A MASTER OF ECONOMICS THESIS

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THE POST-WAR RECONSTRUCTION PLANS
OF THE AUSTRALIAN LABOR PARTY
DURING THE SECOND WORLD WAR

A MASTER OF ECONOMICS THESIS

By

WILLIAM JAMES WATERS

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Submitted January 1968

N.B. (1) By letter of November, 9, 1967, Prof. S. J. Butlin, Dean of the Faculty of Economics, informed me that an extension of time had been granted to the end of January 1968, to present the thesis.

(2) By letter of December 18, 1967, Prof. R. N. Spann, Department of Government, granted an extension of the length of the thesis, if required, up to a maximum of 50,000 words.
This thesis is a study of the post-war reconstruction plans of the Federal Labor Party as they were evolved during the War of 1939-45. To the Curtin Labor Government, which assumed office in October 1941, 'post-war reconstruction' was a synthesis of 'building again' (or recovery), and 'building afresh' (or an attempt at permanent reform). The recovery aspect was the desire to reorganise industry from a war-time to a peace-time footing as smoothly as possible, and to re-absorb men and women from the forces and from war industry - comprising about half the work force - into civilian industry. It was hoped to avert a feared post-war depression in the process.

The reform aspect was Labor's resolve to build a "new social order" after the war to supersede the "old order" of the inter-war years, which had been characterised by a pool of unemployed which averaged 14 per cent of those seeking work over the period, widespread poverty, bad housing, malnutrition, inadequate medical services, insufficient planning for child welfare and national fitness, and poor standards of rural life.

The Curtin Government stated its post-war aims in the broad humanitarian stream of the Atlantic Charter. Its "new social order" embodied aims officially proclaimed by all the leading Allied governments - full employment, comprehensive social security, higher living standards, higher production, and a fair distribution of incomes and property. The belief in a better world after the war was one of the most interesting social phenomena of the period, and, like the A.L.P., most Australians placed a post-war job in the forefront of their aims.

Despite spirited anti-Labor propaganda to the contrary in the 1943 federal election and 1944 referendum campaigns, a central proposition of the thesis is the irrelevance of Socialism to the Curtin Government's vision of the "new social order". Labor's plans were reformist and moderate, aimed at realising welfare and security objectives accepted by all the United Nations. The Government envisaged more room for private enterprise and business
initiative after the war than ever before in Australia's history.

Notwithstanding non-Labor epithets like 'fascist' and 'totalitarian', the post-war controls foreshadowed by the Government were closely attuned to those projected in a British White Paper of May 1944, which had all-party endorsement. Labor sought the continuance of some war-time controls, but by no means all, nor in unmodified forms, during the critical period of transition from a war-time to a peace-time economy, when shortages of civilian goods would persist and a dangerous inflationary boom would threaten.

The thesis is a two-fold study. It gives an account of Labor's post-war objectives; and it traces the steps taken by the Government to reform the Constitution and invest the Commonwealth with greatly extended powers felt necessary to reconstruction and the achievement of the "new social order". Unless it could acquire wider peace-time powers, the Government, in Dr. Evatt's words, foresaw "social and economic disorganisation, chaos in production, mounting unemployment, widespread social insecurity - in short, anarchy". In the light of experience after the First World War, Labor's fears of a post-war depression were understandable.

My main focus of attention is the period between Dr. Evatt's introduction of an October 1942 Bill providing for a referendum to arm the Commonwealth with wider powers, and the tabling in the House of the White Paper on Full Employment in May 1945. The former was Labor's first decisive move towards its post-war objectives, and the latter was the final, most systematic statement of Labor's aims and the methods for achieving them, adapted to the fact of failure to obtain wider Federal powers.

The Government did not proceed with Evatt's Bill, but instead summoned a Constitutional Convention of Commonwealth and State Parliamentary leaders, which decided unanimously that, in lieu of a Referendum, the States should 'refer' additional Constitutional powers for reconstruction to the Commonwealth, for five years after the war. This scheme was thwarted in most of the States, primarily by hostile Legislative Councils, and the matter dragged on unresolved for 18 months before the Government put the proposals
to the people in the "fourteen powers" Referendum of August 1944.
The heavy defeat of the proposal was a bitter disappointment to
the Curtin Government.

All events in this period lead up to the Referendum and it
occupies a central place in the thesis. Indeed, the Referendum
campaign, when the Government was obliged to explain and defend
its post-war aims, is the highwater mark. However, the thesis does
not pretend to be a comprehensive account of the Referendum in all
its aspects, in the manner of, say, L. C. Webb on the 1951 Referendum.
That would be a thesis study in its own right. My central theme
is the nature of Labor's Brave New World, and our main concern with
the campaign is the light that it sheds on Labor's aims. Accordingly,
many aspects essential to a referendum-study per se, but not directly
relevant for my purposes, are either not dealt with or are covered
cursory. However, there is some examination of such matters as
the Campaign in the States, Churches and the Referendum, Newspapers,
Campaign expenditure, analysis of voting statistics etc. (All
covered comprehensively in Webb's study).

I have used the party's spelling of 'Labor' throughout the
thesis and have substituted that spelling for 'Labour' when quoting
from other sources.
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The Australian Labor Party's first public move towards its post-war objectives was an October 1942 Bill providing for a referendum to invest the Commonwealth with greatly extended peacetime powers felt necessary for post-war reconstruction. The purpose of this chapter is to indicate the attention that both Labor and non-Labor had given to reconstruction in the period between the outbreak of war and the introduction of the Bill.

"Very early in the Second World War, the Labor Party began thinking about post-war reconstruction"(1). As early as June 1940, the A.L.P. Federal Conference had called for "an early outline of general principles of post-war reconstruction" and for "the establishment of a National Council, including representatives of Labor, to prepare for post-war reconstruction"(2).

In his 1940 Policy Speech delivered on 28 August, the Labor leader of the Federal Opposition, John Curtin, insisted that planning for reconstruction must begin now. "While the immediate task is the successful prosecution of the war, attention must be given to the planning of our future so that we shall be in a position to honour our promises to those who will bring us victory. We must shape our course now so that we shall have a complete democracy. The Australian Labor Party is the only political party with a forward-looking policy. It visualises post-war reconstruction to be in the nature of a new social order---Economic freedom must be made real by giving security and a rising standard of living to all---"(3). At this stage Labor was speaking in unexceptionable generalities. Curtin, anticipating the later referendum Bill, warned that "The powers now being exercised in regard to the prosecution of the war are powers which will be necessary for the Commonwealth to possess in dealing with

post-war reconstruction"(4).

The main difference between the Labor and non-Labor Campaigns in 1940 was stated to be the former's heavy stress on planning now for the peace (5).

The election, held on 21 September 1940 saw the return of the Menzies Government, though both Government and Opposition won 36 seats in the House and two Independents held the balance of power.

Shortly after its election, and in the face of strong Labor agitation for action, the Government took "the first steps to provide for official consideration of the general problem of post-war reconstruction" when it created the Department of Labor and National Service in October 1940.(6) One of its chief functions was 'post-war rehabilitation and reconstruction' to be discharged by a Reconstruction Division. (7)

According to E.R. Walker it was intended that the Division should stimulate an interest in the problem as a whole, and develop research and investigation quietly until such time as it might become desirable and feasible to appoint a Minister. The qualifying description of 'post-war' was deliberately avoided at the time because it was considered that some measures of reconstruction might well begin before the end of hostilities; and the introduction of child endowment in 1941 was cited as an example.

An inter-departmental committee was established and all

7. This is not to imply that the Menzies Government did no reconstruction thinking before October 1940. Indeed, Hasluck argues that "The genesis of post-war reconstruction can be found in the early months of the war in discussions on wartime economic policy". Where convenient, the study of war organisation problems was linked with their post-war implications. Vide P. Hasluck The Government And The People 1939-1941. (Canberra, Australian War Memorial 1952) pp.469-470
Departments were invited to begin thinking about their respective post-war problems. The State Governments were also approached and invited to appoint liaison officers who could keep in touch with the Department and facilitate the co-ordination of Commonwealth and State plans as they developed. Finally, the Labor Opposition was associated with the work of the Division when Dr. H.V. Evatt agreed to act as Director of Research (8).

Despite the creation of the new Division, the Government was afforded little relief from Labor pressure. On 3 December 1940, in the Budget Debate, Labors' Deputy Leader, F.M. Forde asserted that "we should plan during the war for the aftermath before its problems burst upon us---Here in Australia this problem is not receiving the consideration which it deserves"(9).

Labor had an eye to overseas developments and Forde pointed out that Canada proposed to establish a Ministry of Reconstruction which would fully consider every aspect of the problem. In Britain, "systematic thought about the shape of society after the war had begun in August 1940", and, at the end of 1940 a Minister without Portfolio was appointed (10).

The first Curtin Government came to power in October 1941 after the two Independents joined Labor in opposition to the Budget. However, exactly two months after the Government assumed office, Japan struck at Pearl Harbour and Australians began realising the war might come close to home. However, consistent

9. Commonwealth Parliamentary Debates Vol.165, p.368. He mentioned a recent letter which Curtin had sent to the Prime Minister urging immediate planning for the peace.
10. W.K. Hancock and M.M. Gowing British War Economy (London, His Majesty's Stationery Office, 1949) p.534. There was a widely-shared conviction in the Australian trade union movement that the Government did not realise the gravity of the situation. A widely-circulated Australian Railways Union booklet, A Trade Union Plan For Australian Post War Reconstruction (Melbourne, 1941) epitomises the historically-based fear of a post-war depression in default of early preparatory planning.
with its past declarations on the subject, and despite the growing problems of war administration, the Government declined to 'shelved' reconstruction problems for the duration of the emergency.

In what was the government's first official statement on reconstruction, Curtin, on 6 May 1942, intimated that consideration was being given to post-war social security arising from reports of the Joint Committee on Social Security (11), and that the Tariff Board had been authorised to report on industrial and economic re-adjustments in the post-war world (12).

On 4 August 1942, the Prime Minister indicated that a Cabinet sub-committee had been appointed to "keep under review the progress of reconstruction planning and to co-ordinate and direct inter-departmental activities". It would examine all schemes and correlate all phases of reconstruction. It would then make a recommendation to Cabinet (13).

In his Budget Speech of 2 September 1942, Treasurer J.B. Chifley intimated that Cabinet had accepted the sub-committee's recommendation that a referendum be held to allow the Commonwealth to deal with reconstruction on a national basis. He foreshadowed an early Bill with that object in view (14).

The Leader of The Opposition, A.W. Fadden, complained that the Government was not putting first things first, if, in this, 'Australia's most critical hour' it devoted valuable time to a constitutional issue affecting the post-war period, when all had

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11. Established in July 1941 by the Menzies Government and welcomed by Labor.
13. The Sub-Committee comprised the Treasurer (J.B. Chifley), the Attorney-General (Dr. H.V. Evatt), Minister for Social Services (E.J. Holloway) and Minister for Labor and National Service (E.J. Ward). Digest of Decisions. op. cit. No.36, p.14.
not yet been done to ensure security from foreign aggression (15).

Labor speakers applauded the referendum decision. H.C. Barnard (Tas.) spoke for them when he claimed "We cannot approach the problem of post-war reconstruction too soon" (16).

On 23 September, 1942, A.A. Calwell, then a backbencher, urged the appointment of a full time Minister. He claimed reconstruction could not be handled properly by the part-time attention of four busy Ministers (17).

Curtin replied that it was not intended, at that stage, to establish a Ministry. "Our first duty is to draw together the threads of the various inquiries that are being made into the issues involved - to ascertain exactly what needs to be done ... These general questions have been distributed by the Cabinet sub-Committee among various Ministers for inquiry and report". He was primarily responsible, as Prime Minister, for government policy on the subject.(18)

According to L. F. Crisp (19) the only reconstruction machinery existing in Canberra in November, 1942, was the Reconstruction Division which Labor had continued; an inter-departmental Committee, convened in 1941, which 'fitfully circulated papers and discussed a few issues of domestic policy'; and the Financial and Economic Advisory ("F. & E") Committee, which had 'posed some questions and stimulated a little departmental thinking about the post-war future'. Events overseas had led to the consideration of some post-war international economic issues by another inter-departmental committee jointly sponsored by the Reconstruction Division, and the Post-Hostiilities Division of the Department of External Affairs.

15. C.P.D.Vol 172.p.169. (10/9/42). In view of these early developments, it is patently misleading to say that "After the danger of Japanese invasion had been removed, the Curtin Government began to look beyond the immediate tasks of organisation for war to the problems and possibilities of the post-war period". P.H. Partridge in G. Greenwood (ed.) Australia- A Social And Political History. (Angus & Robertson 1955) p.390

16. C.P.D.Vol 172.p.182. However one prescient Labor member struck a note of caution in warning that the Commonwealth should confer with the State Governments before drafting concrete proposals. C. Morgan (Labor, N.S.W.) Ibid. p.586

17. Sydney Morning Herald 24.9.42. p.7

18. Digest of Decisions. No. 43 p.19

CHAPTER II

The 1942 Constitution Alteration Bill

On 1 October, 1942, the A.L.P. "commenced a more vigorous and sustained drive for constitutional change than Australia has ever known" (1). Dr. H. V. Evatt, as Attorney-General, sought leave of the House of Representatives to introduce the Constitution Alteration (War Aims and Reconstruction) Bill - popularly known as the "Four Freedoms" Bill (2) - to alter the Constitution to enable Parliament to pass legislation "for the purpose of carrying into effect the war aims and objects of Australia as one of the United Nations, including the attainment of economic security and social justice in the post-war world, and for the purpose of post-war reconstruction" (3).

The Bill was described as one of 'breathtaking boldness' (4), "the like of which the most enthusiastic advocates of extended Commonwealth power had never imagined even in their dreams" (5).

It is a matter for conjecture whether Evatt took his own Bill seriously. If so he was constrained to alter the Bill later, perhaps with the urging of his colleagues, to meet and anticipate criticism (6). One critic, however, claims the Bill was "in terms

2. L.F. Crisp has commented that "The extraordinarily emotive, 'catch-vote' wording of the Bill... gave the whole proposal a somewhat meretricious and 'tricky' air which never afterwards was successfully shed". The Australian Federal Labor Party op. cit. p.253
3. C.P.D. Vol.172 p.1338. It is worth noting, at this point, that I could find no mention of a Cabinet or Caucus debate on the Bill and J.J. Dedman, then Minister for War Organisation of Industry has no recollection of any such debate.(Letter from J.J. Dedman to writer dated 30-10-67)
4. K.H. Bailey op.cit. p.102
5. F. Louat "The Unconventional Convention", Australian Quarterly, March 1943, pp.7-8
6. Chifley, for one, took the Bill seriously. In December 1943 when Cabinet was deciding the terms of its eventual Referendum Bill, Chifley advocated submitting Evatt's original proposals to the people.
which were so sweeping that it could only be regarded as a campaign manifesto" (7). And it could be argued that Evatt, for tactical reasons, submitted an 'unacceptable' 'sweeping' Bill so that he could later give the appearance (8) of compromise and public-spiritedness in toning it down to meet criticism, and so 'spike the guns' of his opponents. (9)

In his 'horse and buggy speech' (10) Evatt put the case for wider Commonwealth powers and his reasons were to be repeated and expanded during the following 22 months to the 1944 referendum.

He argued that after the war, Australia would be confronted with the greatest task of economic rehabilitation in her history; problems that could only be solved by increasing the power of the central Government. In war time the defence power had given the Commonwealth sufficient authority to handle the acute problems that arose. In the post-war world, the problems would be no less acute, no less urgent. But there would be no defence powers on which to rely and unless the Commonwealth were given sufficient power by the people, the whole social and economic life of Australia would be placed in jeopardy.

Employment, housing, health, child welfare, marketing, and economic stability were all major matters which should be viewed on an Australia wide basis. Success in solving these post-war


8. I say "appearance" advisedly because most critics argued that the later alterations were superficial and that the revised Bill was every bit as limitless in its scope as the first. J.J. Dedman, for example, does not recall that Evatt's second Bill was "markedly different" from the original (letter to writer op.cit.)

9. J.J. Dedman is not sure what Evatt's intentions were with the Bill. He indicates that he was so absorbed with his own very onerous duties, that he was prepared to leave the matter to Curtin and Evatt. (letter to writer op.cit.)

10. F. Louat op.cit. p.8
problems depended on a 'supreme directing and responsible authority'. The division of powers between the Commonwealth and six States with divergent policies would be a fatal obstacle to speedy and effective national planning. Unless the powers were granted there would be no protection from the type of situation which followed the First World War and which led to the depression of the 1930's. Without the amendment, Evatt foresaw: "social and economic disorganisation, chaos in production, mounting unemployment, widespread social insecurity - in short, anarchy".

The Constitution of 1900 was outmoded, and the peace-time powers of the Commonwealth were inadequate, belonging to the 'horse-and-buggy age of social organisation' (11).

He pointed out that Australia, as one of the United Nations, had pledged herself to the objects of the Atlantic Charter (12) and the upholding of the "four freedoms" - freedom of speech and expression, freedom of religion, freedom from want, and freedom from fear (13).

11. "Although they were written down in the 1890's, many of the words and phrases were simply transcribed from the American Constitution of 1787". C.P.D. Vol 172.p.1339

12. The Atlantic Charter was the basic international declaration regarding the post-war world. It originated as a joint declaration by President Roosevelt and Winston Churchill on 12 August 1941. At Washington on 1 January 1942 all the United Nations including Australia made a Joint Declaration of Allied Solidarity and subscribed to the 'common programme of purposes and principles' embodied in the Charter. The principal article of the Charter, for our purposes, was the fifth which stated: "They desire to bring about the fullest collaboration between all nations in the economic field, with the object of securing for all improved labour standards, economic advancement and social security". H.V. Evatt. A Case For Greater Commonwealth Powers. op.cit. pp.42-43

13. These originated from a message to Congress by President F.D. Roosevelt on 6 January 1941.
Evatt claimed that our primary aim - the military overthrow of our enemies - would be assisted if positive plans were now laid. It was an important part of the war effort itself that some plan of 'economic and social justice' be prepared for the people of Australia, 'that their self-sacrifice will not have been in vain'.

This latter point raises the issue of the timing of the Bill. It has been wrongly stated that the Bill was only introduced "after the tide of war in the Pacific had turned in favour of the United Nations" (14). The Australian Worker, at the time however, declared that the Bill was framed "while the conflict is at its worst...while the enemy is trampling on conquered lands, and the integrity of our own soil is menaced". And that was as it should be. "Our soldiers and war workers must know to the fullest extent what they are fighting for".(15)

In his speech Evatt made one observation which is remarkable by virtue of the fact that he completely disregarded it himself in the ensuing months. Discussing the reasons for previous referendum failures, he insisted:

"...the real explanation is to be found not in any theory of popular inertia or popular ignorance, but in a fact which is so obvious that no one takes account of it...(the proposals) were


15. Australian Worker editorial by H.E. Boote 7/10/42 p.3. It is clear from contemporary statements by the Prime Minister that Boote is correct. The government did not defer action pending 'the turning of the tide'. The very day after Chifley disclosed the referendum plan, Curtin announced an 'austerity programme' viz: "The initiative never was, and is not to-day with the United Nations... Our fate is in the balance as I speak to you" (Digest of Decisions No.39, pp.17-18) The genesis of the Bill dates back at least to the appointment of the Cabinet sub-committee in August 1942; and Fadden's reaction to the proposal is eloquent testimony to the existing bleak military outlook. It seems rather that the Government felt that the post-war 'vision' was necessary to support present morale.
rejected because the people could not be reasonably sure how the powers would be exercised. What is needed is to tell the people more about the objects to be achieved". (16)

Evatt concluded that this was not a party measure, and he hoped it would not be so considered.

**ANALYSIS OF THE BILL** (17)

Evatt proposed a self-contained grant of power in a new Section 60A. This was 'better, and simpler, and clearer'(18) than removing the limitations of some existing subject-matters and adding other subject-matters to Section 51. That would be a 'patchwork job' and the patches would have to be many, in order to make sure of the inclusion of every subject-matter necessary for the purpose of reconstruction.

The powers were expressed in terms of 'purpose' rather than 'subject-matter'. There was a parallel here with the defence power which supported legislation, whatever its subject-matter, which contributed to the 'purpose' of defence. This was Evatt's idea of 'telling the people more about the objects to be achieved'.

New Section 60A consisted of three sub-sections. The key one was the first which gave Parliament full power to legislate "for the purpose of carrying into effect the **war aims** and objects of Australia as one of the United Nations, including the attainment of economic security and social justice in the post-war world, and for the purpose of post-war reconstruction generally" (my emphasis). Any law that could be covered by either of these purposes would be within the Commonwealth power.

Sub-Section (2), without limiting the generality of sub-section (1), declared that "the power of Parliament shall extend


17. See Appendix A for a copy of the Bill.

18. H.V. Evatt *A Case For Greater Commonwealth Powers* op. cit. p.101. Chapter 6 of this booklet is a rationale of the Bill, and this section of the thesis draws heavily from that chapter. The booklet is largely an expansion of Evatt's speech in the House. It was prepared for the November 1942 Constitutional Convention summoned to discuss Evatt's constitutional proposals.
to all measures which, in the declared opinion of the Parliament, will tend to achieve economic security and social justice" (my emphasis); and would include power to make laws under 14 specified subject-matters including the implementation of the "four freedoms". However, the latter were purely illustrative - they were matters in the mind of the legislator as material to the 'purpose' - and they did not in any way limit or exhaust the grant of power.

Under the first paragraph of Sub-Section (2), laws made under powers granted by the Bill would not be subject to judicial interpretation by the High Court.

Evatt quite frankly admitted in his speech that this was a new feature which ran counter to the general tenor of the Constitution. The justification was that "...it is far preferable that an elected and strengthened Parliament, accountable every three years to the people of Australia should determine these questions which are really not legal but essentially political"(19).

By virtue of Sub-Section (3), the new powers could be exercised 'notwithstanding anything contained elsewhere in this Constitution or in the Constitution of any State'(20).

No time limit was laid down for the exercise of the powers. It was argued that "Reconstruction is not a process that can be completed within a short time. It may take longer than the war; it takes longer to make than to destroy. And the reconstructed edifice must be maintained. It is futile to construct a building and then remove the foundations upon which it rests" (21).

19. S.M.H. 16/10/42. p.4

20. This aimed primarily at the barrier raised by Section 92 to control of prices, profiteering, and marketing and was a dispensation which does not even in war-time apply to the defence power, which must be exercised 'subject to the Constitution'. State Constitutions seldom restricted the exercise of the legislative power of the Commonwealth, but it was suggested in one case that the Commonwealth could not impose on a State a legally enforceable obligation to pay award rates to its industrial employees. Evatt. Case For Greater Powers. p.80

21. Ibid. p.109
Recovery And Reform (22)

Dr. H.C. Coombs has pointed out that 'reconstruction' may mean either 'building again' or 'building afresh' and that, in Australia, the approach to the task represented a synthesis between the two definitions (23). It was, on the one hand, a matter of adapting the economy so as to catch up as quickly as possible on wartime arrears of production and maintenance; and, on the other, an attempt to lay sound foundations for a more satisfactory environment than before the war. And in Evatt's Convention handbook one can discern both a "recovery" and a "reform" aspect. The former was the desire to re-absorb men and women from the forces and from war industry as smoothly as possible into civilian industry; and to avert a post-war depression in the process. Including servicemen, about half the entire working population would have to change jobs when the war ended. (24)

The "reform" aspect espoused by Labor was the attainment of the 'war aims' of Australia as one of the United Nations. These were the post-war conditions it was intended to achieve

22. Dr. Evatt's Constitutional Convention handbook deals at much greater length and more systematically with the arguments he advanced in his October speech. It is felt that a section should be included here to expand and elaborate Labor's case for reconstruction.


24. It was estimated there would be 850,000 in the forces and 750,000 employed on war production in government and private factories by the war's end. This was 1.6 million men and women in a work force of 3 million. The booklet estimated the 'immediate' transfer problem as likely to affect 900,000 people or 30% of the work force. These estimates were both attacked as 'grossly inflated'. It was claimed by opposition members that the number to be replaced would probably be not more than 250,000. A large proportion of those engaged in war-time jobs were not normally part of the work force - e.g. housewives and retired persons - and they would revert to their former positions. Vide Mr. R. Ryan (U.A.P. Victoria) on 9/3/44 C.P.D. Vol. 177, p. 1172. However L.F. Giblin in 1945 'conservatively' estimated at 600,000 the number who would need to be re-absorbed into other than war-time occupations (E.R. Walker op. cit. p. 331)
by victory and to which Allied leaders had often referred. Labor's strategy was clearly to seek to 'legitimise' its constitutional proposals by claiming an international consensus for the post-war objectives which they would facilitate. It sought to bring in behind the proposals the prestige of the Atlantic Charter and "four freedoms" whose virtues were extolled repeatedly in the booklet. Numerous "non Labor" Allied leaders were quoted with approval to underline the moderate, unexceptionable post-war aims of the A.L.P. (25).

