasurer McPherson. The cost to the State was seen most dramatically in the Police Strike and consequent riots of 29th October to 3rd November, 1923. This could well have been avoided had police conditions especially pensions been attended to in 1920 - 21, as promised.

7. The Government was, on one occasion, saved by the A.L.P. in a weird vote, when the V.F.U. deserted it - 30 Aug. 1923, Graham op.cit.p.198. See above, Ch.3, for Metropolitan Liberals, pp. 92-4.

8. The years 1921 - 24 were notable for Parliament's less frequent meeting. See Victorian Year Book 1926-7, p.2.

9. 1924-25 Council fought Tax increases. See below, Ch.3., p.85ff. for Economy group. McPherson opposed increased expenditure so much he eventually resigned as Treasurer, Nov. 1923.

The Police however, did eventually receive their pensions.

A case possibly more typical was the proposal to remove the Stockyards and Abattoirs from Newmarket to Derrimut (or a later idea, Tullamarine).\textsuperscript{11} This has still not been achieved in 1974.

The Metropolitan Gas Bill was a classic case of a controversial bill lost through political instability. Promised by Lawson in his 1920 campaign, the Bill was to protect the consumer - reducing prices, and increasing the quality of gas, by taking over the Metropolitan Gas Company. Though Melbourne Nationalist M.L.A.s and their electors keenly supported it, the Nationalist Party was caught in an embarrassing division of opinion, since two prominent members of the National Union, its funding body,\textsuperscript{12} Sir John Grice and P.C. Holmes Hunt, were heavily involved in the Metropolitan Gas Company, which strongly resisted the Bill.

Lawson employed the classic dodge of a Select Committee, when the Bill finally reached its Second Reading, in August 1923. This Committee, chaired by Eggleston, M.L.A. for St. Kilda and a Metropolitan Liberal, supported takeover and a dispute dragged on between Higgins of the Gas Co. and Eggleston.\textsuperscript{13} Meanwhile the Lawson Government had fallen in September, to be replaced by the Lawson-Allan composite. This eventually decided to shelve this issue by deciding on a 5 - 7 year option instead of going ahead with purchase.\textsuperscript{14}

\textsuperscript{11} Hogan had a bill ready in 1928, eg., when his Government fell.

\textsuperscript{12} See above, Ch.4, p.126. Sir John Grice did negotiate with Lawson and Eggleston (see Grice Diary 24 March 1924 and 10 April 1924, University of Melbourne Archives), with Tuntecliffe (21 August 1924), and with Peacock, through E.H. Willis of the National Union (3 December 1924), demanding Arbitration by a Supreme Court Judge to fix the price, but nothing eventuated, perhaps intentionally?

\textsuperscript{13} Age 29 Jan. 1924.

\textsuperscript{14} Age 4 Feb. 1924.
Lawson delayed even on this, by writing to the Municipalities offering legislation to allow them to buy the Gas Co. 15 Cr. Brunton, Mayor of Melbourne, and others, rebuked him sharply for "side-stepping". A Municipalities Conference considered the question, and it was announced on 27th February 1924 that the Government would again proceed with the Bill though leaving the eventual takeover of the Co. to the Municipalities. 16 Lawson, while bowing to the National Union, was also avoiding possible conflict with the old Economy group in Parliament and the Council. Naturally, after all these delays, the Bill lapsed with the fall of the Government in March 1924.

When revived again under the Peacock Government, the Gas Bill debate gained barely a quorum of members and was adjourned in a general lack of interest. Eggleston's complaint, years later - "the House was absolutely dead. I think the Gas. Co. could give you the reason for this" 17 suggests National Union influence which is likely. As well there was the diversion of interest to the redistribution issue, and the fact that, in a Parliament with seats so unrepresentatively distributed, most members were not interested in a Metropolita issue, though a majority of electors were. Thus the Gas Bill lapsed yet again with the fall of the Peacock Government, and only finally became law in 1949. 18

