CHAPTER 18

Australian Labor Party,
New South Wales Branch
Annual Conference, 7–8 April 1939

Report in The Sydney Morning Herald

This report from the Herald telescopes commentary on the two rival Conferences being conducted on this weekend – that of the Lang party, opposed by the smaller sessions of the Heffron party. There is an air of farce in the situation, moderated only by the request from the Heffron party for the ALP Federal Executive to intervene in NSW – which they did within months.

Executive Report of NSW ALP for 1938-39

[As in 1932 and 1934 a printed copy of the Executive Report for the previous year has not survived. However, unlike in those years, there seems no evidence that a report and balance sheet was presented to the conference or debated. A Report may exist, but I have not encountered even a mention of it.]
Annual Conference of NSW ALP, 1939

(The Sydney Morning Herald, 8, 10 April 1939)

Day 1, Friday, 7 April 1939


The annual Easter conferences of the two rival Labour parties in New South Wales began in Sydney yesterday. They will be continued today and tomorrow, and may extend until Monday, as large agenda papers are before both conferences.

There were about 500 delegates at the Lang party conference, which was held at the Australian Hall. Tributes were paid to the “strong and virile leadership” of Mr Lang.

The Heffron party conference, which met at the Trades Hall, was attended by 139 delegates. The president, Mr F O’Neill, claimed that the party was "the strongest State branch of the movement in Australia".

Lang Party’s Policy. Leader’s Speeches.

An effort to prescribe a formula of consultation in the preparation of the leader’s policy speeches was defeated at the conference of the Lang Labour party.

An unusual departure at the conference this year was the decision to allow Federal and State Parliamentary members to sit in the body of the hall and take part in the debates. Formerly they had occupied seats on the platform as spectators.

The president of the ALP, Mr P Keller, presided.

There was a lively scene when a delegate from Lithgow objected to the presence in the conference of Mr J Kilmartin, as a representative of the Railway Operatives’ Union. Mr Kilmartin was charged with not representing the union of his calling.

Mr Kilmartin heatedly repudiated the charges, and many points of order were taken. Eventually, on the recommendation of the chairman, Mr Kilmartin’s case was referred to the appeals committee.

“A Virile Leadership”

“The Labour movement at all times expects attacks as long as it is prepared to carry out the ideals of the Labour Party”, said Mr Keller in his presidential address. “For many years the movement fought for a
leader who would give expressions to the ideals of Labour – a leader who would not be hobbled to the powers that be. But the enemies of Labour are endeavouring to get within and corrupt the movement. They are attacking our leader because they want a selected leadership – a leadership selected by the Communist Party and the Bank of New South Wales.

“The Heffron Party conference has been a complete flop”, said Mr JJ Graves, MLC, secretary of the Lang Labour Party. “I am informed they have only 30 delegates there, and yet this breakaway movement attempted to keep us out of the Trades Hall.

A long discussion took place on a motion from the Petersham branch that local returning officers should conduct all selection ballots. It was also suggested in the motion that if necessary, the general returning officer should be allowed to check the results. At present the general returning officer controls all ballots.

Mr WF Sheahan, in moving the motion, said that if the motion was adopted much friction would be removed. Unless a change was made in the system the party would lose control of the Labour movement.

Mr C Dalton (AWU), seconding the motion, said that there was a stigma on selection ballots. Trouble had occurred in the Macquarie selection ballot because the local returning officer was not in charge. The local results differed from those compiled at ALP headquarters. He would not stand for ‘crook’ selection ballots.

The motion was carried by 230 to 38, and will now be embodied in the rules of the party.

The new rule will read: “That all Parliamentary selection ballots, Federal and State other than Senate, shall be conducted and finalised by the returning officer appointed by the Federal and State Electorate Councils, and that the Tramway, AWU, AFULE and other similar ballots be made available to council’s returning officer for that purpose. That on completion of ballot all ballot papers, voting lists etc., be sealed in the presence of scrutineers and forwarded to the general returning officer for the purpose of a check if necessary.”

Mr Lang’s Policy Speech

Animated debate took place on a motion from the Hunter Electorate Council, which urged that the policy speeches of the party and any proposed laws should be submitted to the Parliamentary Party for its adoption or otherwise before being made public. The motion was moved by Alderman Saxton, of the Hunter Federal council.

Mr A McNamara, MLC, moved an amendment that the caucus should elect a committee of five to consult on matters to be included in the policy speech.
Mr Lang said that the policy speech was not framed to meet the wishes of the caucus, but the wishes of the rank and file as determined at the Easter conference. A Labour leader, if he was a leader, would never go outside the constitution of the ALP.