As the terms of the Atlantic Charter and "four freedoms" were couched in generalities with which few could disagree, it was not difficult for Labor to invest its aims with 'respectability' (26).

The document stated there could be no reversion to the 'old order' of the inter-war years. At no time after 1921 was unemployment below 6% of those seeking work and the average unemployment rate was not less than 14% (27). When war began 250,000 people were out of work and a peak of 750,000 had been reached during the depression. (28)

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25. These included Churchill, Roosevelt, the U.S. Ambassador to Britain and the South African Prime Minister General Smuts. The quotation of the last-mentioned is typical viz: "We are passing beyond ordinary politics and political shibboleths. It is no longer a case of socialism, communism, or any other ism, but of achieving common justice and fair play". Case For Greater Powers. p.50

26. e.g. In his farewell address to the Australian people before retirement to England S.M. Bruce, perhaps the most conservative of Australia's Prime Ministers, stated that "All our aspirations are summarised in President Roosevelt's Four Freedoms". A.C. Garnett Freedom And Planning In Australia (University of Wisconsin Press 1949) p.268. This serves to underscore the broad, all-encompassing nature of the Allies' proclaimed post-war aims.

27. Case for Greater Powers. p.56

28. As Curtin later put it: "We cannot put back the clock. We have to accept the momentum that the war has generated and look forward rather than backward. We cannot go back to what were regarded as normal conditions. Before the war there were 200,000 unemployed. Surely it is not the desire to go back to that state of affairs". D.P.D. Vol.177 p.1039 (7/3/44)
Much of the social distress of the depression was attributed to events immediately after 1918. The profit motive was unrestrained after the First War and, for a time, there was increasing, though unstable, economic activity. But the boom inevitably dissolved into slump. Unemployment doubled between the third quarter of 1920 and the second quarter of 1921 and not till the present war did it ever fall again to the 1913 level. (29)

The Government was determined to learn from the mistakes of the past. In December 1919 a referendum to arm the Commonwealth with wider powers for reconstruction was narrowly defeated. The document claimed that the referendum had been left too late. There had been a mistaken idea that the plan for the peace could be safely 'shelved' for the duration.

The document also claimed there was no practicable alternative to holding a referendum. The unhappy experience of the last war ruled out the method of 'reference' of State powers to the Common­wealth under Section 51 (XXVII) (30).

The breakdown of the method in both 1915 and 1920 was dealt with at some length; and in view of these observations it is astounding that the Commonwealth should have fallen into the same trap in late 1942.

The document was notable for its international perspective. The building of a new world order and of a better post-war Australia, it recognised, went hand in hand. It also espoused the Keynesian techniques later set out more rigorously in the 1945 White Paper on Full Employment. The central thesis asserted boldly, now and later, was the variation of public capital expenditure to offset variations in private spending. (31)

The other significant feature was the assurance that private enterprise would continue to play a large part after the war.

29. Case for Greater Powers. p.30
30. Ibid. pp.99-100
31. "Experience and instinctive inclination had predisposed Labor men to Keynes' approach and central theses". L.F.Crisp in Ben Chifley. op.cit. p.169. Crisp notes that Chifley, for one, was a 'Keynesian- of - the - first - hour'.
"With the government controlling only the general direction of
the economy, there will be plenty of room for the initiative and
enterprise of private individuals. We want to use to the full that
private initiative, but we want to guide it in the interests of the
whole community, and not only in the interests of the individuals
concerned". (32) This was to be a recurring theme in the following
months in the face of 'socialisation' charges against the Govern-
ment.

Finally, various Federal and State political leaders, particu-
larly on the non-Labor side, who had spoken in favour of constitu-
tional reform were accordingly quoted. (33) A 1938 speech by
Menzies advocating expanded national powers in a number of fields
was reproduced in full. (34)

The Post-War Aspirations of Australians.

This is a convenient place to examine the post-war hopes of
ordinary Australians, for the belief in a better world after the
war was one of the most interesting social phenomena of the period
and the term 'new order' became something of a cliche.

As Dr. Coombs put it: "Everybody's vision of the New Jerusalem
is, of course, different from his neighbour's, but through them
all, or at least through the vast majority, there run common themes
which may be summed up in the objectives of employment, rising
standards of living, development, and security. There can be no
doubt that in the minds of the mass of the people, a job is the
first requirement of a reconstructed world". (35)

32. Case For Greater Powers. p.93
33. Ibid. p.49 The document was far from convincing here. The
statements were a hotch-potch running the entire gamut from
N.S.W. Opposition Leader Mr. Mair's belief that social
services should go from State to Federal control to W.M.
Hughes' belief that control of all national matters should
be vested in the Commonwealth. It was hard to see how some
of the statements could be reconciled with the October 1942
Bill. Most of them fell far short of its proposals.
34. Ibid. pp.124-28. Reference to this speech by YES campaigners
was commonplace during the 1944 referendum.
35. H.C. Coombs in D.A.S. Campbell (ed.) Post-War Reconstruction
In Australia (Australasian Publishing Co.Pty.Ltd. For A.I.P.S.
Sydney, 1944) p.78
The fear of a post-war depression was endemic in the Labour Movement. "With the recollection of the mass unemployment of the 'thirties' in mind, the labour movement as a whole was very ready to endorse 'full employment' as the principal objective of post-war economic policy" (36). However, a Gallup Poll in February 1943, whilst affirming that 'work for all' was the main post-war aim of Australians, revealed that non-Labor supporters were almost as preoccupied with the employment problem as Labor voters. (37)

Although L.F. Giblin, in 1943 (and later, Menzies, during the referendum campaign) could foresee the possibility of a shortage of labour rather than of jobs in the post-war world "the general public were far more conscious of the difficulties of absorbing servicemen and war workers into permanent employment than of any prospective labour shortage" (38). Australians were preoccupied with the employment problem and the later smooth transition to peace conditions and the ensuing sustained 'boom' were, for the most part, unanticipated. (39)

36. E.R. Walker op. cit. p. 334
37. Published in Australian Public Opinion Polls Nos. 109-116 (March 1943)
38. E.R. Walker op. cit. p. 332. He found evidence of the fear of unemployment from the start of the war in specific measures designed to protect the post-war employment rights of various classes of workers.
39. A Gallup Poll in September 1945 showed only one person in three confident of 'work for all' in the next few years. Looking further into the future, people were even less hopeful of full employment in 1955 than in the immediate future. viz:

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<tr>
<th>Immediate Future</th>
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<tr>
<td>Jobs for all</td>
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<td>Some Unemployment</td>
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<td>Much Unemployment</td>
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<td>No opinion</td>
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(A.P.O.P. Nos. 294-303 Published September-October 1945)
This is consistent with the 1943 finding but is incongruous with a July 1944 Poll showing three out of four people confident of a post-war job. (A.P.O.P. Nos. 217-231 Published August-September 1944). A May 1945 Poll showed a small majority optimistic about post-war employment. (A.P.O.P. Nos. 264-271 Published May 1945). Hence there was a rapid dropping-away of optimism after July 1944. The explanation lies perhaps in the relentless Opposition campaign from February to August 1944 on the theme of a shortage of men rather than of jobs after the war. Certainly, Labor's depression spectre made little impact on many voters.
A mid 1942 Poll disclosed that three people in every four looked forward to great changes in the post-war way of life. Foremost in the minds of all classes was a desire to eliminate unemployment and to improve living standards for the masses. (40)

E.R. Walker believes that 'the war-time utopianism' of the people can be explained by the fact that war-time is itself usually a period of social progress which stirs hopes for the future. In Britain, for instance, it brought advances in nutritional policy that had not seemed capable of accomplishment in peace. In Australia it brought full employment, child endowment, widows' pensions, increases in age pensions, a greater approach to equality in pay between the sexes, improved working conditions in many industries, and a system of allowances to University students. All demonstrated that some of the resistances to social progress were relaxed by war conditions and strengthened the public's expectations of continued government action to effect social improvements. (41)

Public Reaction To The Bill.

The Bill met a hostile reception in Opposition, State and Press quarters. Critics assailed the proposal to by-pass the High Court. What did the terms 'war aims', 'economic security', and 'social justice' mean? The overriding provision in Sub-Section (3) would place the entire Constitution as completely within the authority of Parliament as in Britain. Parliament could extend its own life at will, abolish the States, override the religious guarantee in Section 116, and, in short, do anything it chose. (42)

40. A.P.O.P. Nos. 56-65, published July-August 1942. This Poll is reproduced in Appendix B.
41. E.R. Walker op.cit. pp.336-37. In the 1942 Poll, six people referred to material improvement for each one who mentioned hopes of a better moral basis for the post-war world.
42. F. Louat op.cit. p.8
Evatt disputed these interpretations of the powers and indicated that such action had never been contemplated by the Commonwealth (43). He argued that the proposals were 'not definite', that there should be time and opportunity for public discussion, and that criticism would be welcomed. "There was a strong element of political strategy in it which at the time passed undetected" (44).

On 8 October 1942, one week after the Bill's first reading, Curtin announced that it would be referred to a Constitutional Convention of 24 delegates to meet in November, comprising eight members of the House and four from the Senate to be equally representative of Government and Opposition; plus the Premier and Opposition Leader of each State. (45)

The Government's original aim was apparently to improve the prospects of the referendum - perhaps on different proposals - by obtaining general agreement on the need for wider powers (46). After discussion at the Convention, it would bring down definitive proposals to Parliament at the end of 1942 with a view to an early 1943 referendum. (47) The Convention was not called in order to obtain 'reference' of powers by the States but to reach agreement on the necessary powers and to gain support for the legislation. The Convention handbook, as noted, categorically

43. Not all commentators were perturbed by the wide scope of the Bill. Labor Call (Official Organ of Melbourne Trades Hall Council) stressed the 'moderation' of the proposals which 'did not approach the policy of Labor' but urged the Labour Movement to support them as 'a step in the right direction'. (12/11/42 p.1)

44. F. Louat op.cit., p.9 This refers to Evatt's 'eleventh hour' withdrawal of the original Bill and the substitution of a new Bill 'framed in the light of public comment' which took his critics at the Convention completely by surprise. On my reading, Evatt advanced the view that the Bill was 'not definite' only after public criticism broke loose. Thus, it is quite possible that Evatt did take his own Bill seriously and was constrained to modify it by the adverse public reaction.

45. Digest of Decisions No.44, p.26. Appendix C contains a list of Federal and State delegates to the Convention. J.J. Dedman has informed me that, in Cabinet, he opposed the whole idea of a Convention - "a concept which was applicable in pre-Federation days, but out of place after 40 years of party strife in the Federal Parliament" (letter to writer).

46. Evatt stated that "(the) purpose of the Convention is to examine the proposals and, if thought fit, to make alterations aiming at improvement". S.M.H. 27/10/42. p.4

47. Round Table, Vol XXXIII. March 1943, p.178
ruled out the former method (48).

Reaction In The States.

Evatt was at great pains to make it clear that the Bill did not mean centralisation in Canberra. He favoured 'the maximum of decentralisation compatible with unity of plan' (49). The interests of the less populous States would not be adversely affected. Many of their disabilities were currently beyond the legal capacity of their State or the Commonwealth to remove. Neither had the power to ensure decentralisation of industry on a sound regional basis. The less populous States had just claims that could be met if the Commonwealth acquired general control of reconstruction (50).

At the time, four of the six States had Labor Governments - New South Wales, Queensland, Tasmania, and Western Australia. Some of the State Parliaments held preliminary full-dress debates on Evatt's Bill and much opposition was expressed. This is understandable, as only five months previously the Commonwealth had foisted its Uniform Taxation plan on the States. All had opposed the scheme and four had unsuccessfully challenged its constitutionality in the High Court (51).

In Queensland, the Government and A.L.P. State Executive were, throughout the period of this thesis, in mutual harmony. They had jointly denounced Uniform Taxation on the ground that centralisation would mean the further enrichment of the wealthier Southern States.

48. Crisp has argued that the Government called the Convention "in an effort to avoid the distraction of a wartime referendum" and that "It hoped that the State Parliaments might be persuaded to refer agreed powers to the Commonwealth". (Ben Chifley p.184) This conflicts with the Government's public position outlined above. Of course this interpretation may reflect the private hopes of the Government. After all, at that stage, only 3 of 18 proposals submitted to the electors had succeeded.

49. Case For Greater Powers, p.110

50. S.M.H. 16/11/42, p.4

51. Queensland, and Western Australia (Labor); and Victoria and South Australia (Non Labor). G. Saver Australian Federal Politics and Law 1929-1949 (Melbourne University Press, 1963) p.152 n. The N.S.W. Premier W.J. McKell had intended to join the challenge but was vetoed by the 1942 State A.L.P. Conference. (S.M.H. 15/6/42 p.5. Daily Telegraph 17/6/42 p.5)
to the detriment of those more remote from the influence of the centralised Government. Under a State Labor Government, Queensland had advanced from the most backward to the most prosperous State in the Commonwealth. Centralised authority would reduce industrial conditions and living standards to those of the least progressive States (52).

A similar joint attack was launched on Evatt's measure. It was claimed that Queensland 'would have cause to mourn' the Bill. The fear was expressed that, under centralisation, Queensland would be as neglected as the Northern Territory; opposition was voiced to a war-time referendum in terms that would later have done Fadden proud; and it was alleged that for 12 months after the war, the Commonwealth had total power (53).

Tasmanian Labor Premier, R. Cosgrove, rejected the 'specious argument' that the Commonwealth did not already possess ample powers to deal with reconstruction and that the States must be deprived of the powers they now retained (54) whilst the Labor Premier of Western Australia, J.C. Willcock had expressed the view that the people of his State would prefer to see a reduction rather than an increase in Federal powers (55). His government had, in fact, sponsored a resolution of the State Parliament, opposing a war-time referendum and suggesting that specific powers he 'referred' by the States for a limited period. For his part in the debate, the Premier was censured by the A.L.P. State Executive which supported Evatt's measure (56).

52. Vide Queensland Worker (Official Organ of the Queensland Labor Party) 18/5/42 p.3
53. Ibid. 19/10/42 pp.1,4
54. Quoted in Labor Weekly (Official organ of the N.S.W. Labor Party and the N.S.W. Labour Council) 18/9/42, p.2
56. Ibid. p.18
N.S.W. Premier McKell at no stage spoke publicly against the Commonwealth proposals. McKell had earlier been over-ruled by State Conference in his opposition to Uniform Taxation; and there is reason to believe that he may have been less favourably disposed towards the Commonwealth's proposals but for the staunchly pro-Commonwealth stand of his A.L.P. State Executive (57).

In the States of Victoria and South Australia the non-Labor Governments sponsored resolutions of Parliament which rejected the Bill as one calculated to destroy the federal character of the Constitution (58).

With the dubious exception of McKell, there was thus a consensus of State Premiers against Evatt's Bill.

57. At a later stage, the Executive was 'directing' reluctant State members to march in a YES procession during the referendum campaign.

58. In Victoria, the Labor Opposition boycotted the debate on the ground that the matter was one properly for the Constitutional Convention to determine. Labor Call, 19/11/42, p.1. The South Australian Labor Opposition took a similar view.
CHAPTER III


The 1942 Federal Conference met just eight days prior to the Constitutional Convention and it was a Special Conference convened to discuss war and reconstruction questions. Evatt's constitutional proposals were the principal item on the agenda.

Members of State Houses reportedly took a leading part in criticising the manner in which the proposals had been brought forward and "expressed fear that action by the Federal Government affecting State rights would be detrimental to the party"(1). Conference resolved that "before any steps are taken or proposals enunciated for alterations to the Commonwealth Constitution, such proposals shall be a matter for consultation between the Commonwealth Party and the State Branches"(2).

Strong support from N.S.W. delegates finally resulted in a 'cool endorsement'(3) for Evatt's proposals by 18 votes to 16. The matter came before Conference by way of a report of a sub-Committee which recommended that the Commonwealth be given 'additional' powers and that State leaders at the Convention be 'urged' to assist the Government toward this end (4). Because the recommendation was nebulous there were ultimately four motions before Conference; and some of the State delegations (Victoria, Queensland, and Tasmania) were divided on the course of action to support. Premiers Cooper and Cosgrove took a stronger line than some of their State colleagues by endorsing the sub-Committee recommendation. Whether their more conciliatory utterances better reflected the opinion of their State Branches than the stand of their co-delegates is conjectural.

1. S.M.H. 19.11.42. P6. The Report of Proceedings of the Conference gives no details whatever of the debate or vote on the matter; however, 13 of the 36 delegates were from State Parliaments, 9 from Lower Houses. There were four from Tasmania, including Premier Cosgrove; three from South Australia; and Premier F.A. Cooper of Queensland and his Deputy E.M. Hanlon.


A Victorian amendment sought to have State leaders 'directed' rather than 'urged' to support the Commonwealth; and the Deputy-Premier of Queensland, Mr. E.M. Hanlon wished to add the following words to the recommendation: "But Conference urges the Federal Government to withdraw its present proposals which, if given effect to, would destroy the Constitution and imperil the very freedom which the party is pledged to protect" (5).

Finally, Mr. A.S. McAlpine of N.S.W. moved the amendment which was narrowly endorsed by Conference. It 'welcomed' Evatt's October proposals, regarding them as 'an important step forward for the necessary revision of the Constitution and the implementation of Labor's platform, especially in relation to the winning of Labor's ideals of peace, prosperity, and security', and affirmed 'as a general principle' the proposals (6).

Although it was claimed that the adoption of this resolution would prove binding on Labor Convention delegates (7), this was not the case. Perhaps some Labor Premiers were more favourably disposed to constitutional reform at the Convention than might otherwise have been the case; but only McKell felt obliged to give unqualified support to Evatt's Convention Bill.

5. Ibid. P.37. S.M.H. (20.11.42. P4) erroneously argued that had Hanlon's amendment been carried, the effect would have been to prevent Labor delegates attending the Convention. However, his amendment, though requiring an abandonment of Evatt's specific October proposals, was not directed at constitutional reform per se and would have added words to the original motion, which itself envisaged a Convention.

6. S.M.H. 20.11.42. P4. The other amendments were apparently lost 'on the voices' Ibid. The line-up of voters in the 18-16 vote for the N.S.W. amendment is not disclosed in either the Conference Report or the Press; and no explanation is offered for the missing two votes. We do know that N.S.W. voted solidly for Evatt; but the record of the debate does not disclose the attitude of all delegates or all delegations. One can only hazard a very rough guess; but as Prime Minister Curtin and three Senators were among the W.A. delegation; and as the only South Australians to speak supported N.S.W., I will venture the guess that these three States voted solidly to supply the 18 votes. This, of course, ignores the possibility that S.A. and W.A. might have split like some other States. With so many unknowns involved one must remain uncertain.

Evatt 'sprang' his revised Bill on the Convention only five days after the Conference debate and it is not known whether the Bill was recast prior to the Conference. If so, he certainly kept Conference 'in the dark' for reasons of Convention tactics. However, Evatt had made it clear that the Bill was 'not definite'; and the new draft may have been partly in response to the mixed Conference reception (8).

Conference also decided, this time unanimously, that post-war reconstruction must not be regarded as a diversion of the war effort, but as a part of it, and urged the appointment of a Minister whose sole duty would be "to proceed immediately with the preparation of a comprehensive scheme of post-war reconstruction and to co-ordinate all Federal and State agencies working or capable of working for the solving of this problem" (9).

8. Dedman does not know whether Evatt's Convention tactics were influenced by the Conference debate.

CHAPTER IV
The Constitutional Convention of November-December 1942.

The Constitutional Convention met in Canberra from 24th November, to 2nd December, 1942. It was the first gathering of its kind since the beginning of Federation (1). No provision in the Constitution authorises the Commonwealth to call a Convention and it is possible that a State could refuse to send delegates. However, on this occasion all invitations had been accepted and 24 delegates were in attendance; 12 from Federal Parliament, equally representative of Government and Opposition, and the Premier and Leader of The Opposition from all State Parliaments. There was thus an even balance of Labor and non-Labor members. Because of differences of opinion, it is fairly clear that the success of a Constitutional Convention would depend on the co-operation of the States.

The Convention was an advisory body with no power to submit proposals either to Parliament or to the people. Although the Convention was not elected, the Commonwealth did not view it as a purely nominated body but rather as representative of the people (2); and the Government's earnest wish was to avoid a party approach to the great problem of constitutional reform.

After Curtin had opened proceedings, Evatt rose to make a 'short but electric speech' which took most delegates completely by surprise (3). Anti-Labor members, who were organised to attack the original Bill - which the Convention was ostensibly called to discuss - were dismayed when Evatt announced he was withdrawing that Bill and substituting modified proposals 'framed in the light of public comment'. Since 1st October, the proposals had been submitted to exhaustive analysis by the State Parliaments, in the Press, and by the public. Hence, a large number of criticisms and suggestions had been received, many of which the

2. Curtin described it as "a special advisory Council of the whole nation in all its political groupings" S.M.H., 25.11.42.
Government felt to be both valid and reasonable (4).

The new Bill proposed to give Parliament full power to legislate for the 'purpose' of 'post-war reconstruction'. This was claimed to be 'more specific' than the previous objectionable phrases - 'war aims', 'social justice', and 'economic security'. Twelve specific subject-matters were enumerated, but again these were purely illustrative. Any law covered by the 'purpose' would be within the Commonwealth power. (5). In view of the hostility to the original Bill's contrary feature, Evatt decided that the new powers would be subject to judicial interpretation by the High Court (6); whilst the provision enabling the powers to override the rest of the Constitution with its far-reaching implications, was modified to provide merely that the powers over prices, profiteering, and marketing should not be restricted by Section 92.

Instead of a general Commonwealth power of legislation for 'carrying into effect the guarantee of the four freedoms', it was now proposed to prohibit action either by the Commonwealth or any State to abridge freedom of religion, of speech, and of the press. Finally, as an earnest of the Commonwealth's desire for collaboration with the States, Evatt inserted 'a key provision' facilitating State and local authority co-operation in the exercise of the powers.

When the Convention resumed after a 24 hour adjournment to study the new Bill, the Opposition claimed the alleged 'modifications' were a sham. While the original Bill was 'unification naked and unashamed' the new draft was 'unification with a fig leaf' (7).

4. It is not known how many, and which persons, were privy to Evatt's well-kept secret. Dedman agrees that Curtin and Evatt, at this period, had an exceedingly free hand.
5. See Appendix D for a copy of the Bill.
6. He stated that 'in the interests of Australia' he would not press the point. Commonwealth of Australia Convention Of Representatives Of The Commonwealth and State Parliaments On Proposed Alteration Of The Commonwealth Constitution, 1942 - Record of Proceedings, Government Printer, Canberra, PP. 7-8. However, this was the opposite of what he previously had said was 'in the interests of Australia'.
The Opposition Leader, A.W. Fadden, fired the first shot. Like all non-Labor delegates he did not deny the need to confer wider powers upon the Commonwealth for the tasks of reconstruction, but was bitterly opposed to a war-time referendum. He regarded the proposals as a 'party measure' and compared the Bill with the Labor Party platform. Under the amendment, 'complete socialisation could be introduced in the guise of post-war reconstruction' (8). He favoured an elected Convention which he claimed would have 'special virtue and authority in the eyes of the people'. Fadden then moved on behalf of all non-Labor delegates - federal and state - what appeared to be a rejection of any wartime alterations in the Constitution (9).

R.G. Menzies, in supporting Fadden, charged that the term 'post-war reconstruction' was 'undefinable' and 'illimitable' particularly as no time limit had been specified. The provision gave complete power without saying so in plain words. W.M. Hughes admitted the inadequacy of Commonwealth powers but argued that Evatt, posing as a federalist, was attempting 'to disembowel, to eviscerate, to emasculate the Constitution' (10). Thus the main speakers opposing the proposals adopted the 'party approach' which was to characterise the contest right up to the referendum. The proposals were A.L.P. 'planks'; attempts at introducing socialism or unification under guise of post-war reconstruction.

Premier McKell gave the new Bill unqualified support and defended the holding of a war-time referendum. He could see no difference between the latter, the election of a Convention, or a general election (11).