15. Age 10 Feb. 1924.
18. When the Gas Co. in financial difficulties, was very happy to be bought out.
Contemporaries had named the Lawson-Allan Government "the weariest of ministries" because of its inaction, and as the decade went on there were further competitors for the title. The Lawson-Allan Government had failed to achieve anything on the Gas Bill, redistribution, or the Apprenticeship Bill. The ensuing Lawson Government did not last long enough to meet Parliament, despite its promise of an autumn session to deal with the Gas Bills and redistribution. The next government, that of Peacock, also proved somewhat abortive, since the only piece of legislation to go through was a Wheat Marketing Bill (Voluntary) - somewhat of a routine, since it was a renewal of Lawson's earlier bill. Neither the Gas Bill nor Redistribution cleared the Lower House before the Government fell.

The Prendergast Labor Government was more active than its predecessors in putting forward legislation - planning an Inquiry into the Price of Bread, a Public Service Classification Board, Public Service Pensions, Women J.P.s, road works for the unemployed, extension of the State Insurance Co., compulsory voting, a new Housing Ministry, an Apprenticeship Bill, a Gas Co. Bill, and legislation to control bus routes and tax buses for road use. For the country they planned a 10% freight reduction on the railways, an agricultural bank, a Compulsory Wheat Pool and a Royal Commission into Soldier Settlement as well as the one into Police. Most of this impressive programme had no

19. Age 1 Feb. 1924.
20. Age 1 May. 1924.
21. Age 30 July, 8 August and 9 August 1924. This last resulted from the Police Strike of November 1923, after which striking police were dismissed, and was to inquire into the strike and the current state of the Force. Age 27 Aug. 1924.
time to become law, and some never reached Parliament, since the
Government lasted only four months. Cattle Compensation and
Electricity Acts went through, but the Bus Tax did not go through
the Council, while the Compulsory Wheat Pool was rejected by it,
as was the bill to permit women J.P.s.

The Allan-Peacock Government, as the strongest majority govern-
ment and the longest lived of the decade, should have had a list of
legislative successes. However, most of its 1924 session was spent
battling over the Budget - so the Roads Act and the Dried Fruits Act
were the only important legislation, especially as its Stamp Duty Bill
was rejected by the Council, and its Betting Tax, by the Assembly.

The next year repeated this pattern, with a further battle over
the budget, the defeat of the Government’s Totalisator proposals, and
the adjournment of its Redistribution Bill. In a last minute rush,
the Teachers Bill, Superannuation Bill and Anzac Day Bill, all went
through - relatively minor measures, and not much to show for a year
in government. Bendigo V.F.U. labelled it as “barren for the
Country” and city folk were no better off - as the ensuing agitation
among them for an early meeting of Parliament the following year,
showed, with its claim that the metropolitan area had been neglected.

22. The next government adopted the legislation and put it through -
see Commercial Vehicles Act above Ch.4, p.127.

23. The Government couldn’t get enough support from the Nationalist Party
and had to revise its Bill to suit the A.L.P. to get it through the
House. See Age 20 Dec. 1924. Something similar happened re the Roads
Bill, where A.L.P. forced Government to divide Roads money differently
between country and city. Age 20 Dec. 1924.

24. After an agreement with A.L.P. - see above p.131. and Argus 11
Dec. 1925.


27. See above, Ch.4, p.129.
In fact the only important legislative achievements of the thirty months of Allan-Peacock Government were in electoral affairs - the final passing of compulsory voting, and redistribution - and redistribution, since it remained so inequitable, was challenged as an achievement. H.I. Cohen, M.L.C., and a Nationalist, termed the Ministry a legislative failure, and Kent Hughes, a younger Nationalist, spoke of the "oligarchic power of inertia". Outside the party, Dean Hart opined the Ministry "moves just about as fast as a glacier". The Government's Spencer Street Bridge and Metropolitan Board of Works Bills were to lapse, while its Betting Tax was defeated in a revolt of its supporters.