“No policy speech of mine has ever transgressed a rule of the ALP”, Mr Lang said. “I have never made a policy speech without consulting members of the caucus. If a caucus member says he was not consulted, it was probably because such a member was incapable of constructive suggestions.

“Many times I have had to launch a censure motion”, he added. “People have asked why I did not consult the caucus before I entered the house to move the motion. I say that if I did so the world would know what I had to say before I entered the House.

“I have never delivered a policy speech without consulting my colleague, Mr Dunn, MLA, who is an authority on rural subjects and Mr Baddeley, MLA, who is an authority on mining matters. It would be wrong to tie the leader down as suggested in the motion.”

The conference then rejected both the motion and the amendment.

**Alterations to Rules**

The secretary of the rules committee, Mr WF Sheahan, submitted a comprehensive report on alterations to rules, which, he said, were designed to make the Lang Party’s rules the most democratic in Australia.

Provision was made for direct representation on conferences, and executive members were given the right to contest selection ballots provided they first resigned from the executive.

“These rules are the true blue rules and not the so-called Red rules of 1927”, said Mr Sheahan. “I feel that the new rules will provide a basis for Labour unity at an early date.”

The new rules propose that persons over the age of 14 years should be entitled to membership. The old rules fix the age at 16 years. It is also proposed that the president, general secretary, and organising secretary should be given the right to attend meetings of the parliamentary caucus. It is also provided that in future members of affiliated unions must also belong to a Labour league before they will be allowed to participate in the business of the party.

During the evening session Miss D Cartwright (Enmore branch) obtained the suspension of standing orders to move a motion, which was subsequently carried, urging the Minister for Health to make diphtheria immunisation wholly free to poor patients without the necessity for making special application for the remission of fees.
**Day 2, Saturday, 8 April 1939**

**Labour Conferences. Mr Lang Urges Utilisation of Credit. Warning Against Fascism. Heffron Party’s Unity Proposal.**

Both the Lang and Heffron Labour Party Easter conferences were continued at the week-end.

The Heffron Party decided to ask the Federal Executive of the Labour Party to call an “all-in” conference of the rival parties in an attempt to achieve unity.

Mr Lang, in his address to his party’s conference, urged the utilisation of credit for development of Australia. He criticised the recently formed National Council as a step towards Fascism.

A proposal at the Lang Party conference that the leader should be elected by Caucus instead of by the conference was overwhelmingly defeated.

**Expansion of Credit**

The leader of the Opposition, Mr Lang, in his address to the Lang Labour Party conference yesterday strongly urged credit expansion for the development of Australia.

“It is criminal to bring even one foreigner to this country until we have provided for our own people but we cannot provide for Australians until the question of credit expansion is properly handled by a competent Government”, he said. “The Sydney Morning Herald says the risk of inflation must be taken to go on with defence works.

“What are defence works?” he asked. “One of them is a railway bridge over the Hawkesbury River, and if it is worth taking the risk of credit expansion to build a bridge over the Hawkesbury River, why is it not worth taking whatever risk there is to build the huge irrigation schemes that would make this country a grand place to live in?”

“Why is it not worth while taking whatever risk there is to go ahead with the big national undertakings that will develop Australia and make it a place fit for Australians to live in?”

Mr Lang said that attempts to destroy the Labour movement to prepare a way for a dictatorship form of government would increase in the future, and that resistance to such attempts would have to be intensified. However, Labour must not allow itself to become wholly absorbed in that struggle. The constructive programme of the Australian Labour Party must be emphasised and promulgated so that all Labour people can rally under its banner.

Mr Lang said that for the past few years the Labour Party had been subject to a coordinated sustained campaign of disruption, but it had survived.
During its history Labour had had to face two major crises – the war and the depression. It faced up to conscription and fought it on principle. Government was lost for a time but the movement remained strong and intact.

In facing the depression sections of the movement chose the line of expediency, causing confusion which lasted for many years.

European countries met the situation with dictatorship governments; the struggle between Communism and Fascism invariably resulting in the triumph of Fascism. That European struggle was imported into the Australian political situation, and on the one flank the Communists made an attack for the united front, while on the other the Fascist drive was begun with the demand of the newspapers that there should be a national one-party Government. That was followed by the Fascist campaign calling for leadership. A later step was taken of setting up last week a supreme council.

“Though some of the people who took part in its formation have no wish or inclination to participate in Fascism, it is a fact that the organisation that was created could quickly facilitate the change over to a dictatorship”, he said.

“Sensing the danger to the people from these two movements”, he continued, “the Labour Party found itself in the position of fighting a purely 'anti' campaign. It was anti-Communist and anti-Fascist.