8. Ibid., P.14. A copy of Fadden's motion is found in Appendix E.
9. S.M.H. which supported the Commonwealth until the very eve of the referendum, remarked that "Mr. Fadden and other non-Labor members of the Convention seem to misconceive utterly the nature of Dr. Evatt's Bill...to deny to Parliament powers which are abstractly reasonable, simply out of fear they may be abused, is to put our democracy in leading strings" (27.11.42, P.4). Yet S.M.H. disregarded its own logic at a later stage.
11. He was even more unequivocal in his support than Labor State Opposition Leaders, R. Richards (South Australia) and J. Cain (Victoria), both of whom advocated a large transfer of powers and strongly defended the principles contained in the Bill whilst not committing themselves to its precise terms.
But Premiers Cooper, Cosgrove and Willcock were at best lukewarm Commonwealth supporters. All declined to support Fadden's motion on the pretext that it involved the 'shelving' or abandoning of reconstruction planning which they held essential during the war. But their attitude to his motion was ambivalent. Whilst endorsing the broad principles of Evatt's Bill, like Fadden they felt the term 'post-war reconstruction' was not sufficiently defined and they spoke in favour of an enumeration of specific subjects. They too were averse to holding a war-time referendum; and, apparently not content with Evatt's assurances, they all repeatedly lapsed into 'State Rights' reasoning, pointing to the dread prospect of 'centralisation' with its neglect of the smaller, outlying States in favour of the wealthier, more populous States of N.S.W. and Victoria (12).

Cosgrove moved an amendment which was later unanimously approved by the Convention. It opposed a war-time referendum, but proposed that 'adequate' powers be 'referred' to the Commonwealth by the States under Section 51 (xxxvii) of the Constitution for a period of from five to seven years after the war, subject to a post-war referendum (13).

Premiers Cooper and Willcock made plain their support for the proposition, and the anti-Labor Premiers A. Dunstan (Victoria) and T. Playford (S.A.) found nothing objectionable in it. Whilst attacking the new Bill as a formula for 'disguised unification', they were not averse to specific powers for a specific period (14). In substance, their stance was not markedly different from that of three of the Labor Premiers. Indeed, during the debate there was complete unanimity of all present on the need for some substantial transfer of powers to the Commonwealth. The critics had directed their fire at the holding of a referendum and the

12. Cooper warned that "If we are to set up all power in one particular spot, then believe me, we are going to fail in the very thing we want to do" (Convention Report, P.48); Willcock complained that "The people of Melbourne and Sydney seem to have more influence with Governments than have the people who are far distant from the seat of Government" (Ibid, PP.73-74); and Cosgrove lamented that in giving away the guarantee under Section 92 which safeguarded their interstate markets, Tasmanians were giving away something that was of definite advantage to them (Ibid., P.51).

13. A copy of the amendment is found in Appendix E.

14. e.g. See Dunstan Convention Report P.54.
lack of precision in the Bill. The amendment would meet these objections.

Fadden announced that members of the Federal Opposition were prepared to accept the 'Cosgrove Plan' and he was accordingly withdrawing his motion in its favour. He argued the basic principles underlying the two were the same (15).

Only 3 of the 18 proposals submitted to referendum since Federation had been carried, and the Commonwealth's hopes to rally Convention support behind a proposed referendum, to avert the partisan political strife which had doomed so many past proposals, had proved abortive. In view of the trend of the debate, one can appreciate the Government's decision to accept the amendment as the best it could hope for. When the debate resumed on Monday, 30th November, Curtin announced that in view of the consensus in its favour, the Government would accept the amendment subject to the condition that the powers be adequate for the needs of reconstruction; the period of grant be sufficiently long; revocation of the grant be made impossible without a State referendum; the Convention, with the aid of a drafting Committee, proceed to recommend the powers to be granted; and the Premiers do their utmost to pass the draft bill into law within the immediate future. At the same time he stressed the hazards of this method, pointing to the fiascos of 1915 and 1920, and reaffirmed his preference for a referendum.

The amendment was then carried unanimously (16); and a drafting Committee comprising Dr. Evatt as Chairman, Mr. Hughes

15. Both recognised the need to confer additional powers and opposed permanent alterations in war-time, and Fadden had earlier argued that Cosgrove's proposal did not constitute an amendment to his motion which was "practically the same in substance" (Ibid. P75-7o). But Curtin insisted that Cosgrove's plan was 'more positive' in proposing a 'reference' of powers. Fadden replied that this was similar to his "scheme of reference by means of an agreement between the Commonwealth and the States in order to obtain experience and information of a working arrangement between the Commonwealth and States" (Ibid P138).
16. Menzies, who had attended the earlier sittings, was the only delegate not present when the amendment was endorsed and he was absent from all subsequent sittings. It was variously reported that he was absent on account of private business
commitments and of illness. His 'convenient' absence spared him from the jibes incurred by Fadden, Dunstan and co. for later opposing the very proposals they had sponsored at the Convention.
and the six Premiers, was appointed to prepare a draft Bill. There are no minutes of the deliberations of this Committee, but "It soon became clear ... that the Premiers of South Australia and Victoria were proving the hardest men to convince" (17), and Curtin was twice called in to reconcile differences of opinion (18).

The Committee, after lengthy discussions, brought back a Bill setting out 14 specific subject-matters that it unanimously decided should be transferred for five years after the cessation of hostilities. This Bill was to be the substance of the 1944 referendum proposals and it was also the Bill introduced into the six State Parliaments in the following months (19).

The Convention unanimously approved the Bill after it had been considered clause by clause with no serious attempt at amendment. The Leader of The Opposition in the Senate, Sen. McLeay; was the only delegate to oppose the Bill in principle, for reasons unspecified in the official Report, but he did support its submission to the State Parliaments (20).

At the Convention's conclusion Fadden, on behalf of the Opposition, expressed sentiments that were to be quoted back to him repeatedly during the referendum campaign. He described the result as the one 'which is best calculated to serve the interests of the nation'. The Bill was a 'monument of cooperation', and he hoped it would pass through every House of Parliament in Australia (21).

17. Louat op. cit; P.12.
18. Labor Weekly, 11.12.42, P.3. Curtin's key role as a conciliator is illustrated time and again in the Convention Report. Dedman, who was present at all the sittings, says his 'outstanding impression' is that Dr. Evatt handled the Premiers 'very badly', and that only Curtin's 'skillful diplomacy' averted an impasse.
19. A copy of the draft Bill is found in Appendix F. The language of the Bill bore in some places the unmistakable marks of compromise by the Commonwealth. This is witnessed by the several special safeguards to State interests.
21. Ibid., PP.181-82.
The Failure of Reference

The Bill became "bogged down in the State Parliaments in a morass of legal controversies, constitutional doubts, regional jealousies, business fears, and political antagonisms" (22). Hostile Legislative Councils played a particularly destructive role. In all States, bar Queensland, there were Upper Houses; and, with the exception of N.S.W., these were limited - franchise bodies which were 'at once powerful and Conservative (sic.) and not very amenable to party discipline' (23).

The passage of the Bill was "vigorously opposed by many leading business organisations such as the Chambers of Commerce and Manufactures, and some Stock Exchanges" (24). The business campaign reached its height in South Australia where a Powers Committee was set up to foment opposition to the Bill and pressure was allegedly put on clients who sought overdrafts or business privileges with firms supporting the Committee (25).

In the States, particularly the non-Labor ones, where business opposition was best organised, legal doubts on whether a time limit could be placed on a State 'reference' were widely canvassed. The Commonwealth and its advisers claimed the time limit was effective.

In the event the fiascos of 1915 and 1920 were repeated; two (Labor) States only, passed the Bill in the agreed form. In N.S.W., because of Labor's control of both Houses, and the passage of the Bill within a fortnight of the Convention, business opposition was not organised on the scale of other States; and, at this early stage, the Bill still had the support of the Opposition. Unrestricted by an Upper House, the Queensland Labor Government also gave the Bill a smooth passage.

22. Round Table Vol. xxxiii, June 1943, P.286.
23. Ibid. March 1943, P.180
24. "Indeed the preservation of substantial State powers in the federal system has long been recognised as an essential part of the political programme of social and economic Conservatism in Australia. Through the Legislative Councils... it is much easier to curb a radical programme than it is through the Senate." Ibid. P.181.
The Tasmanian Labor Government carried the Bill through the Lower House, but it was rejected three times by the anti-Labor Legislative Council.

In Victoria, Country Party Premier, A. Dunstan, initiated two amendments to legally guarantee the limited period of grant and to avoid proclaiming the Bill unless all other States passed a 'substantially similar' measure. Labor leader, J. Cain, claimed that the Government was responding to U.A.P. and business pressure which had spread from South Australia.

In both Western and South Australia, the Bill was amended 'almost out of recognition' (26), and West Australian amendments betrayed South Australian influence. In these States the employment, marketing, production, monopolies and other powers were emasculated. In South Australia, his own party in the Legislative Council refused to follow Premier T. Playford's lead in sponsoring the Bill; whilst in West Australia, the anti-Labor Council was again the destructive agent. However, the Labor Government had earlier sponsored two amendments in the House to guarantee the time-limit and to permit any trade union to choose between Commonwealth or State determination.

By 3rd February, 1943, Curtin conceded that the method of reference appeared to have failed (27). That month the Inter-state Executive of the A.C.T.U. urged the government to hold a referendum (28). However, the matter dragged on unresolved for 18 months. And it was not until September 1943 that Evatt publicly acknowledged the need for a 'speedy' referendum; (29) and even then the matter was not submitted to the people for almost 12 months. The Government was indecisive and hesitant. It still apparently held out some hope that the States might reconsider (30).

28. S.H.M. 24.2.43, P.9. Late in March, A.A. Calwell had also pressed Evatt for an 'early' referendum on the ground that the scheme of 'reference' had obviously failed. *Labor Call* 1.4.43, P.4.
30. On 15th October, 1943, Curtin announced the Government intended to deal with the matter at the next session of Parliament. By that time, it would be acquainted with the 'final decisions' of the States on whether they would implement the substance of the Canberra Agreement. *Digest Of Decisions* no. 66, PP. 14-15.
However, the date of the referendum had to be set with due regard to other fixtures. During 1943, there was a federal election in August, and elections in Victoria and West Australia in June and November, respectively. Dr. Evatt was in America and England from April to July and Curtin was unwilling to take any action in his absence. In 1944, there were State elections in April in Queensland and South Australia, and in May in N.S.W. Also, the London Conference of Dominion Prime Ministers was due in May 1944. August 1944, was thus finally chosen to secure full benefit from Curtin's return from abroad (31).

31. It is reported that Scullin, for one, thought Curtin had shown great lack of judgement in not timing the Referendum with the 1943 federal elections: T.L. Sutter in H. Mayer (ed.) Catholics And The Free Society (Melbourne, F.W. Cheshire 1961) PP. 43-44. J.J. Dedman has informed me that the Government did not so time the referendum 'because, being a minority government, we could not have carried the enabling legislation'. Be this as it may, the two Independents, A.W. Coles and A. Wilson, both supported the referendum when it was held. However, the Senate, where Labor was in a minority, may have proved a stumbling block. A referendum may still be held even where the two Houses disagree, but only after the Bill has been rejected a second time - three months later. The delay here would be an important consideration as Evatt was overseas from April to July and Curtin declined to act in his absence.
CHAPTER V
The Ministry of Post-War Reconstruction.

On 22nd December, 1942, Curtin announced the appointment of the Treasurer, J.B. Chifley, as Minister for Post-War Reconstruction. He linked the appointment with the Government's apparent 'success' at the Constitutional Convention which he believed would facilitate reconstruction planning (1).

The appointment of a senior Minister with great existing responsibilities met 'sharp criticism'. There were Cabinet colleagues who coveted a portfolio promising excellent publicity for the incumbent; and men outside Cabinet had seen the position as their avenue to place and power. The A.L.P. Federal Conference had specifically requested a full-time Minister (2).

However, Curtin favoured a 'quiet, exploratory, methodical, and unspectacular' beginning. The war had still to be won, and Chifley's temperament matched this situation (3). Crisp notes that the other Ministers best qualified - J.J. Dedman and J.A. Beasley - each had a vital and successful role entirely war-focussed; and had Curtin enlarged his Cabinet, Caucus would probably have elected 'one or other of the leading party thorns in Curtin's flesh' (4).

1. Digest Of Decisions no. 48, P.17. L.F. Crisp in Ben Chifley op. cit. P.184, indicates that Chifley's appointment was "in train" since September 1942 which would appear to conflict with Curtin's 23 September statement that there was no intention, at that stage, to appoint a Minister. However, Crisp has explained that the whole matter was being explored in September in the Reconstruction Division of the Labour And National Service Department though blue print stage had not been reached nor had dates been fixed (reply to writer's letter of 27.10.67).

2. Crisp loc. cit. In some quarters, there was objection to the linking in the same hands of Chifley's old and new portfolios. H.E. Holt (U.A.P. Victoria) claimed this was 'a serious administrative blunder': "It is notorious that the job of the Treasury is not to put forward progressive schemes, such as we would expect from the (new) Department, but to scrutinise closely the proposals of other departments. Its policy is invariably one of retrenchment, and that is the mental approach of its officers in the proper exercise of their duty" C.F.D. Vol. 176, P.306; 8.10.43.

3. Crisp loc. cit.
4. Ibid. P.186n. These were apparently A.A. Calwell and J.S. Rosevear.
Chifley chose Dr. H.C. Coombs as Director-General of the new Department. "Coombs was a Keynesian and his mind worked harmoniously with Chifley's" (5). Dr. Lloyd Ross later became Director of Public Relations. The Opposition lamented that Labor had relied too much upon 'persons with a doctrinaire outlook', men with no experience of business or industrial life. The 'professors' should be restored to their 'rightful role of advisers' (6). Chifley assailed the anti-intellectualism of the Opposition. He derided the notion that a practical and successful man was one who had 'piled up' money, perhaps by profiteering. He would prefer men who had educated themselves and were capable and adaptable (7).

Chifley believed in taking reconstruction to the people. This involved participation by officials in public discussion to an unusual degree, and the Opposition criticised the Government on this score. The Department sought to encourage the public to take an active part in post-war planning discussions. It was considered a novel move for any Government Department to invite comments, criticisms, plans and ideas from the public (8).

Planning Agencies

Post-war reconstruction involved as many different Departments as the conduct of the war and it was intended that the new Ministry's function would consist primarily of planning and co-ordination. In this respect, its functions resembled those undertaken during the war by the Department of War Organisation of Industry. "The administrative organisation of the Ministry presented some novel features". In Australia the

5. Ibid. P.186
8. Melbourne Age 8.7.44, P.3. However, even in Labor circles suspicion and concern was expressed at the activities of the Department's officers. They were attacked as 'bureaucratic professors and research officers' (an obvious reference to Coombs and Ross), who 'seized inappropriate occasions to make more or less authoritative pronouncements on important points of Government policy' (Australian Worker 15.3.44, P.1). This was the period when anti-Labor was exploiting the 'bogey' of post-war regimentation by 'bureaucrats' and many in the Labour Movement were infected with this thinking.
term 'Ministry' usually applied only to the staff of a Minister who had no 'department' to administer (9).

The 'Ministry' of Post-War Reconstruction, however, consisted of the Department, and several Commissions and Committees directly under the Minister. The Commissions were to crystallise the major post-war problems in their respective fields and propose policies that could be discussed by the public and considered by the Government. Each of them conducted its own investigations, visited the several States, and heard evidence from interested parties (10).

The principal Commissions were those for Secondary Industries, Rural Reconstruction, and Housing. There were also Committees for Re-Employment, Demobilisation, and Reconstruction Training. The Secondary Industries Commission was to review and investigate wartime industrial development with special reference to government war factories, to define a policy of industrial development for the country, and to plan and recommend to the Government measures to carry out the policy, whilst the Rural Reconstruction Commission was given a wide charter to investigate problems associated with primary industry generally. It was to submit reports on the rehabilitation of rural industries, on such extension or re-arrangement of primary industries as may be considered necessary, having regard to markets available or likely to be available externally and internally in the post-war period, and for the improvement of conditions of life in rural areas.

A Housing Commission was established to examine and report upon all aspects of housing within the Commonwealth and to recommend plans for the provision of housing in the post-war years. In an interim report in October 1943, the Commission estimated the housing shortage at 250,000 to 300,000 dwellings by 1945. The post-war task would be beyond the resources of private enterprise,

and the Commonwealth should actively participate in the programme by providing financial assistance for the housing of low income groups. It recommended a target for the first post-war year of 50,000 homes as compared with 40,000 in the peak pre-war year. The Commonwealth subsequently proposed to the States that they build 30,000 homes and private enterprise, 20,000. This figure would rise to 80,000 homes in the second post-war year - half government - sponsored and half built by private enterprise. The Government also decided to provide financial assistance for rental rebates to low income groups.

A National Works Council, set up in July 1943, and consisting virtually of the Premiers' Conference, was also associated with the Ministry in the person of the Co-ordinator General of Works. It would plan works projects for the postwar period. Since the depression, public works had figured so largely as a measure to support employment that it was generally assumed that a post-war programme of works would be necessary to achieve full employment, particularly in the transition period. It was to prepare a national works programme in three stages. The first was to include everything urgent and would cover works which had been deferred because of war conditions. As soon as plans were ready to be put into preparation for this stage, a second programme of less urgent works was to be prepared, and this would be followed by developmental works requiring intensive investigation. The Council, in January 1944, approved a proposed schedule of 'urgent' works estimated to cost about £200 million. Full employment and inflation in the 1950's rendered the Council's function increasingly irrelevant and in 1953 it was allowed to fade away (11).

CHAPTER VI

The 1943 Federal Election.

This Chapter will not be an adequate account, in any sense, of the events of the 1943 federal election held on 21st August. That is not its purpose. The thesis is a study of Labor's post-war aims and the attempt to secure wider Constitutional powers to facilitate those aims; and the chapter will be restricted to those election-events which shed light on the aims.

To Curtin it was 'the most momentous election in history' for three reasons: The Government elected would organise the growing offensive against Japan; it would probably represent Australia in the peace; and it would be responsible for drafting reconstruction plans (1).

In his Policy Speech, whilst resting his case broadly on the Government's record of war administration in the face of the Japanese menace, Curtin did refer to the post-war world. He pledged that servicemen would be provided with a reasonable opportunity for employment after discharge. Labor would not tolerate an uncontrolled, speculative boom 'which dissolves into the prolonged depression of ruined hopes and wasted lives'. Primary and secondary industry would be assisted through a smooth transition to stable prosperity. But Labor would not be idle if national development projects or measures for the nation's welfare languished because they did not offer profits. Every Australian would be assured 'a national minimum' standard of living and social services leaving him in no envy of any other land.

The Government was planning, with the States, a programme of national works, including the standard gauge railway link between Broken Hill and Port Pirie, and ultimately, Fremantle. He also foreshadowed an Unemployment and Sickness Bill (2).

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2. S.M.H. 27.7.43, PF.5-6.
The "Sydney Morning Herald" praised the 'vision' and 'tolerance' characterising Curtin's and Evatt's Campaign speeches, and landed their 'national' approach (3).

In a speech described as the best of the campaign and one which 'shocked Trades Hall circles' (4), Evatt declared that Labor could not govern as a trade union party. Curtin had succeeded because he had refused to govern in the interests of any group or class. Labor must guard the interests of 'the great middle groups'. It was only along these broad lines that the Labour Movement could fairly claim a right to govern the country. The charge of 'socialisation' against the Government had no foundation. Under the Constitution, there was no power to expropriate property except on terms of just compensation. The power of expropriation was limited to specified Commonwealth purposes, and there was no general power to nationalise industries. There would be more room for private enterprise and business initiative after the war than ever before in Australia's history (5).

The Opposition freely contrasted the 'revisionist' remarks of Evatt with the 'fundamentalism' of E.J. Ward who argued in the campaign that 'the workers' would only feel secure in the peace, under 'socialism' (6).

3. Ibid. 19.8.43. P4. It was a commonplace Press claim of the period that Curtin's 'real object' was to lead the A.L.P. on from a sectional, trade union party to a 'national' party.
4. Ibid. Round Table, March 1944, P.171; considered the speech contributed much to the party's success in the key state of N.S.W.
5. S.M.H. 5.8.43. P.5.
6. D.W. Rawson has observed that emphasis on the party's working class aspects has usually been accompanied by advocacy of socialist objectives and emphasis on multi-class sources of support by non-socialist and reformist policies ("Labor, Socialism, And The Working Class", Australian Journal Of Politics and History May 1961). Rawson has also drawn a distinction between the terms 'socialism' and 'socialisation' (Labor In Vain? Melbourne, Longmans 1966, P.66). However, in the period under review, few in the A.L.P. bothered with fine distinctions between these terms or 'nationalisation'. All implied public ownership. There has been an inverse relation in A.L.P. history between the popularity of the term 'socialism' with the party leadership and the radicalism of its meaning. "When its meaning was accepted as involving the extensive public ownership of industry, the term fell into disuse" (Ibid P.62). This is true of the war period. The
above three terms were commonplace at State and Federal Conferences where it appeared that 'socialisation' and 'nationalisation' involved public ownership and were steps on the way to 'socialism' where the principal industries, at least, were in public hands; but the parliamentary leadership used the terms only to disavow them.
Evatt's moderate views were typical of the Big Four who reportedly "practically ran the Government side of the war effort" - Curtin, Evatt, Chifley, and Beasley. "Until his death, Curtin's grip on the party was never seriously weakened, and he could attribute that, at least in part, to the loyalty he received from his three lieutenants" (7).

Curtin was at great pains to convince the public, and his opponents, that he was not using the war to implement Labor policy: "I am not fighting the war on a text-book written by Karl Marx, nor on a text-book written by Herbert Spencer. I have only one cause to serve which is the safety of the country" (8). Labor had not socialised Australia "and we don't intend to do it just because we are at war" (9). When the critics pressed for an unequivocal statement of his aims in the campaign, Curtin stated flatly "My Government will not, during the war, socialise any industry" (10).

Financial Policy

In the campaign, Curtin clashed with Sir Claude Reading, Chairman of the Commonwealth Bank Board, on the financing of post-war schemes. Curtin argued that, in time of war, money was no bar to meeting the demand of work for all and he pledged that in peace all the money needed would likewise be found (11). Reading cautioned that the improper use of bank credit could destroy the purchasing power of the currency and wreck the standard of living (12); to which Curtin rejoined that he would not regard it as an improper use of bank credit to provide the means of doubling or

7. Don Whittington The House Will Divide (Melbourne, Georgian House, 1954), P.92. The term Big Four had a wide currency at this period, vide S.M.H. article "The Big Four In Labor" 19.8.43, P.4.
10. S.M.H. 19.8.43. P.5. Like Evatt he ruled out socialisation on constitutional grounds. In any event, all the physical things requisite for war, he explained, could, under the National Security Act be directed for the purposes of war.
12. Ibid. 10.8.43. This also reflected the stand of the Opposition.
trebling Australia's population, nor did he see any better way of increasing the national income, national wealth and security, which was the best guarantee of ensuring the solvency of the national structure (13).

Immigration

After the Japanese experience, Australians were acutely alive to the large populations centred on inadequate areas in South East Asia and there was an all-party consensus on the need for post-war immigration (14). During the election campaign, Curtin, espousing a 'populate or perish' theme, foreshadowed the Government's immigration scheme (15). Australians could not hold their large continent indefinitely with the current population of seven million and a declining birth rate (16). Population must be doubled or trebled as quickly as possible. There must be migrants, controlled and related to the problem of full employment. Arguments based on the national development and higher living standards stemming from a larger work force and market were at the time subsidiary to defence considerations. In October 1943

13. Ibid. 12.8.43, P.4. In the 1943 Budget and Address-In-Reply Debates (C.P.D. Vol. 176) endless Labor speakers, particularly backbenchers, pointed to the depression when men rotted in unemployment because money supposedly could not be found; they argued that if money could be found in war to provide full employment, it could be found in peace. They advocated the extensive use of national credit for that purpose through the Commonwealth Bank - which should be re-organised to conform with Labor policy. However, Chifley lent a note of warning to the more extreme advocates. Bank credit could be used up to the point where all men and resources were employed; but beyond that it would create inflation (C.P.D. Vol. 176, 1.484).

14. Only the Communists dissented; however, their objection was not to planned immigration but to the preservation of the White Australia policy which was otherwise universally accepted.

15. e.g. vide S.M.H. 10.8.43, P.7.

16. For an illustration of the fear held in some quarters at the declining birth-rate see National Secretariat Of Catholic Action Pattern For Peace - Statement On Reconstruction Presented to The Federal Government On Behalf Of The Catholic Community (Melbourne, n.d. (1943)). It pointed out that the birth rate had fallen progressively from 42 births per thousand to 18 per thousand between 1860 and 1940. On these trends, the birth rate would drop to the level of the death rate by about 1955 and the population would be stationery.
Cabinet appointed a departmental committee to report on all phases of immigration (17).