The legislative failure of the Allan-Peacock Government was partly due to the lack-lustre leadership of its two composing parties, but more to the time wasted in battles in an unstable parliamentary situation over budgets, standing orders, redistribution, and even the Address in Reply. Small defeats—nine in the House—generated such fear of a major defeat that the Government was not inclined to take risks. This in turn was a risk, since the inactivity of the Government became one of the issues of the 1927 election campaign, and a major cause of its defeat. The greatest irony was A.A. Dunstan, later to be a master of inactivity himself as Premier, criticising the Government as a "comic opera government" and "Victoria's worst".

28. Argus 17 June 1926.
30. Age 9 Sep. 1926.
31. Age 4 March 1927.
W.A. Watt, a former Premier, now a Federal Nationalist parliamentarian, spoke the epitaph, in the 1927 election campaign - "so much to do, so little done".  

The Hogan Labor Government which followed, displayed both ability and activity. At least 40 Bills passed the Assembly in 1927 and 26 more by its fall in November 1928, though the Legislative Council was creating a record in slaughtering government proposals. The Workmen’s Compensation Bill, though mutilated, went through, with the Tote and Redistribution before Parliament, and Greater Melbourne and Stockyards Bills ready for presentation. The Government was voted out in the middle of its legislative programme, but was still favourably contrasted with the composite government it had replaced.

Not so the next government, the McPherson Nationalist Government - its legislative record of only 13 bills including Supply, told severely against it in the 1929 election in which it performed so poorly. In 1929 it seemed incapable of formulating its budget, preferring to call an election. Such inactivity was not due only to fear of the oncoming depression, nor to the bankruptcy of the Nationalist Party, but related to instability in Parliament which led the government to do nothing rather than offend.

The number of changes of government, and their weakness in office, had its effect on the Public Service. Sir William McPherson told

33. Age 1 April, 1927.
dire tales of time and money wasted, due to inadequate supervision. 37

The Departments were to a large extent left to run themselves, as Ministers were out of office before they had had time to do more than begin to familiarise themselves with their portfolios. The quality of Ministers was in any case often in doubt, especially those from the smaller Country Party. 38 The effect was seen at its extreme in 1926 when the Board of Works defied the Health Department, and its Minister Dr. S.S. Argyle, in siting its sanitary depot at Bundoora. 39

Governmental instability and ineffectiveness also led to diminishing public respect. The repute of the Parliament was damaged several times, but most blatantly when the impartiality of the Speaker was called to question in the Standing Orders Debate of 1926. 40 Respect for the whole institution of government suffered when public meetings at election time were necessary to force the Government to build more schools in 1927. 41 Or when, despite a chronic shortage of hospital beds, 42 a decision on the use of the

38. eg. H.I. Cohen, M.L.A.'s criticisms. Argus 17 June 1926. Country Party members were "incapable of carrying out their duties properly"; and McPherson on Allan's "lack of capacity". Argus 4 May 1926.
39. Argus 1 Sept. 1926 – the weakness of a government department against an Instrumentality supposedly controlled by Municipal councils, but a law to itself.
40. Age 2 Sept. 1926. The Speaker and Allan bungled the closure motion, failing to put the closure, and instead putting the main question. Allan used the Speaker's casting vote repeatedly. Bowser (C.P.) was a weak Speaker who was elected instead of the more able Lawson, due to instability in 1924 – See above, p.26.
42. Age 9 Feb. 1924 and 21 Oct. 1924.
Haymarket and Pig Market sites was delayed and changed from government to government, so that the new Melbourne Hospital eventually built there, was only finished in time for the Americans to use in World War Two.

By 1929 instability in Victorian politics had revealed itself as an imprisoner of governments. A government which did little would suffer at the polls for its inactivity. A government which attempted a thorough legislative programme would have to battle with the Legislative Council, and continually risk defeat in the Assembly, weaving its way between obstacles to survive. In neither case was very much legislation likely, but it was to the more active type of government, exemplified in Hogan's first Government of 1927-28, that Victoria turned in the Depression which began in 1929.
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"Victorian Politics: Instability of Governments and Parties 1923 to 1929"

Record of Instability: Nine Governments

1. Lawson (Nationalist) 1920-23.


5. Prendergast (Labor) July - November 1924.


* The only majority Governments. All others minority Governments, depending on the support of the Country Party.