“Now without weakening in our fight against two forms of dictatorship that threaten our system of government we must re-emphasise the constructive part of our programme.”

**Utilisation of Credit**

Unlike any other country, he said, Australia was the only one whose legal constitution permitted the free working of democracy. But the capacity of any Government to legislate rested upon its capacity to finance its proposals.

“In this country, he said, the note issue and the Commonwealth Bank are the property of the Commonwealth Government. A Labour Government in using the public credit which would be available to them through these institutions has no longer any need to pioneer the way. The Federal Government and the Sydney Morning Herald have done that.

“When Labour faced the depression it proposed to use this credit for the benefit of the people. Inadequate as those proposals were they brought such a storm of protest that even Labour voters became afraid. But the people and the newspapers who so roundly condemned credit expansion when it was needed to help the people through a depression are now calling for that same credit expansion when money is required to purchase guns and munitions.
“If a risk must be taken with credit expansion to defend Australia, why can’t it be taken to develop Australia?”

Mr Beasley, MP, said that a close watch would have to be kept on the proposed National Council. Much of the defence material being imported could have been manufactured in Australia.

Selection Ballots

In opposing a proposal that persons aged 15 should be allowed to participate in a selection ballot, Mrs Smith (Tempe) said 15 was a ridiculously young age. A school teacher could buy such children an ice cream and take them as ALP members to vote in a selection ballot for a Parliamentary candidate. There were many lively scenes during the discussion on the proposal. When the uproar subsided Mr W Sheahan, secretary of the rules committee, said that some juveniles at the age of 15 displayed more intelligence than adults aged 46.

It was eventually decided that members must be 16 years of age before being allowed to participate in a selection ballot.

A lively debate took place on a motion from the Petersham branch that all officials should be elected annually by the Easter conference.

The chairman, Mr PJ Keller, ruled the motion out of order, but Mr N Garth (Petersham) moved dissent. The chairman’s ruling was upheld amidst considerable excitement. The rules at present provide that the secretary and the organising secretary are elected triennially and other officers each year.

A motion was carried that the delegates to the Federal executive and to the triennial interstate Labour conference should be elected by the Easter conference instead of by the central executive and that members of the Federal and State Parliaments should be eligible for election.

Isolation Urged. Mr Lang’s Policy. Australia and War.

A policy of isolation for Australia, which he said should not be embroiled in any foreign wars, was announced by the Leader of the Opposition, Mr Lang, in his first declaration on the present international position, made at the annual Easter conference of the Lang Party in the Australian Hall yesterday.

It is expected that his declaration will form the basis of the State Labour Party in the event of war.

Mr Lang did not refer to the need for defence either for internal or external purposes. “We do not want anybody’s territory, and nobody wants ours”, he said.
“Live at peace”

“There is no reason why the Labour Party of any Australian political party should be drawn into the European quarrel over foreign affairs”, said Mr Lang. “The only foreign policy Australia wants is to live at peace with her neighbours and trade with those who will trade with her.”

“European countries with their teeming populations follow policies which may or may not lead them to war. But why should the Australian people be dragged at the heels of any set of quarrelling European nations?

“The only contribution that we could make to European problems is to assist in absorbing some of the surplus population, but we cannot even attempt that. It is criminal to bring one foreigner to this country until we have provided for our own people.”

Mr Lang said that one of the major crises the Labour Party had had to face was the European war, when it had fought conscription on principle.

Mr Lang described the formation of the National Council as a step in a Fascist drive. “Though some of the people who took part in its formation have no wish or inclination to participate in Fascism, it is a fact that the organisation that was created could quickly facilitate the change over to a dictatorship”, he said.


Unusual scenes marked the conclusion of the Lang Party conference in the Australian Hall last night. The conference was officially declared closed by the president, Mr PJ Keller, at 11 pm.

At this stage counting was in progress of the ballot for the appointment of two delegates from New South Wales to the Federal ALP executive and six delegates from New South Wales to the interstate ALP conference to be held in Canberra next month.

Mr T Dalton (Water Board Union) claimed that the conference should receive the report of the returning officers.

The chairman however said that the conference had closed but that delegates could remain in the hall to hear the results.

At 1 am the delegates, including prominent members of the Federal and State Parliaments, were still waiting.

It appears that two tickets were run for the various positions, one being sponsored by the Inner Group, and the other by opponents of the ruling faction. It was reported that the opposition had achieved a victory with regard to the appointment of the two delegates to the Federal ALP executive. Early unofficial returns indicated that Mr W Sheahan will replace Mr JJ Graves, MLC, as a representative for NSW on the Federal executive of which Mr Graves is at present its senior vice-president. Mr JB Martin, MLC, retained his position as the second delegate.