Results

In a landslide to Labor, the party achieved the largest majority in federal history. It had a net gain of 13 seats, winning 14 from the Opposition and losing only the Queensland Country seat, Maranoa. "The swing-over to Labor was greater than even Mr. Curtin's most optimistic supporters had anticipated" (18). Labor captured all 19 Senate seats, and would control both Houses for the first time since 1916, as of July 1944 (19).

Round Table summed up "The portents of this age are unmistakable. They are dynamic movements in political democracy towards economic equality and social security by the whole-hearted use of the State as an instrument for the active promotion of social welfare. Only those parties or groups will be trusted with power which are believed to align themselves in this direction" (20).

17. Digest Of Decisions, no. 66, P.40. The proposal marked something of a break with Labor's traditional suspicion of immigration as a calculated tactic for reinforcing the jobless and depressing wages; and some Labor speakers in the 1943 Budget and Address-In-Reply Debates, though not opposing immigration outright, expressed some of the traditional fears viz: T. Sheehy (S.A.) C.P.D. Vol. 176, P.107; and D. Mountjoy (W.A.). Ibid. P.297. Again, there were some A.L.P. men who denied that 'Asian hordes' coveted Australia and deplored the 'populate or perish' approach of the 'threat experts' e.g. T. Burke (W.A.) Ibid. P.103 and D. Mountjoy (W.A.) loc. cit.
18. Round Table, Vol. xxxiv, December 1943, P.77.
19. Election statistics are included in Appendix G.
20. Round Table, loc. cit.
CHAPTER VII
Chifley's Post-War Policy.

Chifley made the first statement on his new Department's general approach to reconstruction in May 1943. As Lloyd Ross has commented, the general plan for reconstruction reflected Chifley's moderate views (1). Chifley stated he had 'no starry-eyed dreams of a new world. The Australia we look forward to is very much the Australia we have always known'. There were many good things in pre-war Australia which we did not want to lose; however, some things, such as the pre-war uncertainty of employment and economic insecurity had to be eradicated (2).

In December 1943, Chifley issued 'the first systematic statement of the Government's views' (3). In a number of Press articles (4), he took as his three broad themes, full employment, social security, and Australia's international economic policy. He defined the primary aim as 'a high and stable level of employment'. This would not be work for work's sake but employment directed towards rising living standards. This was the yardstick by which he measured all reconstruction plans coming before the Department from the various planning agencies. Only on that basis could Australia develop its resources fully and build up its population.

There must be a continuance of the wartime collaboration of Government and private enterprise. But the Government must determine our most urgent needs and set production goals. During the war we had achieved most of our production goals by planning the use of all our productive resources. We had brought into use resources we had never thought to use in peace. We would meet the new situation successfully only by the same careful planning. We must assess our many urgent needs now, and plan on a nation-wide scale how best to use our resources and man-power to meet

2. Queensland Worker 17.5.43, PP.1, 5.
them. To assist the transition to stable peace-time conditions, some war-time controls would have to be retained, but by no means all, nor in unmodified forms.

Before the war, Governments exercised only indirect control over industry, notably through taxation and indirect financial means. We would need more direct and positive controls. We must promote wise location of new plants and ensure the best use of our land. Private and public investment would have to be harmonised to prevent unregulated bidding for available materials and skilled labour; and our national productive capacity should be built up by public investment in development works - in hydro-electricity, afforestation, soil and water conservation and transport development. Judicious timing of this development could itself help stabilise high employment levels. In post-war Australia, Governments should root out monopolistic or other restrictions upon output imposed for private advantage.

**Social Security**

A comprehensive social security scheme was an indispensable concomitant of, and stabiliser in, full employment policy. It would help sustain purchasing power on which full employment depended, while full employment would keep social security costs to a minimum in several directions.

The Government had instituted, commencing from July 1943, a National Welfare Fund which would finance the new social services. Into this fund would be paid out of general revenue an annual sum of £30 million or a sum equal to one-fourth of income tax collections, whichever was less. The fund would come into full operation after the war (5).

5. The scheme was denounced by the Opposition as 'a deliberate confidence trick and a sham' (R.H. Barrett op. cit. P.65) and it was "in effect, a sugar-coating to the pill of further increases in the income-tax rates, particularly in the lower-income groups which were announced simultaneously" (T.H. Kewley in C.H. Grattan (ed.) op. cit. P.259). However, there were immediate increases in social benefits and unemployment and sickness benefits were foreshadowed at the time. The Fund's establishment was consistent with Chifley's belief that "if some measures for the promotion of economic security are not passed by this Parliament before the end of the War, a
sorts of excuses will be found when the War ends for not passing them" (L.F. Crisp Ben Chifley, PP.189-90).
The arrangement was altered in 1945 to provide a solid peace-time basis for the Fund. The direct taxation paid by individuals was divided into two parts - general income tax and social services contribution. The principle of contribution adjusted to capacity to pay was preserved (Ibid. PP.190-91).
Chifley pledged the Government would fill in the remaining gaps to provide a comprehensive social security scheme. As compared with the Beveridge Plan and New Zealand system, the gaps were unemployment and sickness benefits, a nation-wide employment service, and a nation-wide health and medical service (6).

Though inspired by the Beveridge Report, Chifley, however, rejected its insurance principle as weighing proportionately more heavily on the lower income groups. From considerations of social justice he preferred to base the social security programme on a National Welfare Fund financed from progressive taxation. No contributory scheme yet devised was self-supporting; both the amount and period of benefit were subject to severe limitation, and many groups were excluded. Though employer, employee and Government formally contributed equal shares of the cost, in fact the employer's contribution was passed on in prices and the Government's share came from taxation. The citizen-consumer thus ultimately paid all three shares and they were not graduated in proportion to the capacity of each to pay (7).

Chifley saw social services as at best palliatives to the world's economic problems, and they would become less and less

6. The following were Commonwealth (Labor) social security innovations during the War: Widows' pensions (1942), maternity benefits for aboriginal mothers (1942), reciprocality with New Zealand in old age and invalid pensions (1943), funeral benefits (1943), a secondary form of maternity benefit (1943), unemployment and sickness benefits (1944), pharmaceutical benefits (1944) - later declared unconstitutional, hospital benefits (1945), tuberculosis benefits (1945), and the Commonwealth Employment Service (1945). Additionally, old age and invalid pensions and other payments were adjusted to increased price levels (Ibid. P.190). However, T.H. Kewley (loc. cit.) argues these measures could not be credited solely to the A.L.P. Other forces playing an important part in their introduction were the world-wide clamour for social security, and, locally, the important work of the influential all-party Joint Committee on Social Security: "It seems probable that much of the wartime social legislation would have been enacted, with perhaps less generosity and some differences (e.g. on a contributory basis) even if a non-Labor Government had been in power".

7. R.G. Menzies stated quite clearly the 'individualist' philosophy underlying contributory schemes: "Social security had to be provided on a basis which would preserve the dignity and independence of the individual. This meant a contributory scheme" S.M.H. 31.7.43, P.10. Thus, the citizen had to feel that he had earned the benefits to which he was entitled, and that they were not a 'charity'.

necessary as economic problems were mastered, full employment maintained, and national incomes raised.

**International Economic Policy**

Chifley denied there was any thought of attempting national self-sufficiency. The very crux of his thesis was that the most complete success of the full employment approach required the widest international adoption. Unless domestic policies of full employment were accepted in at least the major trading countries, the interwar experience of depressed consumption and sluggish demand for exports of foodstuffs and raw materials might be repeated. International collaboration for a better world monetary system or for tariff revision would fulfil our hopes only if all countries aimed at full employment. He looked to the development of hitherto under-developed countries of Africa and Asia as something not only good in itself, but offering expanding markets for Australian exports.

**International Conferences**

Consistent with Chifley's sentiments, Australia's main contribution at a series of Conferences summoned to plan at the international level for post-war reconstruction, was to advance the full employment thesis 'in season and out' (8). Australian representatives sought a distinct international agreement binding all subscribing countries to pursue domestic policies aimed at full employment. This was thought an indispensable basis for the success of all other economic agreements. Australia was inescapably an exporting and trading nation, and was not keen to have restricted her freedom of action to protect the economy against depressed conditions overseas stemming from the failure of major trading nations like the U.S.A. to achieve full employment (9). The Government was sensitive to the possibility

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8. E.R. Walker *op. cit.* P.369. The Conferences were the Food and Agriculture Conference at Hot Springs (May 1943), the International Labor Conference at Philadelphia (April 1944), the Bretton Woods Monetary and Financial Conference (July 1944), and the San Francisco Conference on World Security (April 1945).

9. There were strong forces in the U.S.A. unwilling to see their country pledged to full employment in set terms. See Crisp Ben Chifley P.203n.
of a depression, imported from overseas, and revealing itself originally in falling markets for Australian exports.

Despite the failure of Australian initiatives to yield a binding employment agreement, there was too much popular support for the Australian thesis in all countries for any Government to oppose it openly. "Consequently a niche had to be carved out in every international economic agreement for an appropriate reference to the importance of full employment" (10). And, 'mainly owing to the efforts of the Australian delegation' (11) at San Francisco, full employment was prominent among the declared objectives of the Economic and Social Council of the United Nations.

CHAPTER VIII.
The A.L.P. Federal Conference - December 1943

On 23 November, 1943 Cabinet appointed a sub-committee to submit final recommendations on the Powers Bill including the question of a further approach to the States(1). The Sub-Committee reported in favour of holding a 1944 referendum on the 14 temporary powers recommended by the Constitutional Convention (2); and on 8 December, after lengthy discussions, Cabinet endorsed the decision by a reported 13 votes to 6.(3) Opinion was reportedly more evenly divided on wider powers until Curtin and Evatt delivered powerful speeches.(4) They argued that as so few proposals had been carried by the people, it was important not to depart in substance from the Convention agreement which had been approved by all leaders, federal and state.

Those Ministers in a minority were apparently divided among themselves. Dedman has informed me that he led the fight for sovereign Commonwealth powers and that Ward supported him (5). Chifley took a stand in between the Curtin-Evatt and the Dedman-Ward positions. He 'vigorously opposed' the Convention list as involving too much compromise and insisted that Evatt's original

1. The members were the Attorney-General and Minister for External Affairs (Dr. Evatt), Minister For The Army (F.M. Forde), the Treasurer (J.B. Chifley), Minister for Trade and Customs (Senator Keane), and the Minister for Information (A.A.Calwell).
2. Digest of Decisions No. 69, pp.8-9
3. S.M.H. 13/12/43 p.4 J.J. Dedman does not recall whether the vote was 13 to 6 but if so, his 'guess' is that the six -all of whom reportedly sought wider powers - would be Dedman, Ward, Chifley, Calwell, Scully, and Drakeford. Press reports indicate that the first three were definitely among the six.
4. S.M.H. 9/12/43. p.7
5. Ward apparently sought full powers subject only to safeguards limiting the life of any one Parliament and protecting freedom of speech and religion. Sunday Telegraph 12/12/43, p.8 It appears that Ward and Dedman were the only advocates of unification.
proposals be submitted (6).

It was considered that caucus would be closely divided on the issue of fuller powers and the impending Federal Conference was asked to register approval of the Cabinet decision to forestall any moves to reverse the decision in caucus (7).

Conference

Conference validated the Cabinet vote and so ruled out the projected caucus moves. It resolved "That the Commonwealth Government submit the fourteen powers approved by the Constitutional Convention at Canberra on 24th November 1942, the same to operate for a period of five years after Australia ceases to be engaged in hostilities in the present war" (8).

There were two lines of attack - by two delegates - on the motion. A Mr. Bryan of Queensland opposed it on the ground that Queensland was jealous of what Labor Governments had achieved there and would not let its powers go lightly. Queensland would lose the position it held, politically and industrially (9).

P.J. Clarey (Victoria), the President of the A.C.T.U. moved an amendment seeking sovereign Commonwealth powers as this conformed with Labor policy (10). However, after another convincing

6. Ibid. It was suggested in some quarters that Chifley was urged on by his advisers in the Reconstruction Department (Ibid); and that an important reason for Cabinet's more moderate decision was 'the growing fear of many Ministers of a race described by ... Senator Keane as 'the bright boys'; and that the latter were 'such bureaucrats as believe that the Australian people will in peace endure the pushing around that they have accepted as a war-time necessity' S.M.H. 13/12/43, p.4. This is misrepresentation of the intentions of the Government's 'brains trust' as I hope to show in the next chapter. And Dedman does not recall sensing any feeling on the part of any Ministers that those seeking fuller powers sought them to continue wartime regimentation or that they were so-minded because unduly influenced by 'bureaucrats'. However, he concedes that the A.L.P. had always been suspicious of 'professors' and specialists, and "to some extent this was reflected in Cabinet". Keane, he acknowledges, was especially vulnerable to such thinking because Professor Copland as Prices Commissioner enjoyed a degree of autonomy under the Minister for Customs which Keane as Minister did not like; but he did not think that Keane was any the less enthusiastic about increased powers on this score; on the contrary, the wider powers would have put him on top of Copland.

7. D.T. 10/12/43, p.5
9. Ibid.p.35. Professor Crisp (The Australian Federal Labor Party, p.25+) , claims that at Conference, the opposition of the (P.F.O.)
Queensland State Branch to the proposals was 'made plain'. However Premier Cooper - like Premier Cosgrove, who also attended - supported the motion; as did his Deputy Mr. Hanlon, who did, however, argue that Queensland had had a 'raw deal' from the Commonwealth. Mr. Bryan's sentiments do call to mind the State A.L.P.'s reaction to Uniform Tax and to Evatt's first Bill; and he may well have been articulating the 'silent opposition' of his co-delegates. However the organ of the State Branch, the Queensland Worker 27/12/43, p.4 was at obvious pains to inform that there had been no antagonism to the Bill at Conference and that the vote was unanimous. Actually, there was 'only one dissenting voice' - apparently Bryan (S.M.H. 17/12/43, p.4)

speech by Evatt, Clarey accepted the argument that Conference should express its belief in full powers while accepting the 14 powers as a step in the right direction, and the best course of action in the circumstances. He accordingly withdrew his amendment. After Evatt spoke, "the discussion so much favoured the Cabinet's plan that Mr. Curtin had no need to take part in the debate"(11).

In a resolution carried without recorded dissent, Conference drew attention to the 1942 resolution calling for a separate Reconstruction Minister. Whilst the work of Mr. Chifley was commended, Conference again requested the appointment of a full-time Minister so that the nation would be ready for the changeful days of peace. It also recommended that the Department's name be altered to Post-War Planning and Construction. Mr. A.E. Monk (Victoria), Secretary of the A.C.T.U., explained that there was a good deal of suspicion among the workers about the term 'reconstruction'. "They felt that all that would be done would be to reconstruct the old conditions to be followed by another depression". (12)

Conference also tabulated five lengthy post-war objectives to be pursued by the Department. These were adopted largely through the efforts of the W.O.I. Minister Mr. Dedman (13). Like Chifley's December articles, these objectives can be summarised by the objectives of the 1951 Congress of the Socialist International at Frankfurt: "full employment, higher production, a rising standard of living, social security, and a fair distribution of incomes and property" (14). The list was 'intellectually related' to similar lists put forward by such bodies as the National Resources Planning Board in the U.S.A. and the League Of Nations Delegation on Economic Depressions. "Their adoption by the

11. S.M.H. 17/12/43, p.4. It is thus hard to agree with Crisp that Conference gave the proposals only a 'mixed reception' (loc. cit.)
12. Conference Report, p.42
13. E.R. Walker op. cit. p.348. The objectives are listed in Appendix H.
Australian Labor Party signified its participation in a world-wide movement of social thought and aspiration" (15). Labor's leaders fanned the war-time utopianism of the people by stating their war aims in the broad humanitarian terms of the Atlantic Charter.

**Socialisation.**

There was considerable pre-Conference Press speculation which proved abortive in the event, that Curtin, consistent with his believed aim of a 'national' or 'middle class' party, might try to induce Conference to modify the plank requiring socialisation.(16) However, delegates from four State Conferences were mandated to support motions calling for immediate socialisation in some form. South Australia sought the immediate socialisation of Coalmines, Shipping and the Metals industry. Queensland favoured 'immediate steps to introduce Socialism'. Victoria wanted nationalisation of industries essential to defence; and N.S.W. sought the nationalisation of banking and credit, of all monopolies such as heavy industries, transport, power generation, coalmines, oil production, arms, shipbuilding, and munitions industries.(17) This lends support to Lloyd Ross' contention that, while the Governments' general plan for reconstruction was moderate, "one should not overlook the fact that among the rank and file there is substantial support for a programme of nationalisation which finds no direct expression in the plan" (18) We can illustrate this point by taking what were perhaps the two most disparate State Branches: N.S.W. where 'industrial Labor and left-wing thought was better organised and developed than elsewhere';(19) and Victoria, which was bitterly anti-Communist and was denounced by its left-wing critics as 'a Tammany appendage of Catholic Action' (20) and 'anti working class and reactionary' (21).

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15. E.R. Walker, p.349
16. See Don Whittington in *Sunday Telegraph* 12/12/43, p.5
17. D.T. 13/12/43, p.7
19. Don Whittington in *Sunday Telegraph* 19/12/43, p.6
20. Brian Fitzpatrick in *Tribune* 20/7/44, p.3
21. quoted in *Labor Call* 20/4/44, p.1
Yet in both States there was strong support by both Conference rank and file and State Executives for socialisation programmes. For example, the 1943 N.S.W. Conference called for nationalisation of all industries essential to defence (22); in 1944 it decided all post-war plans should be based on socialisation and that the ALP should embark on a '10 year plan for socialisation of Australia' (23); and in 1945 it claimed economic security required 'full implementation' of the socialisation objective. The 'reactionary' and 'anti-working class' Victorian Executive with the endorsement of the 1943 Conference, called for nationalisation of all industries essential for defence and sought a post-war reconstruction policy having as its objective 'the progressive abolition of the capitalist system, and the establishment of socialism' (24). There was thus a consensus of the rank and file of the State Conferences that socialisation programmes would play an important part in post-war reconstruction, though, as Dr. Ross notes, this was ignored in the official plan.

Crisp has argued that "The Federal Conferences from the beginning (of the war) commenced to press the general socialisation principle on the Government" (25). However, the 1943 Conference displayed a muddled attitude to socialisation and I would argue that its confused decisions were the inevitable consequence of the attempt by the 'party managers' to reconcile the two extremes of enthusiasm for the principle at the State Conference level and the 'no socialisation' resolve of the F.F.L.P. leadership. Rather than 'pressing the general socialisation principle on the Government' one could argue that the primary consideration of the 'party managers' at Conference, was to insulate, or, act as a buffer for, the F.L.P. against pressure from the State Conference level. Federal Conference did 'press' the Government to nationalise

22. Sunday Telegraph 6/6/43, p.3
24. Labor Call 29/4/43, p.2. Similar sentiments had been expressed by the Branch in 1942.
25. The Australian Federal Labor Party, p.287
essential industries as an essential part of the war effort (26). Secondly, it did agree to the setting up of a committee 'of one delegate from each State, to be appointed by the Conference to report upon the following plan for socialisation and recommend any amendments' (27). Thirdly, Conference favoured the nationalisation of all transport services at an early date (28).

On the other hand, Conference 'watered down into meaninglessness' (29) the South Australian item seeking immediate socialisation of coalmines, shipping, and the metals industry. It also discharged a Queensland motion - "That the Federal Conference accept the challenge of the U.A.P. and the U.C.P. parties that the post-war programme of the Labor Party is Socialism and that the Party use the opportunity for making definite steps in that direction" (30) - on the 'simple and silly' expedient of deciding that the A.L.P.'s objective was for 'socialisation' not 'socialism' (31). That this was purely an expedient, and that Conference was at great pains to avoid 'pressing the general socialisation principle on the government' is borne out by its contradictory acceptance of a resolution ('watering down' the above South Australian item) agreeing "That a national-wide campaign for socialism be started immediately and the implementation of such campaign be left in the hands of the Federal Executive" (32). Conference here drew no distinction between its objective of 'socialisation'

26. Conference Report, p.44. This, of course, ran counter to Curtin's 1943 election 'no socialisation' pledge.
27. Ibid. The Report gives no details of the plan in question and nothing seems to have come of the proposal.
28. Ibid. p.33. However the President, C.G. Fallon, ruled that this was only 'an expression of opinion'.
29. Brian Fitzpatrick in Smith's Weekly 8/1/44. p.11
30. Conference Report. p.28
31. Fitzpatrick. loc.cit. For reasons that I will state, I do not believe that this modifies my general point that few in the A.L.P. bothered to draw fine distinctions between 'socialism' and 'socialisation'. The party's official objective during the war years was: "The Socialisation of Industry, Production, Distribution, and Exchange"; and the word 'socialism' has only been included in the party's formal objectives and platform since 1957, and then only in an inconspicuous place.(D.W.Rawson, Labor In Vain? op.cit. p.62)
32. Conference Report, p.44
and 'socialism', apparently because this, unlike the other motion, was an innocuous item which could readily be 'shelved' to avoid embarrassing the parliamentary leadership (33). On the other hand, accepting 'the challenge of the U.A.P. and the U.C.P. parties that the post-war programme of the Labor Party is Socialism' would arm those parties with an invaluable propaganda point and prove highly embarrassing to the Government; so a 'simple and silly' expedient was devised to thwart the motion.

Whilst Brian Fitzpatrick claimed the Conference was 'abortive' and that the rank and file had been betrayed on the socialisation issue (34); it is ironical that the Communist Party should defend the work of Conference and attack the 'utopian', 'disruptive' items for immediate socialisation (35). Like Curtin, the C.P.A. was overwhelmingly war-minded, and was 'all the way' with Curtin to attain victory(36).

33. It must have been obvious at the time that the Federal Executive, which met most infrequently, lacked suitable machinery to launch such a campaign, and, predictably, it 'passed the buck' to the State Executives which were each requested to initiate a campaign of propaganda. Labor Call, 13/4/44, p.6

34. Smith's Weekly, 8/1/44 and 15/1/44. This opinion was shared by Don Whittington, who predicted a 'storm of protest' from the State Conference level. 'Mass A.L.P. opinion', he believed, had been looking to the Conference to press the Government to implement platform planks like socialisation of industry, nationalisation of banking and other reforms. There "had never been a Conference so unwilling to take positive action on subjects the rank and file have been hoping that a Labor Government will implement". Sunday Telegraph 19/12/43, p.6. They would both categorically reject Crisp's thesis of a Federal Conference 'pressing' these matters on the Government.

35. Tribune, 23/12/43, p.1. To the C.P.A., the Victorian A.L.P. Executive were 'right-wing disruptors' apparently because they sought immediate socialisation and dared oppose Curtin's Conscription proposals which the Communists saw as essential to the war effort.

36. The Communist post-war programme, while calling for nationalisation of monopolies, banks, coalmines and transport, also stressed the preservation and protection of small businesses against monopolies. Common Cause (organ of the Miners' Federation of Australia), 5/8/44, p.3. In January 1944, the C.P.A. General Secretary could say that "The A.L.P.'s policy now is nearer to that of the Communist Party than at any time in history". E.W. Campbell, History Of The Australian Labour Movement (Current Book Distributors, Sydney, 1945), p.160.
CHAPTER IX.

Professors and Bureaucrats.

At the Summer School of the Australian Institute of Political Science held at Canberra in late January 1944, some of the Government's leading economic advisers delivered papers which disclosed their views on post-war reconstruction. They cautioned that their views were not to be interpreted as official policy. The officers were Dr. H.C. Coombs and Dr. Lloyd Ross of the Ministry Of Post-War Reconstruction and Professor D.B. Copland, Commonwealth Prices Commissioner and Economic Consultant to the Prime Minister. During the referendum campaign, their views were misrepresented to imply that the 'Professors' and 'Bureaucrats' sought perpetuation of war-time controls and that peace-time regimentation was in store for Australians if the referendum succeeded. And not only non Labor sources were receptive to this appeal (1).

A close examination of their papers reveals that all three sought an extension of war-time economic controls (and then not in unmodified forms) only during the transition period from a war-time to a peace-time economy when civilian demand would outstrip available supplies and an inflationary boom must be held in check(2). Most controls would quickly pass into 'well-earned oblivion'(3) but during the transition period, rationing, control of prices, materials and of capital issues should be maintained. This was closely attuned to the policy laid down by the May 1944 British White Paper on Post-War Employment Policy which had the

1. To 'prove' that the 'bureaucrats' planned to continue 'industrial conscription' into the peace, the anti-referendum forces freely quoted Copland's statement that "The Manpower authorities, in guiding workers into new occupations, can perform two important functions at once..."(See Australian Constitutional League advertisement in the Melbourne Age 29/7/44, p.8). Copland denied that he had ever proposed post-war 'industrial conscription' and emphasised the word 'guiding' in the above passage. (The Age 3/8/44, p.3)


3. Dr. Coombs in Ibid., p.90
support of all British parties. And it is clear that the Australian officials were as anxious as any of their critics to liquidate controls and restore normal peace-time liberties as early as possible (4).