N.B. In 1924 there were five governments in one year.

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**NOTE:**

- **Federal Party Compositions:**
  - **Labour**
  - **Nationalist**
  - **Country**

- **NSW:**
- **VIC:**
- **QLD:**
- **SA:**
- **TAS:**
- **WA:**
PARTY COMPLEXIONS OF AUSTRALIAN GOVERNMENTS 1920–1970

Table from:
A.F. Davies, Australian Democracy, Melbourne 1958, p.113.

This Table omits three changes in government in Victoria in the 1920s. It shows no record of Nationalist Country Party coalitions, of which there were two in the 1920s.
### VICTORIAN ELECTIONS: 1911 – 1952

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**REDISTRIBUTION**
INTERPRETATION OF CHART

The Time Period 1911 - 1952 falls into ERAS i.e.

1. 1911 - 1921 Dominance of Nationalists
2. 1924 - 1929 Rise of Labor.
3. 1932 Brief Resurgence of U.A.P.
5. 1945 - 1955 Rise of Labor (Brief Hiatus in 1947 when Federal Issues intervened)
6. 1955 on Dominance of Liberals.


N.B. NAT = Nationalist
LIB = Liberal
IND = Independent
U.A.P. = United Australia Party
V.F.U. = Victorian Farmers Union
V.C.P. = Victorian Country Party.
C.P.P. = Country Progressive Party
A.L.P. = Australian Labor Party.
APPENDIX D

REDISTRIBUTION

Tables of Ratios of Country: City Votes and Seats

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<td>Peacock's 1924 Bill</td>
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<td>3</td>
<td>Actual Ratio, 1924 Election</td>
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<td>McPherson 1926 Plan</td>
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<td>Allan-Peacock 1926 Act</td>
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<td>12</td>
<td>Situation 1943</td>
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* Sources: 1. Age 15 September 1926, p.10.
   and others cited in body of thesis.

= actual situation
## APPENDIX E

### ELECTORATES IN 1924

#### Small Seats

##### (a) Seats below 5,000 voters

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##### (b) Seats below 6,000 voters

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<tr>
<td>R 6</td>
<td>Warrenheip</td>
<td>5,192</td>
<td>Labor</td>
</tr>
</tbody>
</table>

##### (c) Seats below 7,000 voters

<table>
<thead>
<tr>
<th>No.</th>
<th>Seats</th>
<th>No. of Electors</th>
<th>1924 Party Holding</th>
</tr>
</thead>
<tbody>
<tr>
<td>R 7</td>
<td>Benambra</td>
<td>6,700</td>
<td>Nat.</td>
</tr>
<tr>
<td>R 8</td>
<td>Castlemaine/Maldon</td>
<td>6,246</td>
<td>Nat.</td>
</tr>
<tr>
<td>R 9</td>
<td>Dalhousie</td>
<td>6,704</td>
<td>Labor</td>
</tr>
<tr>
<td>R 10</td>
<td>Daylesford</td>
<td>6,185</td>
<td>Labor</td>
</tr>
<tr>
<td>R 11</td>
<td>Gippsland East</td>
<td>6,134</td>
<td>C.P.</td>
</tr>
<tr>
<td>R 12</td>
<td>Korong</td>
<td>6,518</td>
<td>C.P.</td>
</tr>
<tr>
<td>R 13</td>
<td>Maryborough</td>
<td>6,360</td>
<td>Labor</td>
</tr>
<tr>
<td>R 14</td>
<td>Waranga</td>
<td>6,466</td>
<td>Nat.</td>
</tr>
</tbody>
</table>