Copland, in fact, anticipated the later distortion of their speeches: "Immediately the critics cry that this is Socialism or some other ism. By calling on that bogey, they bring in behind them a considerable mass of uninformed or self-interested opinion. The cry is that this will crush the individual, remove his freedom, and make him a pawn in the policy of an impersonal State. This argument is the rock on which our economic plans will break unless we can convince people that it is fallacious" (5).

Like Coombs, Copland was concerned to give effect to the post-war objectives of ordinary Australians and he saw these as "the maintenance of full employment, the provision of social security, the more equitable distribution of the products of industry, and the provision of scope for private enterprise within a framework of social control"(6). There would be 'ample scope' for private industry.

An attack on these speeches by former Labor Premier of N.S.W., J.T. Lang was taken up by Opposition and Press critics as Copland had anticipated. Lang spoke of the Professors' Five-Year Plan for Fascism: "They stripped their plan of all its disguises and revealed it as pure, unadulterated Fascism. It is the intention

4. At the Summer School, Coombs was in fact criticised for his permissiveness. One critic claimed that, as an expert, he should tell the people what they ought to have. It might not be in their interests that the planner give them the things they demanded. Coombs replied that he was not setting out his personal objectives but was attempting to express what he considered the hopes and aspirations of the people. Ibid, p.101. And he argued there was "nothing more depressing than the prospect of a life in which one passes from one form of State protection to another". Ibid, p.83

5. Ibid, pp. 123-24. However, Copland doubtless struck terror into the hearts of Conservatives by declaring that certain industries either were or threatened to become 'socially dangerous monopolies'. They were mostly 'public utilities' in the broad sense, and were ripe for nationalisation or Government control. Examples were the coal industry, insurance, gas and electricity, broadcasting, airways, banking, public health, shipping, munitions and strategic industries. Ibid. pp.154-55

6. Ibid. p.129
of the professors that every regulation and restriction that has been employed during the war, will be carried on for the duration of the Five Year Plan. Every vestige of liberty is to be forfeited for a professor's promise of the four freedoms" (7). Lang no doubt struck responsive chords in sections of the Labour Movement when he charged that "The master minds of the last Depression are to-day the intimate economic and financial advisers of the Curtin Government".(8).

During the Uniform Tax controversy the Queensland Branch of the A.L.P. had attacked, in a style reminiscent of Lang: "the reactionary proposals of Totalitarian-minded bureaucrats to dominate our future and blindly to direct the destinies of our Democracy upon lines that are obviously Fascist in character". (9) And the Australian Worker seems to have swallowed uncritically the version by the Opposition and Lang of what was projected at the Summer School. It alleged a division of opinion between Ministers like Chifley and Dedman, each desiring that controls would be liquidated as early as possible, and the 'professors' who wanted to perpetuate these controls well into the peace. However, unlike Lang, the Worker believed that the Ministers, not the bureaucrats, were firmly in control.(10)

7. Century. 4/2/44, p.1
8. Ibid, 21/7/44, p.4. He cited 'Professors' Copland, Mills, Melville and Giblin. Labor Call, 14/1/43, p.5 illustrates the distrust of Copland in some Labor quarters for his part in the 1931 Premiers' Plan.
9. Queensland Worker, 18/5/42, p.4
10. Dedman has assured me that there was 'almost complete unanimity' between he and Chifley and their advisers regarding the steps to restore liberty of action to individuals and organisations which had had their activities curtailed. The "so-called bureaucrats were just as anxious to liquidate war-time controls as were their critics. It was no fun for Ministers or administrators to have to regiment people in the way which the stern necessities of war had demanded".
CHAPTER X.

The Post-War Reconstruction And Democratic Rights Bill - February, 1944.

On 8 February 1944, the Federal Labor Caucus unanimously authorised the Government to present to Parliament, without delay, legislation for a referendum on the Canberra Convention powers. There was no serious move for more extended powers, and Caucus was informed that the referendum would not be held until after the State elections due in N.S.W., South Australia, and Queensland that year (1).

Dr. Evatt made his second reading speech on the Constitution Alteration (Post-War Reconstruction) Bill on 11 February, 1944 (2).

He recapitulated the genesis of the Bill, stressing that the impasse with the States had left no alternative to a referendum; he outlined the general scope and objects of the Bill; listed some of the special problems attendant upon the immediate post-war period - following closely the reasoning advanced in the booklet prepared for the Constitutional Convention; and, finally took the 14 powers individually to explain their raison d'être (3). He explained that the Government considered itself pledged, whenever possible, to the precise form of the Convention's recommendations and indicated that the only differences between this and the Convention Bill were a few verbal changes necessary to convert a Bill for a State Act into a Federal Bill.

Evatt again deprecated the "party approach" to the matter of Constitutional reform. If the power was a national one, it should be granted to the Commonwealth regardless of whether or not one believed that the party in power might abuse it. It should be up to the electorate to cast judgement on the Government's exercise of the power.

1. S.M.H. 9/2/44, p.6

2. The title of the Bill was altered during the course of the debate to the Constitution Alteration (Post-War Reconstruction and Democratic Rights) Bill after Evatt had submitted three proposed amendments, primarily in response to the comments by Menzies and Spender.

3. In the following Chapter we shall examine the specific uses to which the Government proposed to put each of the powers.
Evatt underlined the limited and temporary nature of the proposed grant. Indeed, its restricted character might disappoint many proponents of extended Commonwealth power. The Government considered the 14 powers "adequate but not more than adequate"(4). There were special 'safeguards' to ensure co-operation with the States and a number of reservations for the protection of State interests. Again, it was only a temporary measure giving powers 'on probation'. If the Commonwealth's use of the powers during the five year period commended itself to the people, they would certainly approve of the continuance of further enlargement of Commonwealth power. The Government, he intimated, intended to call a Convention before the end of the five year period to revise the Constitution as a whole.(5)

Most Labor speakers in the debate raised the spectre of a post-war depression to dwarf that of 1929-32 unless the Commonwealth were given the powers. Allan Fraser (N.S.W.) even canvassed the possibility that in the feared post-war chaos, an Anti-Labor Government might attempt to abolish democracy and impose a totalitarian dictatorship to preserve an economic structure of private profit-making (6).

A.A. Calwell was the leading prophet of 'gloom and doom'. He predicted no future for Australia without the powers. There would be economic stagnation and our population would remain

4. C.P.D., Vol. 177, p.136
5. Some commentators noted that there were significant omissions from the list of 14 powers - most notably education, viz: Round Table, Vol.XXXIV, June 1944, p.282. And in view of the limited, temporary, nature of the grant, the many concessions to State interests, and the unanimous opinion of the all-party Convention that it was essential for the Commonwealth to possess this minimum list for reconstruction, one finds it difficult to accept the claim that the powers sought were 'too sweeping'. e.g. A. Dalziel, Evatt The Enigma (Melbourne, Lansdowne Press, 1967), p.1; and J.R. Williams "The Emergence Of The Liberal Party Of Australia" in Australian Quarterly, Vol.XXXIX, No.1 March 1967, p.17. All of these 'sweeping' powers were in any event possessed by the National Parliaments of Britain, Canada, South Africa and New Zealand and could be exercised by any of the State Parliaments. At this stage S.M.H. was still four square behind the Government: "Were the present Opposition in office, it would feel no less strongly than the Curtin Ministry the need for these wider powers, even though it might not put some of them to the same uses". The changes were 'reasonable and necessary'. There were adequate safeguards against abuses. The electors could bring the Government to account at the polls, and the powers could be withdrawn after five years. S.M.H. 12/2/44. (P.T.O.)
Footnotes Continued.

6. C.P.D. Vol.177, p.1162. He was also one of the few people in this period to pay any attention to the non-materialistic aspects of the 'new order'. He claimed "The achievement of guaranteed material security should not in itself be a goal, but a means to reach a goal, at which should be the maximum freedom of the individual to express himself and to develop his character". Ibid, p.1165.
stationary at around seven to ten million for the next twenty years. Lack of economic progress would deter immigrants and seven million people would not be allowed to hold this country while teeming millions of neighbouring Asians demanded living room (7).

Most Government supporters made the telling point that there had been an all-party consensus of Federal and State leaders at the Canberra Convention in favour of transferring the 14 powers. They also argued that in Australia, more than in any other member of the Commonwealth of Nations, the power of the Central Parliament was restricted. The National Parliaments of Britain, Canada, South Africa and New Zealand possessed every one of these powers. Was the Australian Parliament the only one to be distrusted?

Many Labor speakers, including Ministers J.B. Chifley and A.S. Drakeford and backbench members like J.H. Scullin, R. James and F. Brennan made it clear that they were far from happy with the restricted scope of the Bill and its limited period of operation. James regretted that the Government had not had the courage to ask the people straightforward whether or not they favoured the abolition of State Parliaments. The people did not understand complex questions (8).

8. Ibid. p.1115. James' views can not be dismissed lightly. A Nationwide public opinion poll in November 1942 showed 60% of the cross-section in favour of the abolition of State Parliaments; and by April 1944, 56% of those interviewed were still in favour of unification. R.S. Parker, The People And The Constitution (Sydney, A.I.P.S. Monograph I n.d.) p.34.) Indeed, Polls taken during the referendum campaign disclosed that many 'unificationists' paradoxically would vote NO. For example, in the April 1944 Poll one quarter of the 'unificationists' intended to vote NO. They apparently considered that the proposals would not lead to unification and many seem to have been deterred by the limitation of the grant to five years. The Polls suggested that the referendum may have had greater chance of success had it been a simple vote on the abolition of the States. Australian Public Opinion Polls, File of Bulletins in Mitchell Library, Nos. 196-194, published April, 1944.
The ideological gulf between Government and Opposition was highlighted by Chifley in replying to the 'regimentation' bogey. "If regimentation be necessary in order to ensure to every one a decent standard of living, freedom from economic insecurity, proper housing, and requisite food and clothing, I say quite frankly that I should prefer it to the economic individualism that we had under the old order" (9).

One of the most interesting features of the debate was the lack of a unified approach to the Bill by the Opposition. Although most of them achieved formal unity in supporting an amendment moved by the Leader Of The Opposition, R.G. Menzies, they opposed the Bill for a host of conflicting reasons. Whilst some in the U.A.P. appeared to concede the case for a referendum, though on different proposals, others in that party and all Country Party members vigorously opposed the holding of a referendum in war-time. Again, though some Opposition speakers deprecated the view that the Commonwealth should be deprived of national powers purely because it might abuse them, others were not averse to putting precisely that view. Thirdly, whilst U.A.P. members were, in general, not prepared to concede all of the 14 powers, Country Party members believed the Commonwealth should possess them all. Indeed some Country Party members were prepared to invest the Commonwealth with wider powers still.

9. C.P.D., Vol.177, p.1288. R.G. Menzies, some months previously, had put the view that "You cannot have progress and absolute security at the same time. That perhaps, puts into one sentence the entire difference between the political philosophies of this Government and my own... To say that the taking of risks is now an old-fashioned idea, and that the one thing that matters is absolute security is... a denial of the whole genius of our people throughout their history". C.P.D., Vol. 176, p.248 (7 October 1943). On a later occasion he despaired that "thousands did not seem to care a hoot about their civil liberties. They were content to seek clothing, food, and houseroom whilst liberty could be taken away from them just as the Government pleased". Melbourne Age, 5/8/44, p.3
All Country Party members voted for the Menzies amendment, apparently because of their opposition to a referendum; whilst on the U.A.P. side, though both P.C. Spender and W.M. Hughes supported the Commonwealth proposals in debate, only the former voted with the Government. Hughes adopted the curious approach that he was opposed to a war-time referendum and would thus vote against the Bill; but if a referendum were nonetheless held on these proposals, he would advocate a YES vote. The two Independents, A.W. Coles and A. Wilson supported the Government.

Menzies, who led for the Opposition, did not deny that some further power may be desirable for reconstruction purposes. He contented himself with a cautious double negative. The existing Commonwealth powers, he argued, had 'not been shown to be inadequate'. He divided the 14 powers into three categories. Firstly, there were powers which, he claimed, the Commonwealth already possessed and which it was therefore not necessary to ask for. Secondly, there were powers which went beyond what a non-Socialist programme of post-war reconstruction would require. And thirdly, there were powers which might be supported if they were not subject to proposed limitations.

In the first category, Menzies placed the proposed powers over repatriation, national works, standardisation of railway gauges, and the control of overseas exchange and investment. He expressed the view that "whatever the defence power enables you to do in time of war, it enables you to undo in time of peace. If the defence power authorises the Commonwealth, in the course of fighting a war, to mobilise the entire nation, it equally authorises the Commonwealth to demobilise the nation during the period of transition from war to peace" (10). Thus, powers relating to rationing and price and investment control were possessed in the immediate post-war years. Evatt replied that the ambit of the peace-time defence power was speculative and that Menzies had exaggerated the possibilities of the existing Commonwealth powers. His present account was in marked contrast with a 1938 speech when he had advocated expanded national powers in a number of fields.

10. C.P.D., Vol.177, pp.453-54
Under the second head, Menzies asserted that the powers over employment and unemployment and the production and distribution of goods would remove all limitations of substance from Commonwealth power. They would authorise the nationalisation of industries. In the third category, he objected to the five year limitation on the companies power and argued that health and works, as national powers, should not require the consent of the States; and he was disappointed that the operation of Section 92 had not been modified.

Menzies thus felt that existing powers might prove adequate; but he was apparently uncertain, and, in order to afford adequate power to the Government, his amendment provided that the Bill be withdrawn and re-drafted (11). He had begun his speech by stressing the undesirability of holding a war-time referendum (12); however Curtin pointed out that the amendment conceded the case for a referendum. The only purpose of re-drafting a Bill for a referendum would be to alter the substance of the referendum proposals. Thus, Curtin argued, the choice was whether there was to be a referendum on the Bill as introduced or on the substance of paragraph (6) of the amendment which contained modified proposals over the same five-year period. And, in reply to Curtin, Menzies seems to have acknowledged that his amendment conceded the case for a referendum (13).

11. A copy of Menzies' Amendment is contained in Appendix I.
13. Ibid. P.1040. One must then ask how Country Party members and W.M. Hughes, all of whom supported granting the entire 14 powers, and were only opposed to the referendum method, could support an amendment which itself envisaged a referendum on proposals which emasculated the 14 powers. The Opposition, in this debate, appears to have been deeply confused, indecisive, and disorganised. Though Menzies could not deny that the holding of a referendum was implicit in his amendment, he had, as noted, opposed a referendum during his speech and his U.A.P. supporters in the debate did likewise.
Spender dissociated himself from the amendment. He was not prepared to rely on the defence power as any basis for post-war reconstruction. Menzies, he claimed, had over-emphasised some of the existing Commonwealth powers. Spender stated flatly that he was a unificationist (14). Hughes thought the powers were not wide enough, and, like Spender strongly opposed reliance on the defence power. Both rejected the argument that the powers should be opposed merely because the Government in power might abuse them. However, other U.A.P. speakers supported Menzies. Holt, for one, was not prepared to divorce the two questions of whether the powers were national, and which party would administer them. Labor had become 'drunk with power' (15). E.J. Harrison, in supporting the amendment, spoke against the referendum which it apparently required and thus epitomised the uncertainty on the Opposition benches. He and his U.A.P. colleague, J.A. Guy, argued that the Bill was "a supreme example of the work of a master craftsman in the art of hidden intentions". It was "a design for socialisation" (16). R.S. Ryan (U.A.P.) advanced the odd argument that the Bill provided for greater powers than required for the transition period, and far less than would be necessary for Australia's future development (17). He conceded that no country comparable with

14. C.P.D., Vol.177, p.477
15. Ibid., p.1278
16. E.J. Harrison in Ibid., p.115. It is interesting to note Brian Fitzpatrick's reaction to the raising of the Socialist bogey by Opposition members: "This is a good joke. Who are the members of Mr. Curtin's Government who have 'socialistic plans'? I can think of two, and two only, who on record, care two hoots for Socialism. I can think of four or five who might sometime or other have given some attention to Socialism". Smith's Weekly, 26/2/44, p.11. It appears that Fitzpatrick's 'two Socialists' were E.J. Ward and Senator D. Cameron.
17. C.P.D., Vol.177, p.1173
Australia had a National Parliament with such restricted powers.
But the Government already possessed all the necessary powers for
the transition.

Whilst the U.A.P. wanted the Canberra list of powers substanti­ally reduced, Country Party members believed the Government should
be granted all fourteen. J. McEwen and H.L. Anthony, in fact,
favoured even wider powers. The Convention list, McEwen argued,
would not meet the needs of post-war reconstruction. However, all
Country Party members opposed a referendum on the ground that it
would certainly fail and they urged the Commonwealth to persevere
in its negotiations with the States from whom, they argued, a
substantial amount had already been gained. (17a) They argued
that the West Australian and South Australian amendments were not
'substantial' and so would not prevent the Victorian Act coming
into effect. The plan had foundered only on the opposition of
two Tasmanian Legislative Councillors, and the Government should
persevere (18). Evatt, in reply, claimed that the amendments in the
two States were 'substantial' and that the Bill had been rejected
by the Tasmanian Legislative Council three times. He made the
telling point that eminent legal authorities had claimed a State
'reference' could not be subject to a time limitation and Constitu­
tional difficulties might thus arise later if the Government per­
sisted with negotiations (19).

17a. They claimed that the Government seemed unable to distinguish
between "opposition to an objective and opposition to a method
of attaining that objective... it is only the question of the
method that is causing differences among us". Ibid, p.1268.
G.J. Bowden (Country Party).

18. As Sir Earle Page reasoned: "We are here with eleven chickens
in the coop. In our manoeuvring to get another three into
the coop, the eleven which we have already bagged escape, and
our last condition is very much worse than our first". Ibid, p.1270. The Government was wrong in "staking all upon
a gambler's throw, since the people have rejected submission
after submission". J. McEwen, Ibid., p.1204.

19. Ibid., p.1344
Fadden appeared less kindly disposed to the 14 powers than his party colleagues. He argued that because the proposal for 'reference' of powers from the States had contained a provision for State referenda, the present proposal, which had no such provision, was different. But, as Evatt replied, this provision in the Convention draft Bill related to the different question of restraining State Parliaments from revoking a reference of power without first obtaining the approval of the people of that State - a protection against the States, not the Commonwealth. Fadden also argued that since the Convention, people "have learned something of the way in which the Commonwealth Government exercises its powers. They have had experience of bureaucracy and centralised control of a kind very detrimental to certain of the States" (20). However, the Commonwealth should have increased powers; but there was no necessity for a referendum in view of what the States were prepared to concede.

During the debate, Evatt, by leave, informed the House that Cabinet had decided to recommend the inclusion of three amendments (21). These were a guarantee of freedom of speech and expression binding both Commonwealth and States; extension of the existing Section 116 (religious toleration) to bind the States as well as the Commonwealth; and regulations of a legislative character pursuant to the powers granted by the Bill to be subject to disallowance by resolution of either House. Evatt stated that, in submitting these amendments, he had taken into account suggestions made by Menzies and Spender.

Of the Opposition, only Spender voted against Menzies' amendment (22). However, with the amendment defeated, Evatt, at the suggestion of Scullin, outmanoeuvred Menzies by calling for a division on the Second Reading. The Country Party members thereafter, including Fadden,

20. Ibid., p.1042
21. Ibid., pp.1152-53
22. Ibid., pp.1153-54
deserted the U.A.P. and voted with the Government (23). Thus, it appears that they voted for the amendment to register their opposition to the method of attaining the objective, and for the Second Reading to record their approval of the objective itself. However during the Committee stages, owing to a procedural muddle, a Country Party amendment was declared defeated without proper debate. In the ensuing scene, McEwen was suspended, and eventually most of the Opposition boycotted the greater part of the Committee debate; "they then used the incident to show how a brutal Labor majority would misuse any additional powers it might receive. Voting on the third reading was on party lines, only Spender voting with Labor" (24). Thenceforth the Country Party was an irrevocable opponent of the proposals.

Despite the passage of the Bill through both Houses, Evatt informed that "the door is not irrevocably closed to action by the State legislatures in accordance with the Convention decisions..." (25).

23. "While the division bells were ringing, Menzies endeavoured unsuccessfully to induce the members of the Country Party to remain on the Opposition side of the House, but they refused to do his bidding..." Australian Worker, 22/3/44, p.9

24. G. Sawer Australian Federal Politics And Law 1929-1949, p. 172. Also see Australian Worker, loc.cit. on these incidents.

25. Digest of Decisions, No. 79, p.27 (23/3/44)
CHAPTER XI.
The Fourteen Powers.

The purpose of this Chapter is to outline the more or less specific uses to which Labor proposed to put each of the fourteen powers if they were granted (1).

I. Reinstatement And Advancement Of Servicemen.

When the war ended, the care of Servicemen and Servicewomen would be the 'primary obligation' of the Commonwealth. All would need jobs to go to; many would need special training; many would need homes and equipment to re-establish themselves in domestic and business life. R.G. Menzies argued the Commonwealth had sufficient authority under peace-time defence powers, to handle this matter and that the proposal was mere 'window dressing'. But Evatt doubted that the defence power would prove wide enough. During the war, certain limitations had been placed on the power and in peace-time it tended to become almost ineffective except in relation to military and naval purposes, strictly so-called. Evatt also doubted that authority to enforce a general and permanent preference in employment to returned soldiers fell within the defence power. Present preference provisions in the Commonwealth related only to Commonwealth employment and he doubted that they could constitutionally be extended to all employment.

Everybody agreed these were national matters and the Government wanted to put them beyond doubt.

II. Employment And Unemployment.

Evatt considered this the most important of the powers. It meant the provision of employment and the prevention and relief of unemployment 'by any and every method which the Parliament

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1. The sources for the Chapter are H.V. Evatt Post-War Reconstruction: Temporary Alterations Of The Constitution - Notes On The Fourteen Powers And The Three Safeguards, Government Printer, Canberra n.d. (1944); Commonwealth Government You And The Referendum (pamphlet) n.d. (1944); and S.M.H. 12/2/44 which reports Evatt's Second Reading Speech of 11/2/44. I have drawn from all three in writing the following summary of the Government's case for each of the powers.
thinks appropriate'. It was the widest power in the Bill, but he did not agree with Menzies that it was incapable of definition, or limitless. The peace-time Federal powers - arbitration in industrial disputes 'extending beyond the limits of any one State'; regulation of trade and commerce with other countries and among the States; the power to make grants to the States; and the power to establish unemployment insurance, were 'hopelessly inadequate'. They would not allow the continuance of the Women's Employment Board or the special authorities set up to control the maritime, waterfront, and coal industries, or schemes that had been training and placing nearly 4000 men a month, or the industrial welfare services.

The power was not limited to the provision of employment. It would include power to determine the terms and conditions of employment. Wages and hours, industrial relations, and industrial disputes would fall within its scope. Security of employment demanded some modification of the arbitrary right of dismissal that hung 'like the sword of Damocles' over nearly every worker throughout his industrial life. Full employment could not be secured unless you could secure terms and conditions upon which men were willing to work. The reason for using both words was that 'employment' standing alone, might not have been understood to include the provision of employment; 'unemployment' standing alone might not have included the whole sphere of industrial relations. When the war ended there would be no industrial conscription.

III. Organised Marketing.

This power would enable the Commonwealth to form compulsory or voluntary 'pools'; to provide for zoning and quotas where necessary; to arrange for proper grading, packing, and advertising; and so forth.

Australian farmers after years of unstable conditions before the war, had secured stability of markets and prices by war-time organisation of marketing under the defence power. The income of primary producers had risen by £40 million a year since the war.
began (2). But in peace the Commonwealth could only act in a limited field in relation to interstate and overseas markets, and most of these benefits might be lost. There might be a return to the chaotic days of economic insecurity, ruinous prices, and inevitable production wastage.

After the war, there would be a period of rapidly changing markets. There would be great shortages of some goods and huge surpluses of others. Some war-time markets would disappear and former markets would only slowly return. There would be increased threats to some of our main products from substitutes. There would be the obligation to help feed the starving millions of Europe and Asia. The sudden lapsing of the schemes now operating under the National Security Act would bring chaos.

Exercise of this power would, unfortunately, be hampered by Section 92. This was the price paid for compromise at the Canberra Convention. However, the position was strengthened by a series of High Court judgements which, in effect, interpreted Section 92 as permitting regulation of interstate trade so long as it was not mere prohibition of such trade.

IV. Company Law.

The failure of the present Constitution to give the Commonwealth power to pass a national Companies Act for the whole of Australia, was a serious defect. Companies of one State were treated as 'foreign' companies under the laws of other States, and must register as such. It had been argued that to give the power for five years would be useless. However, if the Commonwealth made a success of the Uniform Companies Act, the business community would never want to see the restoration of the complicated system that now existed.

2. B.D. Graham, who had made a careful study of the Australian Country Party's history since 1919, said in 1958 that it was his conclusion that the Curtin and Chifley Governments between 1941 and 1949 did more for the Australian primary producers than had the Federal Country Party in its history to recent years. L.F. Crisp _Ben Chifley_, p. 304 n.
V. Trusts, Combines And Monopolies.

After the war, Australia would enter a period of rapid development. Experience had shown that these conditions encouraged the growth of trusts, combines, and monopolies. With its present peace-time powers, the Commonwealth would be unable fully to protect the public and bona fide industry from exploitation by unscrupulous business interests. The Opposition suggested that the subject-matter of the power was so vague as to be indefinable. However, each term denoted a different aspect of the same general business process. That process was neither obscure nor unfamiliar. It took place when persons or undertakings entered into an association for the purpose of suppressing competition to the detriment of the public.

VI. Profiteering And Prices.

Experience after the last war, when prices rocketed in 1920 and slumped in 1921, showed what could be expected after the war unless profiteers were checked and prices controlled. Price control under war-time powers had saved Australia from the social chaos of inflated prices and ruthless profiteers. The same protection was needed after the war - and the same powers. In peace-time, power over prices and profiteering could operate only upon interstate and overseas transactions.

Criticism had been directed at the term 'profiteering'. However, it had a fairly well-defined meaning. It was the deriving of an unreasonable or excessive profit - in particular by the charging of excessive prices.

VII. The Production And Distribution Of Goods.

In the early post-war years, there would be a far greater demand for goods and services than we could hope to meet. We should see that essentials were produced first, and that everyone got a fair share. Homes, schools, and hospitals must precede breweries and cinemas. During the war, the Commonwealth was using its emergency powers to produce the needs of war and to see that food, clothing, and other civilian goods were fairly shared. The
Commonwealth would not have these emergency powers in peace-time, but the need for national direction would be just as great.

No law concerning primary production was to be made without the consent of the State concerned.

VIII. Overseas Exchange, Overseas Investment And The Local Borrowing Of Money.

It was admitted that the Commonwealth's normal powers in these fields were quite wide. However, experience during the Depression had shown certain gaps which it would be wise to close. Exchange stability was an important part of general economic stability and was necessary for full employment. The power would allow the Commonwealth to prescribe the rate of exchange and control the extent of exchange. The 'raising of money' related to private borrowing and would enable the Loan Council to direct the flow of private investment into channels that were best in the public interest - as noted, into homes and schools before breweries and cinemas.

IX. Air Transport.

The Commonwealth had no control over civil aviation within the limits of a State. The nature of aviation made it essential that there should be uniform regulation throughout Australia. It was extremely dangerous in a country with comparatively few States that Commonwealth control should be limited by the necessity for a particular flight to be of an interstate character.

X. Uniform Railway Gauges.

Australia's broken railway gauges had always been an obstacle to our national transport system, and, during the war, had endangered the nation's safety. With this power, the Commonwealth could initiate a plan to unify the railway gauges with the assent and co-operation of the States which would still own and control their own railway systems.

XI. National Works.

A carefully planned programme of public works was an essential element in any attack on unemployment. It was acknowledged, as claimed by Menzies, that under Section 96 of the Constitution the Commonwealth could make grants to the States for carrying out
national works on conditions laid down by Federal Parliament. However, though the new power would also require State co-operation, Evatt felt that the results would be very different from Section 96 grants. It was a question of initiative, responsibility, and direction. Under Section 96, the initiative tended to come from the other end - the State needing assistance.

XII. National Health.

During the war, it had become more evident that the health of the people was a matter of national concern. Considerations of nutrition, of health, hospital facilities, and preventive medicine, did not differ from State to State. The Commonwealth wanted to make laws regarding the prevention and treatment of disease; the maintenance of hospitals and medical services; nutrition; standards of purity in food and drugs; and sanitation and public hygiene generally. The qualification referring to co-operation with the States was a direction to the Commonwealth to continue its present policy of avoiding overlapping and duplication of the health services of the States, and to base its organisation on joint bodies, such as the National Health and Medical Research Council.

XIII. Family Allowances.

These would include any allowance given to a family or to individuals through the medium of, or in virtue of, their membership of a family, and would include child endowment, widows' pensions, allowances for medical assistance or vocational training, university bursaries, assistance for housing purposes, and unemployment and sickness benefits.

The only power granted by the Constitution was over invalid and age pensions, and insurance other than State insurance. In war-time, support could be found for social services in the defence power; in peace-time there was the very doubtful argument that Section 81 - the power to appropriate money 'for the purposes of the Commonwealth' - would serve as a foundation. This power would put the issue beyond doubt.
XIV. The Australian Aborigines.

The Constitution, as it stood, provided that the Commonwealth could legislate for the people of any special race, but for some curious reason made an express exception of Australian aborigines. Their welfare, however, was surely a matter of national concern.
CHAPTER XII.
The Fourteen Powers Referendum - August 1944.

The referendum held on August 19, 1944, embodied "by far the most comprehensive measure of Constitutional change that the Australian people had ever had to consider" (1). It was a campaign "in which crowded meetings have shown a public interest wider than that taken in any recent elections" (2).

Only the A.L.P. maintained formal unity in its public campaigning. No Labor Parliamentarian, federal or state, took the public platform against the proposals and no trade union expressed opposition to the plan. All State A.L.P. Executives gave their endorsement as did every State Conference which discussed the matter. The Interstate Executive of the A.C.T.U. and all Labor Councils issued strong support to the campaign (3). However, as we shall see, there were suggestions of 'silent opposition' or 'passive resistance' at the State A.L.P. level.

On the anti-Labor side, W.M. Hughes and P.C. Speruler campaigned vigorously for a YES vote, as did E.S. Spooner, former U.A.P. member for the federal seat of Robertson. The U.A.P. President of the Victorian Legislative Council, Sir Frank Clarke M.L.C. supported YES as did several radical Victorian Country Party members who strongly favoured organised marketing. Other prominent members of the Conservative groups, such as Mr. R. Windeyer K.C., the leader of the Bar in N.S.W., and Dr. Frank Louat, President of the Constitutional Association supported the referendum as a national, non-party matter. The Independents Coles and Wilson also campaigned for YES; and Labor enlisted the backing of the Australian Natives' Association, and a number of public figures, including the former Governor-General and Chief Justice of the High Court, Sir Isaac Isaacs, the war historian C.E.W. Bean, and the first

1. K.H. Bailey in C.H. Grattan (ed.) op. cit; p.103
2. S.M.H. 14/8/44, p.3
3. Indeed, it was claimed that "the Labour Movement has never been so united as it is on this issue". Common Cause. 19/8/44, p.4.
Solicitor-General of the Commonwealth, Sir Robert Garran. A number of Church figures, including the Anglican Bishops of Goulburn and Armidale, and the Dean of St. Paul's Anglican Cathedral in Victoria, publicly supported YES; as did the Roman Catholic Archbishop of Melbourne, Dr. Mannix.

On the other hand, F.A. Bland, Professor of Public Administration at Sydney University, was one of the few public figures to identify with the NO cause. Evatt could validly claim that in none of the States was there a 'broad, popular movement' against the proposals. The organisation for NO was in the hands of specially-created Constitutional Leagues and other such U.A.P. 'front' organisations(4).

In June, 1944, a meeting of U.A.P. leaders and office-bearers had unanimously pledged to do all in their power to defeat the referendum and had adopted an eleven-point post-war programme to counter suggestions of barrenness in Opposition policy for the post-war world (5).

Rather lame rationalisations were offered by Opposition leaders, federal and state, for their volte-face since the Canberra Convention. Their arguments were "carried to extraordinary lengths of misrepresentation"(6). We have already seen that Fadden offered the untenable excuse that the new Bill differed from the Convention proposals in not containing a provision for State referenda(7). Premiers Dunstan and Playford used the insertion of the new safeguard on regulation-making as their pretext. They contended that the amendment would allow the Government to totally disregard the will of Parliament and to substitute 'a most vicious form of Government by regulation'(8). This was 'a grotesque distortion

4. S.M.H. 15/8/44, p.4
5. S.M.H. See Appendix J for the U.A.P. post-war programme. Grenfell Price and Colin G. Kerr in A.G. Garnett op.cit; Chapter 11, give a good account of non-Labor ideology and policy as it related to the post-war period.
6. G. Sawer op.cit. p.172
7. See back to page 66.
8. Melbourne Age, 13/7/44, p.3
distortion of the proposal'(9).

His 'convenient' non-attendance at the Convention enabled Menzies to detract from its work. He claimed that the discussions on the final draft Bill were 'the most perfunctory in Australian history' and that on the drafting committee the Premiers were denied expert assistance and all the draftsmen were on the one side (10). However, Labor was able to refer Menzies to 1938 and 1942 speeches in which he had been a strong proponent of Constitutional change. In 1938, when Attorney-General, he favoured the extension of Commonwealth powers to such matters as trade and commerce, health, companies, industrial matters, transport, unemployment insurance, agriculture and the fishing industry; and he specified that this was by no means an exhaustive list. He foreshadowed that in the following year the Government would take steps to reform the Constitution (11). On October 2, 1942, he affirmed "My own mind has steadily developed in favour of increasing Commonwealth powers. I do believe that full nationhood requires great power at the centre, for great responsibility cannot be discharged without it" (12).

Why then had the anti-Labor forces turned so complete a somersault since November, 1942? Labor reasoned that since the

9. Sawer op.cit., pp.172-73. One must agree with Sawer (and Evatt) that the Bill, in fact, established new and additional safeguards against abuse of regulation-making. It removed no existing safeguards and conferred no new power to make regulations. See Appendix K for a copy of the proposal.

10. Hobart Mercury, 1/8/44, p.2. His colleague Hughes, who was on the committee, and who, unlike Menzie's, attended all the sittings gave the lie to these charges. C.P.D. Vol.177, p.1031. (7/3/44).

11. See H.V. Evatt. Case For Greater Commonwealth Powers, op.cit; pp.124-28. He had then argued "We must shut our eyes and minds completely to all idea of which party is putting them forward, or of what such and such a party will do if such and such powers are granted".

12. Labor Weekly. 11/8/44, p.2
Convention there had been the federal elections at which the people gave their decisive verdict. The U.A.P. - U.C.P. had never expected for one moment to lose control of the Senate and the power this gave them to protect the 'rights' of the big financial, industrial, and pastoral interests. There was also the change in the war situation. In November, 1942, the threat of Jap. invasion hung heavily over Australia. But as the danger had faded, so had faded the interest of big business in 'national unity'. As the hope of victory rose, so rose the determination of business to get back to the old order of unregulated profit-making with its built-in pool of unemployed and arbitrary right to hire and fire, all of which the new powers threatened. Labor charged that the 'somersault' could not be justified by one honest argument, and we can agree that specious reasons were advanced for the about-face. However, the argument tends to overlook the continuity of business hostility to the Commonwealth proposals. Recall that a mammoth campaign had been launched by business pressure groups in the two non-Labor States as early as January 1943; only shortly after the Convention and well before the enemy had receded. And in both States, amendments to the Bill were at least partly inspired by business pressure.

The Campaign.

Hoping to emulate its successful 1943 election tactics, Labor planned for a 'whirlwind' campaign after Parliament rose on

13. The Bulletin. 7 July 1943, p.8, regarded the possibility of Labor's gaining a majority in the Senate as being "as remote as Mt. Erebus" (sic.)

14. e.g. see Common Cause, 22/7/44, p.4 which offers this explanation. The non-Labor leaders were "but puppets in a Punch and Judy show. They gesticulate and dance, as the strings are pulled from behind by their masters, Big Business". Or as Calwell said of Menzies: "There is an obvious reason for his change of front. The views he expresses are not those of the member for Kooyong; rather are they the views of his money-masters - the big, powerful, vested interests. Mr. Menzies is only a ventriloquist's doll; he is merely the 'Charlie McCarthy' of Collins House". S.M.H. 3/8/44. p.4
21st July, with great reliance being placed on the vote-winning appeal of the Prime Minister (15). Chifley and Evatt were joint Campaign Directors and Mr. L.C. Haylen, M.H.R. (N.S.W.) became Publicity Director.

During the campaign, as Sawer indicates, "non-Labor opposition was carried to extraordinary lengths of misrepresentation"(16). They acted "with utter abandon and irresponsibility to produce a score of fearsome looking scarecrows and bogeys..."(17). Fadden made some fantastic allegations. He claimed, for instance, that the influence of the Communist Party was the real reason for the referendum. The Communists, he alleged, were trying to 'white-ant the Constitution and impose a dictatorship in Australia' (18). If the referendum were carried, he claimed, freedom 'would vanish entirely' (19). "(The) proposals mean that in peace-time, you will work under Government compulsion; you will eat and wear what the bureaucrats ration out to you; you will live in mass-produced

15. The *Age*, 7/7/44. p.2
16. Sawer *op.cit.* p.172
17. Editorial in the *Age*, 14/8/44, p.2. The Sydney Daily Telegraph agreed that NO propagandists treated the electors 'like little children or terrified old women' (16/8/44, p.8)
Frustrated by these tactics, Curtin in his final campaign appeal, accused 'sectional interests' of 'having thrown up murky smoke-screens; of distortion, lying and vilification', and of being 'devoid of all decency' S.M.H. 17/8/44, p.3. S.M.H. replied that this was 'hysterical demagogy, unworthy of any Minister of the Crown'. (18/8/44)
19. S.M.H. 7/8/44. p.4
Government dwellings; and your children will work wherever the bureaucrats tell them to work" (20).

The main brunt of the NO advertising campaign in the States was borne by various 'front' organisations especially formed for the purpose. In N.S.W. and Victoria the Australian Constitutional League led the campaign. It claimed to be a "non-party" body and was in favour of Constitutional reform but not, of course, the 'drastic' current proposals. According to Milner, as early as February 1944, business pressure groups such as the Associated Chamber of Manufactures, Chamber of Commerce, later joined by large pastoral interests were strongly opposing the transfer, and their opposition took organised expression in the abruptly-created League. The League's almost invariable theme was "Vote NO against the Manpower Referendum...avoid the Road to Serfdom" (21).

L. C. Haylen estimated the amount spent to defeat the referendum at £750,000 (22).
**YOURS...**

**for the asking**

They're really a very nice pair of shackles.

You can acquire them on Referendum Day.

And you'll probably get used in them in time—if you're willing to settle down to an "ordered" life.

That is to say, "ordered" by some bureauwrat, who relieves you of the necessity of thinking and initiating anything, chooses your job or runs your business, provides your wife with a man-produced house to live in, and selects a career for your youngsters.

If you like it that way then by all means be a Yes-man on August 19.

But if you still have a lingering love of liberty and initiative—if you'd like to design and own your own home—if you believe your brains and abilities ought to find their own reward—if you think the youngsters should be free to carve out their own way in life—then

**Put your YES in the BOTTOM Square**

*Australian Rules*

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**FROM THE SYDNEY MORNING HERALD: AUGUST 4, 1944, P. 6**
There was "a running dispute over the use of government moneys to pay for YES propaganda". (23) The Opposition charged that this was 'gross misappropriation of public money'. In all previous referendums, they pointed out, the only propaganda prepared at public expense had been the official case for and against. Chifley replied that less than £50,000 of Government money would be spent and argued that the YES case was being advanced on behalf of Parliament (24). "Post-War Reconstruction and other Departments flooded the country with leaflets and booklets, officials undertook lecturing tours, extravagant space was impressed for advertising in the press, and for addresses over the radio" (25).

**Industrial Conscription.**

 Probably the most damaging bogey exploited by the Opposition was the threat of a continuance of man-power controls after the war. People would be directed to jobs whether they wished to take them or not.

During the parliamentary debate on the Bill, Evatt had assured that "This Government is resolutely opposed to industrial conscription in peace-time" (26). However, he made a grave tactical error in not, as in the 1946 referendum, including in the Bill an express prohibition against industrial conscription (27). Ministers could not deny the Opposition claim that 'industrial conscription' would be authorised by the 'employment and unemployment' power and were vulnerable to the charge that they obviously intended retaining

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25. Round Table, Vol XXXV, December 1944, p.82
26. C.P.D. Vol.177, p.1352 (15/3/44)
27. This, of course, would have meant amending the Convention-approved proposals, but Evatt had already done so by inserting the three 'safeguards'.
industrial conscription in the peace. If not, why hadn't they
inserted a guarantee against it in the question? (28).

Forced onto the defensive, all Labor members in the Federal
Parliament signed a pledge to the effect that industrial con-
scription would not be continued after the war (29). The Opposition
refused to sign the pledge, viewing it as an admission that the
employment power authorised industrial conscription. The pledge
could have no value. It could not bind future Parliaments and it
would not change the Constitution (30).

Curtin outlined the reasons why man-power direction would not
be necessary after the war. Labour of the kind required would be
obtained in the place required without resort to compulsion. An
Employment Service would be established which would bring labour
and employers together. Where special types of labour were
required, special training schemes would be instituted. Government
assistance to meet transport costs, housing, and the provision of
amenities would also be employed to attract labour to new areas.
The whole history of the Labour Movement was a record of struggle
to establish as a basic social principle that labour was not a
chattel to be bought or sold, or directed; that units of labour
were human beings with lives to live, and the whole purpose of
production was to increase the worker's welfare. Industrial con-
scription had been necessary during the war only because Australia

28. A.W. Fadden in S.M.H. 25/7/44, p.4
29. S.M.H. 5/8/44, p.4
30. R. G. Menzies in The Age, 21/7/44, p.3
GUARDIANS

1. Cray all except

2. The keep it from

3. A day's work with

4. The bishop in

5. Anglican Cathedral

6. He was appointed to

7. A church. He was

8. It was a poor

9. The bishop's duty

10. The bishop's order

11. They were put on

12. It was a poor

13. The bishop's order

14. They were put on

15. From

From JOHN CURTIN to "Mr. & Mrs. Uncertain"

I am not quite sure what the issue is in your

In the referendum, it can only be because the issues are being

Actually there is nothing complicated, obscure or difficult in the

The powers we seek for the Commonwealth are sensible, practical and

To plan housing... to keep prices within reasonable limits... to

Pickford into my memoirs... and yours... are the happenings of the

The task which will face the Commonwealth on the cessation of

The plans we envisage involve another socialisation and an arm of

The only question you need ask yourself is whether the

The Commonwealth Parliament, which has used wartime powers to

ON AUGUST 19th VOTE 1 Yes

FOR THE SYDNEY MORNING HERALD: JULY 24, 1944, P.4.
had to squeeze its resources to the utmost (31).

The Socialisation Bogey.

It was claimed by Fadden that 12 of the 14 powers sought were 'the wrapping concealing their motive and intention'. The two powers 'particularly desired' were No.2 (employment and unemployment) which authorised industrial conscription, and No.7 (production and distribution) which allowed the socialisation of industry (32). Menzies stated that power No.7 was the 'very crux' of the referendum. It was designed to arm the Commonwealth with authority both to nationalise industries and to enter into competition with private enterprise (33).

The Opposition's principal bogey-men in the socialisation catch-cry were E. J. Ward and, strangely, A.A. Calwell. Though it could be argued that Ward and Calwell were "two fiery expounders of almost identical points of view" (34) their standpoints must be distinguished. Calwell is an interesting personality in this period. From the Left he was denounced by the Communists as a 'Right-wing disruptor' who had links with Catholic Action and who 'soft-pedalled' on the 1944 referendum (35); to his left-wing enemies in the Victorian A.L.P. he was 'anti-working class',

31. Digest Of Decisions, No.86, p.23 (15/8/44) The 'distortion, lying, and vilification' referred to by Curtin is epitomised by the attributing (by the Constitutional League, J.T. Lang, and others) of the following remark to Evatt: "The right of the individual to choose his own vocation and employment is only one of the freedoms which the Australian people must forego in the interests of the State". This was a complete distortion of Evatt's precisely antithetical remark at the A.I.P.S. Summer School in January 1944 that "To-day with the enormous development of industry and industrial organisation, corporate control and finance, there is no longer a full right in every person to choose his own vocation in life" see D.A.S. Campbell (ed.) Post-War Reconstruction In Australia, p.287. Evatt stated unequivocally on that occasion that fears of man-power direction were 'groundless'. And recall the misrepresentation of the Copland and Coombs addresses at the Summer School when support for industrial conscription was falsely imputed to them. Milner could properly comment that "Much NO propaganda sought to have decisions made...in that atmosphere of 'big lie' deception and provocation which verges upon the intellectual climate of Fascism". op.cit., p.46


33. The Age, 18/8/44, p.3


35. e.g. see Tribune, 20/7/44, p.3
'undemocratic', and 'reactionary' (36). He was also continually blasted from the other end of the political spectrum by Conservatives and by the Press - mainly one suspects because of his rigid application of Press censorship - as an 'extremist' and his name was invariably linked with that of Ward, the other bête-noir of the Press; and during the referendum Ward and Calwell became the two 'whipping boys' who allegedly craved the 14 powers in order to achieve 'Socialism in Our Time' (37). The truth, I think, is that whilst Calwell endlessly denounced the sins of Capitalism in the violent terms employed by Ward, unlike the latter one can not find Calwell translating this negative anti-Monopoly Capitalism into a positive assertion of Socialistic objectives. Indeed, whenever I have discovered Calwell mentioning Socialism it was to stress the fact that constitutional barriers stood in its way.

It is true that Ward conducted a referendum campaign of his own that greatly embarrassed Curtin and Evatt. However, there was little reason to link him with Calwell. The latter can nowhere be found in the campaign speaking in favour of the nationalisation of industry which Ward repeatedly espoused. Indeed, Calwell several times endorsed the moderate views of Curtin and Evatt on the future of private industry. Private enterprise, in the post-war period, would have the greatest opportunity of expansion in Australia's history (38).

36. see Labor Call, 20/4/44, p.1
37. S.M.H. editorial 26/7/44, p.2
38. Labor Weekly, 28/7/44, p.3; The Age 29/7/44, p.3. Though Calwell's campaign speeches in no way conflicted with those of Curtin and Evatt, the Prime Minister could still be chided for allowing "Mr. Ward and Mr. Calwell to go up and down the country ranting and clowning, behaving like adolescent dictators, and telling the public just what the Labor Party intends to do now that it controls both Federal Houses". (D.T.16/8/44, p.5.) The source of the 'myth' of Calwell's Socialism was a social function in Melbourne in June 1944. Statements attributed to Ward and Calwell were widely publicised by NO propagandists to 'prove' that a section of Cabinet would press for the early nationalisation of the means of production if Labor acquired the 14 powers (viz:S.M.H, 14/7/44 p.2) However, only Ward made a direct reference to Socialism. He and Calwell were 'close personal friends with a great deal in common' and he hoped Calwell would live long enough to see attained the objective of Labor - 'Socialism in Our Time' (Queensland Worker, 3/7/44, p.2) Calwell agreed with Ward that Labor 'would not pull its punches' after it attained a Senate majority on 1 July 1944, but there is no evidence that he had socialisation in mind.
As in the 1943 election, Curtin was caused by the pressure of events to issue a further 'No Socialisation' pledge. "No question of socialisation or any other fundamental alteration in the economic system arises" (39). Evatt and Chifley agreed that Curtin had exposed the 'socialisation catch-cry' as a 'vote-catching falsehood'. "You can ignore so-called threats to private enterprise. The powers will give wider scope to legitimate private enterprise" (40).

The Government In Industry.

On his return from London, Curtin in July 1944 tabled in the House the British White Paper "Post-War Employment Policy" which he obviously considered good propaganda for the YES case. He announced that he proposed to have an Australian document prepared broadly comparable in scope with the British White Paper. The task of its preparation he assigned to Chifley as Minister for Post-War Reconstruction. This was the White Paper, "Full Employment In Australia" whose making "became quite a formidable operation" (41) and which was tabled ten months later in May, 1945.

Curtin made a six-point summary of the British Paper to show how closely Australian reconstruction policy was attuned to that of Britain. The points were (i) Continuance of price control, rationing and control of materials for a period after the war; (ii) Continuance also of wage policy; (iii) Price control as a central feature of the plan with the obvious intention to continue it in the long run, though in a modified form; (iv) Continuance of investment priorities, particularly in the short period after the war.

In the long run, private investment would be encouraged to fluctuate in such a way as to even out the level of employment, and public investment would be adjusted to meet any deficiencies in private

39. Digest of Decisions, No.85, p.46 (25/7/44) It would seem that both in 1943 and 1944, Curtin had no alternative but to issue these pledges. To Curtin the winning of the war transcended all else and he realised that socialisation proposals would split the community asunder when maximum unity was the prime requisite. His 1943 pledge committed him only 'for the duration', but in 1944 he was committing the Government also for the post-war years.