#### Large Seats

##### (d) Seats over 20,000 voters (in order of size)

<table>
<thead>
<tr>
<th>No.</th>
<th>Seats</th>
<th>No. of Electors</th>
<th>1924 Party Holding</th>
</tr>
</thead>
<tbody>
<tr>
<td>M 1</td>
<td>Boroondara</td>
<td>63,123</td>
<td>Nat.</td>
</tr>
<tr>
<td>M 2</td>
<td>Jika Jika</td>
<td>41,548</td>
<td>Labor</td>
</tr>
<tr>
<td>M 3</td>
<td>Essendon</td>
<td>37,039</td>
<td>Labor</td>
</tr>
<tr>
<td>M 4</td>
<td>St. Kilda</td>
<td>35,932</td>
<td>Nat.</td>
</tr>
<tr>
<td>M 5</td>
<td>Hawthorn</td>
<td>32,143</td>
<td>Nat.</td>
</tr>
<tr>
<td>M 6</td>
<td>Brighton</td>
<td>30,536</td>
<td>Lib. (ex Nat.)</td>
</tr>
<tr>
<td>M 7</td>
<td>Brunswick</td>
<td>27,788</td>
<td>Labor</td>
</tr>
<tr>
<td>M 8</td>
<td>Toorak</td>
<td>24,441</td>
<td>Nat.</td>
</tr>
<tr>
<td>M 9</td>
<td>Williamstown</td>
<td>24,058</td>
<td>Labor</td>
</tr>
<tr>
<td>M 10</td>
<td>Flemington</td>
<td>23,713</td>
<td>Labor</td>
</tr>
<tr>
<td>R 11</td>
<td>Swan Hill</td>
<td>21,313</td>
<td>C.P.</td>
</tr>
<tr>
<td>M 12</td>
<td>Albert Park</td>
<td>20,431</td>
<td>Labor</td>
</tr>
</tbody>
</table>

i.e. C.P. had 3/14 of smallest seats
1/12 of largest.

Nats = 6/14 and 5/12; Labor = 5/14 and 6/12. (incl.Libs.)

R = Rural          M = Metropolitan

This covers 26/65 seats. The other 39 were held Nats -
                      Lab -
                      C.P. -
1. Swan Hill
2. Lowan
3. Dundas
4. Glenelg
5. Port Fairy
6. Warrnambool
7. Hampden
8. Stawell/Ararat
9. Borung
10. Gunbower
11. Korong
12. Kara Kara
13. Maryborough
14. Allendale

15. Grenville
16. Polwarth
17. Barwon
18. Warrenheip
19. Bulla
20. Daylesford
21. Castlemaine
22. Bendigo West
23. Eaglehawk
24. Rodney
25. Waranga
26. Bendigo East
27. Dalhousie
28. Evelyn

29. Dandenong
30. Mornington
31. Gippsland West
32. Gippsland South
33. Walhalla
34. Upper Goulburn
35. Goulburn Valley
36. Benalla
37. Wangaratta
38. Ovens
39. Benambra
40. Gippsland North
41. Gippsland East

Omitted are: All Melbourne Seats
Geelong
Ballarat East
Ballarat West.
APPENDIX G


<table>
<thead>
<tr>
<th>ELECTION DATE</th>
<th>AVERAGE NUMBER COUNTRY VOTERS (as % of city)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1892</td>
<td>63.63</td>
</tr>
<tr>
<td>1894</td>
<td>77.63</td>
</tr>
<tr>
<td>1897</td>
<td>76.77</td>
</tr>
<tr>
<td>1900</td>
<td>73.67</td>
</tr>
<tr>
<td>1902</td>
<td>74.76</td>
</tr>
<tr>
<td>1904</td>
<td>75.90</td>
</tr>
<tr>
<td>1907</td>
<td>68.24</td>
</tr>
<tr>
<td>1908</td>
<td>67.70</td>
</tr>
<tr>
<td>1911</td>
<td>53.94</td>
</tr>
<tr>
<td>1914</td>
<td>46.85</td>
</tr>
</tbody>
</table>

i.e. THE VOTER RATIO (COUNTRY VS CITY) PROBLEM, PRE-DATES 1920s.
THE NATIONAL UNION - LIST OF MEMBERS

(from Herbert Brookes, undated list, probably 1920, N.L.A. MSS.1924/6.)