40. S.M.H. 15/8/44, p.6

41. L.F. Crisp Ben Chifley, p.193
investment; (v) Maintenance of consumer spending power to avert downturns in economic activity; (vi) The maintenance of cheap money (42). The British Government had also avowed as a primary aim its responsibility for maintaining a 'high and stable level of employment'.

Curtin was criticised for not specifying that the document contemplated the encouragement of private industry (43). He replied that private enterprise would play an important part in post-war development in all democratic countries. But to hand over the affairs of Australia to uncontrolled private enterprise immediately the war ended would lead to social chaos. He was impressed by the fact that a document which attached so much importance to the position of private enterprise, could also advocate an important measure of control. There had to be a partnership between government control and private enterprise particularly in the immediate post-war years. But unlike the British Government, the Australian Government did not have the necessary power to deal with those matters which the document considered of paramount importance.(44)

On August 1, 1944, Curtin made "the first official announcement of Government post-war plans for industry" (45). He outlined plans being prepared by the Government on the advice of the Secondary Industries Commission in reply to accusations that the Government would use the powers to nationalise industry and to drive private enterprise from the field.

Although there was a place for expansion of public enterprise in industry, the Government recognised that it must look primarily to private enterprise to provide for industrial development and to give employment to the industrial population. It looked to private enterprise, either with its own resources, or with the assistance

42. Digest of Decisions, No.84, p.12
43. S.M.H., 14/7/44. p.2
44. Digest Of Decisions, No.84, pp.12-13
45. P.T. 2/8/44, p.7. For a report of the statement see Digest Of Decisions, No.85, and S.M.H. 2/8/44 from which the following summary is drawn.
of the Government, to establish new industries to produce those goods still imported which could be made economically and efficiently in Australia. But "if private enterprise cannot or will not undertake these developments, the Government will have to consider what it can do".

The Commonwealth was prepared to assist private industry after the war, but industry must recognise that it could not be completely free to carry on its business solely for profit. The Government was considering plans to provide financial services for industry, including short-term capital to get peace-time production under way, long-term capital for new and small industries and protection against export-trading risks. It would assist in industrial research, in the training of industrial labour, and in ensuring industry a market for goods. In return, the Government would expect industry to accept corresponding responsibilities. The Government could not prevent booms and depressions unless it could prevent over-expenditure on development by industry when booms were threatened and could stimulate expenditure by industry when a depression loomed. In the disturbed years when there would be danger of an extravagant boom, there would need to be some limitation on the freedom of businessmen to spend money on development to afford priority to necessities like homes, schools and hospitals. If industry was to be decentralised, under-developed States developed, and country areas given amenities, the Government must influence the places in which new industries were established. It must also have power to control the price policies of monopolistic firms.

Outlining plans for the peace-time use of Government munition factories which had cost the Australian people £75 million, Curtin said these would not be disposed of 'at a song' to private speculators. However, the Government would not close the door to any businessman willing to pay a reasonable price or rent and offer reasonable employment. But again, "if private enterprise either will not or cannot do these things, the Government will" (46).

46. This theme was repeated in the Government's intention to ensure the establishment of artificial silk and motor-car industries in Australia after the war. If private enterprise did not provide factories, the Government would establish them itself or jointly with private firms. It intended to convert to full
Footnote 46 Continued.

peace-time production a number of other industries developed during the war, including manufacture of binoculars, optical glass and instruments, chemicals and plastics. The same general principle of permitting private enterprise to operate them would apply. D.T. 3/8/44, p.9
Factories adapted only for the production of munitions, would produce munitions for Australia's part in a world security system, and, in some cases, would be maintained in working condition on pilot production (sufficient to maintain machinery in efficient working order). Factories not producing munitions directly, but representing 'the nucleus general engineering plant on which the whole of the munitions industry in war-time depends' might be kept under Government control. Those capable of being used for the production of civilian goods in competition with private industry were the contentious ones and would be viewed on their merits and placed in one of three categories: (a) Those that could be best operated by private firms would probably be leased or sold if satisfactory terms were offered; (b) In some cases they might be operated by alliances between the Government and private enterprise on the model of Amalgamated Wireless (Australasia) Ltd (47). (c) In certain cases they might be operated by the Government, but it would be 'stupid' to enter into forms of production already adequately catered for merely for the satisfaction of competing; except where private firms were unfairly exploiting a monopolistic position. Its purpose would be to round out the Australian industrial structure by filling in those gaps known to exist, thereby making Australia progressively more capable of meeting her requirements in manufactured goods (48).

47. The nominal capital of A.W.A. was £1,000,000 in shares of £1 each; of which the Commonwealth held 500,001. By an agreement signed in 1922 when the Commonwealth acquired its interest, it was entitled always to hold a majority of the shares issued. The agreement also provided that of the board of seven directors three should be nominated by the Commonwealth, three elected by the shareholders, and the seventh chosen by these six directors, or, in the event of equal voting, by the casting vote of an arbitrator. S.M.H. 2/8/44.

48. There is a striking similarity between Curtin's plans and many of the ideas expressed recently by the current Labor Leader of The Opposition Mr. E.G. Whitlam. e.g. see E.G. Whitlam Labor And The Constitution (Victorian Fabian Society Pamphlet 11, 1963), and The Australian, 2/12/67. p.1
Curtin ruled out 'unfair competition' with private industry. The Government would expect any Government enterprise to meet capital charges on the factory and equipment it took over, at a value which was reasonable in relation to its productive capacity, for the purpose for which it was used. The Treasurer would look to these enterprises as a source of revenue rather than a drain upon the Budget just as the Commonwealth Bank, the Post Office, A.W.A., and other Governmental ventures into industry had proved a source of revenue.

Curtin's statement was inspired partly by the furore which followed in the wake of statements by the Minister for Munitions, N.J.O. Makin in February and July, 1944. Makin had called for a YES vote at the referendum on the ground that the Commonwealth's authority in peace-time to engage in manufacture except for defence purposes was highly doubtful and the Government should be authorised to supply civilian goods by entering industry 'on a strictly commercial basis' to keep the munition factories running efficiently. (49). He believed that a substantial proportion of munitions capacity was capable of turnover to peace-time requirements that at the end of the war there would be a great demand for manufactured goods here and in countries adjacent to Australia; and that the demand for such goods, for some time at least, would be beyond the capacity of existing commercial industry to produce. It would be grossly inequitable that this public investment should be scrapped and the sole benefit arising from Australia's munitions effort should be bequeathed to private companies and individuals. (50)

Opposition, Press and business critics had argued that Makin's proposal could not be reconciled with the Government's pledge that there would be more scope for private enterprise after the war than ever before in our history (51).

49. D.T. 7/2/44.
50. Digest Of Decision, No.85 p.1 (18/7/44)
51. S.M.H. 8/2/44, p.4. Menzies believed that the factories would be needed to some extent after the war for munitions. But apart from that, they should be passed over to private enterprise - which was under an obligation to re-employ 85% of the people - to make civilian goods. The Age, 11/7/44, p.3
Curtin's assurances were welcomed by the President of the Australian Council of Employers' Federations, Mr. O. D. Oberg, and the President of the Associated Chambers of Commerce of Australia, Sir Marcus Clark. (52)

In February 1945 at a Secondary Industries Conference, Government representatives met representatives of the Associated Chambers of Manufactures for a frank exchange of views on post-war policy. The plans outlined above were re-affirmed and the Government indicated also that it contemplated no break in the traditional Australian policy of protecting industries which were reasonably assured of sound opportunities of success, which had due regard to present and future defence requirements, which assisted the diversification of the economy, and which contributed to employment, the raising of living standards and the development of resources. (53)

At the same time, in the application of Australia's traditional principles of tariff protection to the period ahead, when world trade began to flow again, our policy must be consistent with international obligations. (54). The Government was also anxious to encourage Australian secondary industry to become export-minded and was prepared to assist in creating an export sense. An Export Advisory Committee had been set up.

The Defence Power.

In the referendum campaign, there was a running dispute over the ambit of the post-war defence power. Menzies did not deny that some war-time controls would be required temporarily after the war. They should not cease abruptly, nor would they. A considerable period might elapse between the end of the fighting.

52. *Age*, 3/8/44, p.2. These were necessary, Oberg claimed, in view of previous statements of actual hostility by 'various ebullient Ministers'. One commentator believed that Curtin's statement was "almost revolutionary in its implications when set alongside the policy of his party". Adelaide *Advertiser*, 5/8/44, p.6

53. *Digest of Decisions*, No.95, p.22

54. Ibid, p.23. It should be noted that there was a potential inconsistency here.
(or "cessation of hostilities"), from which the 14 powers dated, and the formal conclusion of the necessary treaties ("the termination of the present war"). The National Security Act would not expire for six months after the latter date, and this time might be longer than that specified in the Bill. A YES vote was not necessary for the period of transition (55).

Evatt agreed that war powers did not cease with the fighting, but claimed there was no legal foundation for Menzies' argument that they would remain unabated to the lapsing of the Act. They began to taper off as soon as the fighting ended. One by one National Security regulations would cease to be enforceable as soon as the defence necessity for them disappeared. Evatt claimed it was absurd to talk, as other critics had, of the powers operating for 10 or even 15 years from now. Only the "cessation of hostilities" was relevant in fixing their five year time limit (56).

**Boom Or Depression?**

The Opposition claimed Labor's depression 'scare' was 'pure humbug'. The depression, more than 10 years after the 1914-18 war, was world-wide. Yet the Government claimed the remedy lay in granting powers to last for only five years after the war. The depression was experienced in Britain, France, and New Zealand, where the central Government had full powers, as well as in federal systems like Canada, and the United States (57).

In any event, Menzies prophesied that there would be not depression but a period of boom after the war. There would be insufficient manpower to meet the demand for civilian goods that had been held up by the war (58). Without the powers, Evatt

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55. Menzies was most unconvincing here. If the powers were already possessed, one wonders what possible objection he could have to re-stating them.

56. *S.M.H.*, 7/8/44, p.4

57. Fadden in *S.M.H.*, 25/7/44, p.4

58. *Age*, 5/8/44, p.3
forecast an inflationary boom as the precursor of another depression (59). The peace problem would be one of finding not labour, but jobs (60).

In the event, Menzies' argument that the extra powers were not necessary, was vindicated by the sustained post-war boom. "Fears of unemployment seemed unjustified, and the problems of reconstruction, though not easy, were rather different from what had been expected" (61). Indeed, Labor Ministers were able to boast that the years 1945-49 were a "Golden age" and that the Government's smooth achievement of demobilisation, its maintenance of full employment, and its record on prices, were the best of any nation in the world (62). However, the war-time pessimism was understandable in the light of history and one could appreciate the Government's fear of a depression imported from overseas. No one could pronounce with certainty on the scope of the defence power, and there was little reason to believe, on past experience, that 'government by agreement' would prove fruitful.

59. D.T. 25/7/44, p.9. As Minister for Customs, Senator Keane put it: "...because of the scarcity of goods on the market, prices would rise. Inflation, the thief of the workers' living standards would follow. During that time big profits would be made, but inevitably the markets would become surfeited with goods, prices would commence to drop, and a depression would be on the way" Age, 28/7/44, p.3.

60. The Age, 29/7/44, p.3 (J.H. Scullin); and Adelaide Advertiser, 16/8/44, p.7 (J.A. Beasley). There appear to have been two Labor schools of thought on the inevitability of depression. The Evatt thesis based on the first War experience was "dynamic", envisaging a short inflationary boom that dissolves into depression. The other "school" is epitomised by the 1941 Australian Railways Union booklet whose approach was "static" envisaging dislocation and an immediate slump on demobilisation.

61. A.G. L. Shaw The Economic Development Of Australia (Longmans, 1958), p.193. Recall the 'gloom and doom' of people like Calwell (see p.5-60) and Fitzpatrick, who argued that if the referendum were lost, some time in the 1950's or even 1940's there would be half a million unemployed. (Smith's Weekly, 25/3/44, p.11) The September 1945 Gallup Poll showed that most Australians as well were pessimistic about the future. (see p.46)

A £400M Post-War Plan.

The Minister for Supply and Shipping, J.A. Beasley, during the campaign, outlined Government post-war plans involving over £400 million. There was a £200 million national works programme in co-operation with the States covering irrigation, afforestation, electricity, aerodrome construction, and soil conservation. There was a £160 million plan to settle 50,000 returned soldiers on the land; and a scheme for home-building with a target of 50,000 homes in the first year. The Commonwealth would offer £30 million to the States for the erection of 30,000 homes, and materials would be made available to private enterprise to erect a further 20,000. From this point building would be stepped up to 80,000 homes a year with half sponsored by government and half by private enterprise. Low income earners would be assisted to pay rents.

Hospital subsidies would be offered to the States provided they agreed to free treatment for all patients in public wards. A Commonwealth subsidy for tuberculosis treatment would be granted as part of the free medical service to which the Government was determined to remove all obstacles (63).

Decentralisation.

The Government wooed the voters of the smaller States by indicating that industries were being examined having regard to decentralisation. The Commonwealth was examining, in conjunction with State Governments, the peace-time prospects of aluminium manufacture in Tasmania, charcoal-steel production in Western Australia, food-processing in Queensland, and heavy industry in South Australia. These States were in no position to ensure that a new industry came to them rather than to a more developed neighbour. Only the Commonwealth was in a position to achieve balanced decentralisation of industry throughout the six States, and it could only do so if armed with the necessary power (64).

63. S.M.H. 10/8/44, p.4.
64. Digest Of Decisions, No.86, p.18 (9/8/44).
"Hitlerism"?

There was much criticism of the Commonwealth's proposal to submit to the people a list of 14 powers for blanket approval or rejection. According to Mr. Fadden "The people have been denied the right to say whether they will grant one power and not another. The Government has forced them to say YES or NO to 14 points. Such procedure savours of Hitlerism" (65).

Labor's defence was that the powers interlocked and intertwined. If they were divided and only some were accepted, it might be that the powers rejected would prove, in the opinion of the High Court, the very ones required to give effect to the wishes of those who voted for the other powers (66).

65. S.M.H., 18/8/44, p.4. Sir Isaac Isaacs commented that if this objection was substantial, the most glaring of such undemocratic behaviour in our history was when the Constitution itself was submitted as a whole to the people, S.M.H., 11/8/44, p.4

66. J.H. Scullin in S.M.H., 2/8/44, p.4. The Commonwealth Government pamphlet You And The Referendum, op.cit. gives a number of examples of post-war tasks showing how closely the individual powers depended on each other, viz:

- Jobs: Powers needed: 1,2,3,4,5,7,8,9,10, and 11.
- Homes: " " 6,7,8,11, and 12
- Farming: " " 2,3,5,6,7,8,10, and 11
- Social Security " " 1,2,12,13, and 14

Curtin agreed that the powers could not be separated (Age, 5/8/44, p.3). However, Crisp considers that Curtin would have preferred a shorter Bill. On November 23, 1943, he suggested to Cabinet that while banking, employment, and trade and commerce powers were "absolutely necessary", the others were "useful but not indispensable" (Ben Chifley, p.195). This would appear to be at variance with Evatt's view that the 14 powers were "adequate but not more than adequate". L.C. Haylen, the campaign Publicity Director, told me that Curtin viewed the Bill as a "lawyer's document", far too complex for the man in the street. (Interview with writer, 20/9/67).

J.J. Dedman, however, believes that this was a view expressed only after the referendum, and he has no recollection of Curtin saying that only three powers were "absolutely necessary" (letter to writer of 30/10/67). Crisp argues that Labor made a "bad mistake" in submitting a 'dragnet' list of 14 powers; but this is to forget the major argument for submitting the 14 powers - that they could be presented as having the unanimous endorsement of all federal and State leaders at the Convention; and Curtin, with Evatt, had strongly urged this course in Cabinet.
The "Problem" Minister.

The one discordant element in an otherwise harmonious Government campaign was the Minister for Transport and External Territories, Mr. E. J. Ward. Ward was a thoroughgoing Socialist whose "habitual style of oratory suggested a continuing class struggle" (67). He believed "There is only one new order acceptable to the workers which can and will supplant the present order and that is the social ownership and control of production, distribution, and exchange" (68). Unless Socialism was established throughout the world at the war's end, he argued, many millions would have died in vain because without Socialism a further conflict was inevitable. Capitalism had an inherent drive to warfare (69).

Ward had a "dedicated, almost frenetic devotion to basic Labor policy" (70), and, during the war, had assumed a "self-imposed role of 'watchdog' on basic Labor party policy" (71). In the 1944 referendum campaign, he made several statements on Labor's proposed post-war use of the 14 powers which could not be reconciled with Curtin's pronouncements and which afforded NO campaigners the opportunity to exploit the Government's alleged "many voices".

One of the most mobile and vigorous of the Government's campaigners, Ward made an appearance in four States - Victoria, South Australia, Western Australia, and N.S.W. He predicted a "speeding-up of Labor's political achievements" now that a two-House majority had been secured. Whilst Evatt might aver that there would be only "changes of emphasis, and of method rather than

67. G. Sawer, op.cit., p.219
68. Quoted from a 1941 speech by P. Hasluck op.cit., p.500
69. Speech on 10/2/44. C.P.D. Vol. 177, p.120
70. E. Spratt op.cit., p.232
71. Ibid, p.145
revolutionary changes "(72), Ward was quick to re-assure his followers that Labor wanted "to effect great radical changes in this country after the war ends"(73). What was wrong with the nationalisation of industry if the people wanted it? They had returned a Labor Government knowing its policy, so why should it be shackled and prevented from giving effect to that policy? (74) Ward contended, and Menzies endorsed the view, that the power over production (No.7) would authorise the nationalisation of industry. "If in the future, the people should want the B.H.P. or the Colonial Sugar Refinery nationalised because they feel that these and any other monopoly are acting against the public interest, they why shouldn't the people, if they exercise this decision through the ballot box, nationalise them?" (75) All transport should be Commonwealth owned (76) and he favoured the nationalisation of the coal-mines (77).

Though other Ministers avoided the question, Ward time and again reiterated that at the earliest opportunity he would press for the implementation of party policy to abolish the Commonwealth Bank Board - to take control of finance out of the hands of private bankers and restore the basis of the Bank as a government-controlled people's bank which could finance various post-war schemes.

72. S.M.H. 8/8/44, p.2
73. Ibid.
74. S.M.H. 29/7/44. Ward caused Curtin obvious embarrassment by posing this question a number of times during the campaign. The Opposition, of course, deprecated Ward's 'spoils to the victors' approach and referred him to Curtin's 1943 election pledge. The Government, they protested, had no mandate for nationalisation. The 'mandate' is, of course, a difficult concept, but the same Opposition had argued at the 1943 election that Curtin's assurances were worthless and that he would have to obey his other pledge to the Socialisation of Industry. He could not bind his party. A vote for Labor they then warned, would give it a mandate to socialise industry, production, distribution, and exchange.
75. West Australian, 15/8/44. p.6
76. S.M.H., 1/8/44. p.4
77. West Australian, 12/8/44. p.6
He hoped, in time, to see the elimination of private banking. (78)

In contradistinction to the Prime Minister's August, 1, 1944 official pronouncement, Ward foresaw large-scale Government competition with private enterprise after the war. "We may decide to go in for the manufacture of refrigerators, and no end of articles that the people urgently require" (79). Again, whilst Curtin hoped to 'influence' the sites of new industries, Ward would 'direct' businessmen where to establish these works (80). And he added further teeth to Curtin's proposals in advocating action by the Commonwealth to direct 'Big Business' also as to the type of goods to be manufactured. Industry should not be allowed to use up resources on the manufacture of things dictated by profits whilst goods more urgently needed were neglected (81).

Curtin and Evatt, in the campaign, called for a YES vote to authorise preference in employment to returned Servicemen in industry generally. As matters stood, the authority of the Commonwealth in respect of preference was limited to its own employees and past Governments had accorded no greater measure of preference than this. This was because the peace-time powers of the Commonwealth over industry were restricted to the setting-up of Courts of Conciliation and Arbitration. Curtin and Evatt were bound to a policy of universal preference by pledges given at the 1943 election, but Ward now bitterly assailed the proposal. He was opposed to any form of preference. He favoured a policy of full employment and Servicemen's rights. Preference was peculiar to

78. Courier Mail (Brisbane), 12/8/44. p.4
79. West Australian, 10/8/44. p.6
80. Courier Mail, 12/8/44. p.4
81. West Australian, 12/8/44. p.6
Australia and it was 'defeatist'. To be of any value it must presuppose the existence of unemployment and competition for jobs. Labor's policy of full employment would obviate the need for preference (82).

After the referendum, Curtin won the day in Caucus, and in March 1945, the Re-establishment and Employment Bill granted a qualified form of preference limited to seven years after hostilities ceased. The Government had steered a middle course between the extremes of absolute preference for an indefinite period as advocated by the Opposition, and non-preference as favoured by the unions. The provision for preference in all employment was of doubtful Constitutionality and the Government threw the onus on employers to provide preference.

The same Bill provided for a Commonwealth Employment Service, vocational training, and various allowances and other forms of financial assistance for Servicemen re-establish themselves in civil life. The Minister described it as "the Servicemen's Charter" (83).

Many Voices ?

The Opposition and Press critics were at great pains to picture the entire Cabinet as a theatre of disputation on the post-war use of the powers. They claimed to have found contradictory statements on most of the major issues, but it is clear that without the 'assistance' of Ward's embarrassing statements, they would have been virtually barren of evidence to bolster the charges. Fadden alleged "The Federal Government is speaking with so many

82. e.g. see S.M.H. 29/7/44, p.4. Ward was voicing the attitude of the unions. They were hostile to 'preference' since workers in key industries had been prevented from enlisting though many of them desired to do so, and such persons should not be placed under any disadvantage after the war. Preference for soldiers would, of course, also conflict with the traditional policy of preference for unionists. Vide Round Table, Vol XXXV, June 1945, p.269.

voices and in such contradictory terms that it cannot be trusted with the increased powers it is seeking" (84). However, there were only two cases adduced as evidence, other than those involving Ward contradicting his colleagues. As mentioned earlier, even Calwell seems to have faithfully echoed the Curtin-Evatt 'line'.

It was alleged that Makin's vision of the Government as a large-scale post-war competitor with private industry was at variance with Curtin's assurances on the future of Government war factories. But, in fact, Curtin had made the authoritative statement of Government policy precisely to clarify the matter in view of the controversy sparked by Makin's remarks. There had been no fixed policy on the matter until Curtin 'cleared the air'.

The other instance is also of doubtful validity. The S.M.H. claimed that Evatt was in breach of Curtin's 'No Socialisation' pledges in 'lamenting' the fact that "we cannot nationalise the coal mines unless we have power over production. I think we should have that power" (85). In fact, Evatt had been put 'on the spot' when addressing a campaign meeting of West Australian miners who favoured nationalisation of the mines and asked the Government's attitude. Far from 'lamenting' the fact, one could argue that Evatt's reply, an ingenious one, was non-committal on the question of nationalisation. He could acknowledge the fact that the power over production would authorise nationalisation, but himself desire it for entirely other reasons. Indeed, his previous disavowal of socialisation measures accorded closely with Curtin's stand, and it is scarcely credible that they differed on this point. During the campaign, Evatt, with Chifley, agreed that Curtin had exposed the 'socialisation catch-cry' as a 'vote-catching falsehood'. And, certainly in none of his justifications of the production power in the past, had he so much as mentioned the prospect of nationalisation.

84. S.M.H. 8/8/44, p.4; and see the 'Herald's' editorial of the same date, 'The Government's Many Voices', which echoed Fadden's sentiments. At this stage S.M.H. was searching around for a pretext to abandon its support for the Commonwealth's proposals.

85. Ibid.
J. T. Lang conducted an energetic campaign against the referendum and this was considered an important factor in the comparatively high NO vote in many essentially Labor divisions in New South Wales. Although he later denied it, the Hansard record shows that Lang supported the transfer of powers when the Canberra Convention Bill was before the N.S.W. Parliament. He was thus yet another who 'somersaulted' on the issue.

In June 1944, the Lang Labor party officially came out in opposition to the referendum on the ground that the powers would make possible the continuance of industrial conscription; they would perpetuate into the peace the 'bureaucratic dictatorship of Professors'; and they had been seized on by the Communists as a means of achieving their objective through capture of the A.L.P. and the A.C.T.U. There would be no post-war depression. The Commonwealth could meet all emergencies by banking and currency control. Finally, the proposals, Lang complained, were not in conformity with Labor's platform providing for unification (86). This last objection reads rather oddly beside Lang's later intimation that "Although the Labor Platform provided for Unification, I was always a Federalist. I believed that the sovereign States had very real functions. The Commonwealth was always trying to filch them"(87).