COMMITTEE

Wm. Riggall Esq. (Chairman) 120 William Street, Melbourne.
G.W. Turner (Vice-Chairman) C/- Howard Smith, 35 Market St.
G.A. Kay (Vice-Chairman) Melbourne Trust, 349 Collins St.
C.M. Newman Managing Director, Howard Smith.
J.J. Love 'Wilton Vale', South Morang.
E.E. Keep 70 Elizabeth Street, Melbourne.
L.F. Miller Selbourne Chambers, Chancery Lane.
Howard W. Berry Henry Berry & Co., 568 Collins St.
H.V. McKay Talmage Street, Sunshine.
Herbert Brookes 'Winwick', South Yarra.
J.A.M. Elder Messrs. John Cooke & Co. 534 Collins St.
Wm. Bowie " " " "
P.C. Holmes Hunt Colonial Gas Assoc. 360 Collins St.
J.C. Ritchie 9 Albany Chambers, 230 Collins St.
Sir John Grice 'Coolullah' Williams Road, Hawksburn.
W.A. Gibson Manager, Goldsbrough Mort & Co. 546 Bourke St.
E.H. Flack 128 William St.
H.G. Darling 44a King St.
Richard Turnbull 'Yambla' Clendon Road, Toorak.
G.C. Klug Zinc Corp., 360 Collins St.
J. McIntosh Ball & Welch, Flinders St.
Wm. Jamieson
Colonel Raws
Colin Fraser
J.L. Wharton
E.V. Nixon
H.B. Howard Smith
M. Cooper
D. MacDougall
V.Y. Kimpton
T. Baker
Montague Cohen
R.M. Cuthbertson
A.D. Bell
Sir W.G. McBeath
Maurice C. Lloyd
C. Latham Baillieu
Major R.G. Casey
Stanley Elder
F.H. Clarke
Colonel Evans
R.W. Knox
On Leave
Ivor Evans
J.M. Niall
Hon. F.T. Derham

31 Queen St.
Elder Smith & Co. 84 William St.
Associated Smelters, 360 Collins St.
Collins House, 360 Collins St.
" " "
"Mayfair", Marne St. South Yarra
John Goodall & Co., 99 Queen St.
Sands and MacDougall, Collins St.
W.S. Kimpton & Sons, 395 Collins St.
Kodak Ltd. Bond Street, Abbotsford
Collins House, 360 Collins St.
352 Flinders Lane.
Managing Director, Robert Harper & Co. 390 Flinders Lane.
230 Flinders Lane.
Lloyd Bros. & Macginnis, 644 Bourke St.
Collins House.
125 William St.
454 Collins St.
Secretary, Huddart Parker Ltd. 466 Collins St.
Equitable Buildings, Collins St.
Collins House.
Goldsbrough Mort, 546 Bourke St.
Stokes Street, Port Melbourne.
**NATIONAL UNION - LIST OF MEMBERS, 1926**

*(from Smith's Weekly, 20 February 1926)*

**Executive**

*McBeath  
Col. Holdsworth  
Sir Robert Gibson  
*Mr Holmes Hunt

**Committee**

Manifold  
Chirnside  
Currie  
Weatherley  
Winter Irving  
*J.M. Niall

*Montague Cohen  
Brewing

*W.L. Baillieu  
Elder Smith  
*Sir Lennon Raws  
*McBeath  
*Grice - Investor  
*Miller - Banker  
Aaron Danks - Importer  
J.H. Riley - Investor  
*H.V. McKay Family  
H.W. Grimwade - Manufacturer  
A.D. Hart - Tobacco  
Riggall - Lawyer

*Also on Brookes' List.*
Author/s: 
Vines, Margaret

Title: 
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Date: 
1975

Citation: 

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