Lang exploited the 'regimentation' bogey with all the arts of a seasoned demagogue: "They propose to introduce to Australia the highly centralised form of Government that has been set up in Germany and Russia...It is a plan to place Australia under that system of Government known as totalitarianism. It is sometimes described as Fascism, and sometimes called Communism"(88).

86. Century, 30/6/44. p.1
88. Century, 30/6/44.
Like Fadden's, some of Lang's allegations were incredible. He prophesied "Whatever you want to do, whatever you want to have, for everything there will be a licence, a permit or a coupon... Where the whole community is under compulsion, it can only be policed by thousands and thousands of men and women spying and informing on their fellow workers, their neighbours, and, as in Germany, on their own families". Every man, Lang predicted, would be a spy or afraid of spies (89). Every YES vote, he alleged, was a vote for the Communist Party. They were out to capture control of the A.L.P. and the A.C.T.U. Many of the leading bureaucrats in charge of post-war planning were 'notoriously Communist in their outlook'. "Through Communist union autocrats and Canberra bureaucrats, the Central Committee of the Communist Party believes that it can seize control of the Commonwealth" (90).

Some of the most damaging of the Australian Constitutional League's advertisements were reproduced in "Century" and, as the Referendum approached, its pages were packed with NO propaganda from traditionally anti-Labor sources (91).

Catholic Action?

During the campaign, the Roman Catholic Archbishop of Melbourne, Dr. Mannix, publicly announced his intention to cast a YES vote in direct response to allegations contained in Press articles by Brian Fitzpatrick(92). The latter had averred that Catholic Actionist influences were at work to divide the referendum loyalties of some Labor men in Cabinet, Caucus and State Executives. He noted that approximately half of Cabinet were Catholics, as were a majority of members on most A.L.P. Executives, and alleged that the Hierarchy was strongly opposing the referendum.

However, Fitzpatrick's claims were not substantiated, and in July 1944 he was expelled from membership of the Labor Party by the Victorian A.L.P. Executive which denounced his 'filthy sectarianism'

89. Ibid, 4/8/44, p.6  
90. Ibid, 18/8/44, p.1  
91. Some advertisements were authorised by a C.R. Hall of 12 O'Connell St. Sydney. Lang naturally declined to tell his readers that Mr. Hall was, in fact, Secretary of the Chamber of Manufactures.  
92. Smith's Weekly. 25/3/44, p.11, and 1/4/44, p.11
and charged him with prejudicing the YES campaign (93).

J.J. Dedman and L.C. Haylen agree that there was no foundation for Fitzpatrick's allegations on divisive influences in the Parliamentary Labor Party. Catholic members of the Government were every bit as enthusiastic as non-Catholics (94). However, Dr. Mannix did feel constrained to publicly deny that the Catholic Bishops had sought to use their influence to secure a NO vote. He stated that whilst he had not originally intended to express an opinion publicly, circumstances now left him no choice.

In view of the aftermath of the First War, he would vote YES "just in order, as I think, to save Australia from a recurrence of that worst form of the Servile State in which I saw hundreds of thousands of Australians, able and willing to work, yet unemployed, impoverished, humiliated and degraded". He "could not help noticing that most of the politicians who were fanatically in favour of military conscription during the last war and since were now horror-stricken at the thought of the bare possibility of industrial conscription" (95).

93. The only 'evidence' adduced by Fitzpatrick was the claim that Catholic newspapers like the (Sydney) Catholic Weekly, (Melbourne) Catholic Worker, The Advocate, and Freedom had contained much material critical of the referendum, and Catholic radio publicists had conducted a long campaign against the proposals. (Smith's Weekly, 5/8/44, p.11) Whilst Fitzpatrick's broader allegations must be dismissed for want of substantiation, in fairness to him it should be pointed out that B.A. Santamaria has recently disclosed the close organisational links between the 'Movement' which began in August 1942, and key figures on the Victorian A.L.P. Executive at this period, such as H.M. Cremeen, P.J. Clarey, J.V. Stout and D.Lovegrove ("The Movement:1941-60, An Outline" in H. Mayer (ed.) Catholics And The Free Society, Melbourne, F.W. Cheshire, 1961).

94. Dedman - letter to writer dated 30/10/67, and Haylen - interview with writer, 20/9/67. Dedman in fact has indicated, though he attaches no significance to it, that in the December 1943 Cabinet vote, four of the six supporting even wider powers were Catholics.

95. The Age, 22/7/44, p.2
It could be argued that the Hierarchy's support for the Commonwealth proposals was implicit in a comprehensive statement on post-war reconstruction which the Bishops had produced in early 1943 at the request of the Commonwealth Government (96). One could say that there were "close parallels between the 'Pattern for Peace' and the powers sought by Referendum in 1944..." (97) True, the document placed great stress on rural reconstruction, the regulation of monopolies, bank controls, a housing programme, and planned immigration, but one should not ignore the strong anti-Socialism and distrust of Statism that it manifested.

"It's Not My Referendum".

August 1944 had been chosen as the date for the referendum to secure full benefit from the return from abroad of the Prime Minister, whose personal prestige was considered the Government's greatest asset. However, his return proved unspectacular and Curtin played an unprecedentedly limited part in the campaign. He made a restricted tour of two States only, Victoria and South Australia, addressing only two public meetings. Curtin had earlier decided against visiting West Australia and had cancelled his proposed visit to Tasmania. Finally, he took ill late in the campaign, cancelling important meetings in N.S.W. and Queensland. In all, he had delivered only five campaign speeches, and he regretted that "work, strain, and illness" had prevented him visiting all States (98).

Even prior to his reported illness, Curtin's limited campaigning had aroused widespread comment (99). However, in his defence it was pointed out that first coal, and then manpower had required his undivided attention (100). In any event, his illness proved a serious set-back to the YES campaign, frustrating the idea

97. TL. Sutter in H. Mayer (ed.) op. cit; p.43
98. Digest Of Decisions, No. 86, p.26 (16/8/44)
99. In some Press quarters his attitude was considered the "strangest feature of events" e.g. Sunday Telegraph 13/8/44, p.10; Adelaide Advertiser, 12/8/44, p.4
100. Sunday Telegraph, loc. cit.
that the last week could be made an opportunity for Curtin to throw his personal prestige behind a YES vote.

From some quarters, Curtin came under fire for alleged 'half-heartedness' and 'lack of enthusiasm' for the campaign. However, the arguments are anything but compelling. For example, both Don Whittington (101), and J.T. Lang (102) alleged that Curtin had 'completely dumped' Evatt and the latter had conducted virtually a 'one man band' campaign. Curtin, they said, 'had no stomach for the fight'. Once he saw the referendum's prospects were gloomy, he had withdrawn into obscurity leaving Evatt 'holding the baby'. His speeches were 'dreary' and 'dispirited'. Yet Curtin's final speech, described by the Sydney Morning Herald as 'hysterical demagogy', bore all the marks of passionate concern for the referendum's fate, and others agreed that his speeches were 'fervently pro-YES' (103)

Whittington rapped Curtin for not visiting four States and emphasised that YES had polled strongly in the two States where he campaigned. But Whittington failed to explain how a 'dispirited' and 'dreary' campaigner could possibly have swayed doubtful votes. It is hard also to reconcile the view that Curtin opted out of the campaign to escape the consequences of defeat when, in almost the same breath, it is asserted (by Whittington, Lang and others) that his prestige would suffer tremendously as a result of his very withdrawal, and that Evatt's would be greatly enhanced.

101. Sunday Telegraph. 20/8/44. p.2

102. Century. 28/7/44, 11/8/44, 18/8/44, and 25/8/44. Typical of the campaign of misrepresentation by the NO side, was the distortion by Lang, the Australian Constitutional League and others of Curtin's statement that: "The referendum is no longer my referendum. It is the referendum of the Commonwealth Parliament, and of the State Premiers and Leaders of the Opposition" (Digest Of Decisions, No.83, p.46, 5/7/44). Curtin was, of course, reminding that these proposals had been sponsored by the Canberra Convention. But in the Lang version, he had quipped "It's not my referendum", and the implication was that the Prime Minister was not personally concerned for its fate.

103. Sunday Telegraph, 13/8/44. p.10
J.J. Dedman emphatically denies that Curtin lacked enthusiasm for the referendum. He had borne a grievously heavy burden and was not at his best, mentally and physically. Reports that Curtin's speeches were 'dispirited' should be discounted, he says, since detracting from the Prime Minister's performance was obviously a good technique for defeating the referendum.

My conclusion is that Curtin had a burning belief in post-war reconstruction and that his limited campaign was necessitated, in his own words, by "work, strain, and illness". War administration in particular was apparently very 'heavy going' at this stage. Certainly Curtin's detractors were very wide of the mark in predicting that his 'lack of vigour' would spark recriminations when Cabinet and Caucus re-assembled.

Besides Curtin, there were allegations that "Some Federal Ministers are not displaying in this campaign anything like the activity and enthusiasm that they have shown in Federal election campaigns" (104). Don Whitington submitted that "most senior Ministers have shown they do not like a fight" (105). Like Curtin, they had shown little interest in the campaign when it became clear that the referendum was doomed. It was admitted by all the critics, however, that Evatt, Dedman, and Ward had campaigned vigorously but, with the exception of Evatt and Dedman, every member of the War Cabinet was singled out by Whitington and Lang for alleged inactivity.

Dedman has informed me that he was "too busy campaigning" to notice what other Ministers were doing, but "it certainly never entered my head that some were half-hearted" (106). He denies that senior Ministers like Makin, Drakeford, Chifley or Forde, did not do their best, and points out that Beasley was then on the verge of the illness that later caused his retirement.

One has only to take the case of Chifley to demonstrate that such allegations lacked any foundation. A more credible view is that Chifley "had nearly wrecked his health seeking a YES vote"(107).

104. West Australian, 17/8/44, p.6. Ian Milner op.cit. p.44, and Brian Fitzpatrick (Smith's Weekly 2/9/44, p.11) agree that some Ministers did not appear to have enthusiasm for the issue at all—though in none of these cases were the Ministers specified.
105. loc.cit.
106. Letter to writer op.cit.
107. L.F. Crisp, Ben Chifley, p.197n.
In the Cabinet room in December 1943, he had taken a very strong stand for extended Commonwealth powers, and the referendum defeat meant for Chifley that many of his plans as Minister for Post-War Reconstruction had to fall back on "government by agreement" among Commonwealth and State Governments, with all the delays, frictions, compromise, and half-measures inherent in that system(108). After the referendum Chifley made clear his attitude to Parliament by warning that many people who voted NO might "have reasons to rue that action bitterly. This country is in grave economic danger"(109). It is thus inconceivable that Chifley did not try his utmost to secure a YES vote.

The Campaign In The States.

L.F. Crisp has explained that "State politicians and State party officials have vital and deeply-rooted vested interests in the status quo, if only in their own jobs and career prospects and the influence and patronage which they wield ex officiis. Labor...has had an almost continuous history of recalcitrant State leaders...who have openly opposed, quietly sabotaged, or ostentatiously abstained from supporting, economic powers referenda" (110). In the 1944 referendum, he believes, Labor's State Branches were again "far from solid in support"(111). And one can sense much 'silent opposition' or 'veiled hostility' at the State A.L.P. level during the campaign. This is understandable in view of the lukewarm attitude of the States to Constitutional reform which we have encountered over the period covered by the thesis. However, the claim is rather difficult to substantiate, particularly as all State A.L.P. Executives and every State Parliamentary leader at least went through the motions of campaigning for a YES vote. The Labor Premiers would have found it hard to do otherwise. They were constrained by their pledges at the Convention and the fact that they had argued the merits of the proposal when the Bill was before their State Parliaments. These very factors did not, of course, deter the anti-Labor Premiers from deserting the proposals.

108. _Ibid_, p.197
109. _Ibid_.
110. _Australian National Government_, op.cit. p.52
111. _Ibid_, p.151
However the stand of the 1942, and particularly the 1943, Federal Conference would also be a factor in the attitude of the Labor Premiers, and State Conferences had overwhelmingly endorsed the measure. However, it was claimed that "More (State) Labor politicians are, in fact, praising the referendum with far from faint damns than are giving it real, as against lip-serving support" (112).

It was widely believed that the Queensland Government was 'bitterly opposed' to the transfer of powers (113). State Ministers had "not hesitated to make statements which criticise the Federal Government and give NO supporters useful talking points" (114). Despite a perfunctory YES campaign by the State Branch, its 'real position' was believed to be represented by a sensational attack on the Commonwealth Government during the campaign by Mr. C.G. Fallon who was the official Campaign Director for YES in Queensland (115). Fallon bitterly assailed the Federal Government for its "bureaucratic control" and the actions of "Peeping Toms" in tapping correspondence and telephone conversations. If the referendum were lost, he averred, these things would be among the main causes (116). His attack had 'the completely vocal approval' of Deputy Premier, Hanlon (who, we recall, had been bitterly opposed to the Commonwealth

112. S.M.H. 14/8/44, p.2. Whilst I have heavily discounted Press suggestions of 'apathy' and 'half-heartedness' at the Federal A.L.P. level, I attach much more credibility to similar allegations of 'inarticulate opposition' at the State level. A reading of the foregoing chapters will make the reasons plain. e.g.


114. Adelaide Advertiser, 16/8/44, p.5

115. Fallon had resigned the Federal Presidency of the A.L.P. in June, allegedly because striking Civil Constructonal Corps cooks in Queensland had been gaoled. He had been a bitter antagonist of Curtin over the latter's 1943 conscription proposal. He was Secretary of the Queensland Branch of the Australian Workers' Union, and it was suggested that the Government had for many years been 'notoriously' susceptible to the influence of the A.W.U., the members of which realised that this influence would be of less practical value if the workaday powers of the Queensland Parliament were transferred to Canberra. On the other hand, all State Branches of the union had endorsed the referendum and papers like the "Australian Worker" and Queensland "Worker" gave abundant space to YES campaign material.

116. S.M.H. 24/7/44, p.4
in the past, on State Rights grounds); and, it was believed, the 'silent approval' of Premier Cooper (117).

The Federal Opposition Leader, R.G. Menzies, welcomed the outburst, saying it was a little puzzling coming from the Director of the YES campaign, though it made good sense (118).

In Queensland, all ten divisions voted solidly for NO. Electors apparently swallowed the main NO propaganda point that Canberra was already uninterested in Queensland, and granting of the powers would deprive the State of what it needed to foster its own development. Again, the State Industrial Court had "a well-established reputation of being much more generous to the workers of Queensland than the Federal Arbitration Court has ever been, and it is no secret that thousands of unionists in Queensland do not desire to exchange the State tribunal for a Federal one" (119). The A.W.U. had indeed resolved at an earlier stage of the Commonwealth's proposals that the Federal Government should not attempt to replace State awards without conferring with the union representatives (120). The desire to have the best of both systems was also found in Western Australia, where the Labor Government had sponsored an amendment to the Convention Bill to permit any trade union to choose between Commonwealth or State determination.

In New South Wales the A.L.P. Executive was a staunch Commonwealth supporter, but Parliamentarians were reported as 'frankly apathetic' (121). Although Caucus had pledged its unanimous support in securing a YES vote, the decision had been preceded by friction with the Central Executive which had 'directed' apparently reluctant M.P.'s to march in a YES procession (122). The politicians' apathy.

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117. Ibid, 14/8/44. p.2
118. S.M.H. 24/7/44. p.4
119. Advertiser, 12/8/44. p.4
120. Cardenzana op.cit. p.14
121. Sunday Telegraph, 13/8/44. p.10. S.M.H. 27/7/44. p.4
appears to have stemmed partly from the fact that the campaign in N.S.W. was in the hands of a committee convened by the Labor Council and consisting of an equal number of representatives of the State A.L.P., the Labor Council, and the Communist Party. (123).

Premier McKell was believed to have been 'leg-roped' into the campaign (124). And McKell lent credence to such claims by launching a withering attack on bureaucracy and incursions on personal liberties on the very day of Fallon's similar outburst (125). Indeed there was even a rumour circulating that Clive Evatt was the only N.S.W. Minister on whose personal YES vote the Commonwealth could depend (126).

It was in N.S.W. that the Government's referendum hopes were most cruelly disappointed. Opposition by Lang Labor, as indicated earlier, made big inroads into the Government's support in essentially Labor divisions. At the previous State election, the party polled 113,272 primary votes in the 22 seats it contested. Lang conducted a solid campaign in 'Century' articles, at meetings, and in broadcasts, and on polling day his followers were in attendance outside polling booths distributing how-to-vote cards. Of the 18 divisions voting NO, 11 were represented by Federal Labor members. Even in Evatt's electorate which less than a year previously had given him an unprecedented majority, there was a small majority for NO; and Chifley's seat voted solidly for NO.

In Tasmania, where it was also rumoured that the Labor Government was lukewarm to the proposals (127), all divisions voted resoundingly for NO. Exploitation of the small State fear of neglect under centralised control from Canberra appears, as in Queensland, to have been the main consideration.

123. Common Cause, 1/7/44. p.3
124. S.M.H., 14/8/44. p.2
125. Ibid. 31/7/44.
126. S.M.H. 14/8/44. p.2
127. Sunday Telegraph, 13/8/44. p.10
Of the losing States, YES polled most strongly in Victoria. In that State only the A.L.P. was formally united, and there were incongruous political bedmates on the YES side. A very representative committee including members of all parties, trade unions, the Young Nationalists' Association and the Australian Natives' Association, conducted the campaign. It was supported by the U.A.P. President of the State Legislative Council, a number of radical State Country Party members, the Federal Independents, Coles and Wilson, Sir Isaac Isaacs, J.V. Barry K.C., and the State Labor leader, J. Cain.

Ian Milner believes that the influential committee contributed considerably towards securing a firm YES majority in the metropolitan electorates. The fact that the committee did not open its public campaign until as late as 1st August, lent some weight to a post-referendum view of Dr. Evatt that, given another fortnight's campaigning, the result might have been different, in Victoria at least (128). In both this State and South Australia, which voted for the proposals, very representative non-party committees conducted the campaign and there were no Press suggestions, as in all the other States, that Labor campaigners were apathetic or opposed to the transfer; and in these two States Labor seems to have achieved a high degree of unity on the issue. The Labor leaders, R. Richards (S.A.) and J. Cain (Victoria), both campaigned actively for the proposals.

J.L. Paton believes that the YES cause received considerable support because its advocacy of decentralisation was believed by the smaller States of West Australia and South Australia (129). And it is true that some Ministers, particularly E.J. Ward, made a central point of their campaign in these two States, the pledge that the States would get their share of post-war industries if the Commonwealth obtained the power over production. However this argument fails to explain how the same appeal did not strike responsive chords in Queensland and Tasmania. In both South Australia and West Australia the 'Centralisation' bogey was exploited to the limit as in the other small States. The YES vote in Curtin's home state of West Australia is the most perplexing, as Premier

128. Milner op.cit. pp.44-45
129. op.cit. pp.108-109
Willcock was a very lukewarm Commonwealth supporter, though the State Executive strongly supported the referendum.

The Press.

According to Crisp, the referendum went down before an "Australia-wide press barrage" (130). In the smaller States, indeed, the proposals met fierce and unanimous resistance, but the referendum obtained some support in the more populous States.

Following the lead of the anti-Labor politicians, many sections of the Press did a complete about-face after earlier lauding the achievements of the Constitutional Convention. These included the Sydney Morning Herald, the Bulletin, the Courier Mail, the Brisbane Telegraph, and some others.

The Sydney Morning Herald, which had been strongly behind the Commonwealth from the outset, switched allegiance only on the very eve of the referendum, though signs of a change of mind had been in evidence for weeks. It freely acknowledged the strong theoretical case for Constitutional reform, but complained of "the increasing disregard shown by Ministers and their officials alike for the basic liberties of the people". There was "growing evidence" of "grave abuses which have flowed from the exercise of special wartime powers", and the new powers, if granted, might be used "to set the peace-time life of the community in the mould of a regimented State operated by bureaucratic planning" (131). Yet the 'Herald' a short time previously, had deprecated this very approach in arguing: "But surely the Commonwealth is not forever to be denied powers possessed as a matter of course by other Parliaments, simply because a party temporarily in office may make what its opponents deem to be an undesirable use of them?" (132). In November, 1942 it had likewise asserted that "to deny to Parliament powers which are abstractly reasonable, simply out of fear they may be abused, is to put our democracy in leading strings" (133).

130. Ben Chifley, p.196
131. Editorial, 12/8/44, p.1
132. Editorial, 1/3/44, p.6
133. Editorial, 27/11/42, p.4
The (Sydney) "Daily Telegraph" supported the referendum. It thought the issue simple. "If you want efficient planning for the post-war period, vote YES. If you want muddled control by six parish-pump State Governments, vote NO" (134). The NO side had fallen back on an appeal to fear, "because, on the plane of reasoned argument and facts, they have a poor case". At the same time, it reproved Curtin for failing to discipline the 'adolescent dictators', Ward and Calwell (135).

In Victoria, the Melbourne Herald and the Age supported the referendum, whilst the Argus and the Sun News-Pictorial were opposed. The Age argued persuasively that Australia alone among the Countries of the British Commonwealth did not possess the powers and, "A YES verdict would only sanction a tentative, temporary trial of the powers deemed to be the minimum needed, with opportunities of withdrawing approval if the people consider their use or working unsatisfactory" (136). It considered that "the real distinction is between those who take the national as distinct from the parochial view of Australia's problems, tasks, and difficulties. It is not an issue between Socialists and individualists..." (137).

The Argus believed that the Constitution should not be amended pending a 'proper' Constitutional Convention "representative of the best legal, intellectual, and ethical wisdom that Australia holds, chosen from every section of our Australian life, and particularly irrespective of party label" (138).

In the smaller States, almost without exception, the Press adopted the 'parochial view' that the Melbourne Age had warned against. The Brisbane Courier Mail (139), the Adelaide Advertiser (140), the Perth West Australian (141), and the Hobart Mercury (142),

134. Editorial 19/8/44, p.7
135. Editorial 16/8/44, p.8
136. Editorial 17/7/44, p.2
137. Editorial 25/7/44, p.2
138. Editorial 19/8/44, p.2
139. Editorial 17/8/44, p.2
140. Editorial 18/8/44, p.4
141. Editorial 18/8/44, p.6
142. Editorial 18/8/44, p.3
all took as their main theme the supposed threat to the progress and development of their own State posed by centralising power in a permanently unsympathetic Commonwealth. However, despite their narrow provincialism, none of them ruled out Constitutional amendment in the abstract. But they felt the current proposal went too far, and a common attitude was to favour a 'proper', elected Constitutional Convention to revise the Constitution as a whole calmly, away from the atmosphere of party strife.

**Results.**

A majority of electors in four States, and a majority of all electors voting (143), rejected the proposal. Majorities were recorded for YES only in Western Australia and South Australia viz: (144)

<table>
<thead>
<tr>
<th>State</th>
<th>YES</th>
<th>NO</th>
<th>INFORMAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Queensland (Passed the Powers Bill in 1943)</td>
<td>216,262</td>
<td>375,862</td>
<td>7,444</td>
</tr>
<tr>
<td>New South Wales (Passed the Powers Bill in 1943)</td>
<td>759,211</td>
<td>911,680</td>
<td>23,228</td>
</tr>
<tr>
<td>Victoria (Conditional passing of Powers Bill)</td>
<td>597,848</td>
<td>614,487</td>
<td>15,236</td>
</tr>
<tr>
<td>Tasmania (Rejected the Powers Bill)</td>
<td>53,386</td>
<td>83,769</td>
<td>2,256</td>
</tr>
<tr>
<td>South Australia (Amended the Powers Bill)</td>
<td>196,294</td>
<td>191,317</td>
<td>4,832</td>
</tr>
<tr>
<td>West Australia (Amended the Powers Bill)</td>
<td>140,399</td>
<td>128,303</td>
<td>3,637</td>
</tr>
<tr>
<td></td>
<td><strong>1,963,400</strong></td>
<td><strong>2,305,418</strong></td>
<td><strong>56,633</strong></td>
</tr>
</tbody>
</table>

Curtin declared that he was "disappointed, but not surprised at the result" (145). The Government would carefully and sympathetically consider any positive proposals for Constitutional amendment put forward by those who had urged a NO vote.

Dr. Evatt believed that because of a widespread but unjustified

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143. 54.7% of formal civilian votes were for NO (Australian Public Opinion Polls Nos. 217-31 published August-September, 1944)
As at the 1943 federal election, Servicemen polled more strongly than civilians for the Government and voters in the Services returned a YES majority. (E.R. Walker op.cit., p.78)

144. Table adapted from Round Table, Vol XXXV, December 1944, p.76

145. S.M.H. 21/8/44, p.1, This was seized on by his critics to show that Curtin had been resigned to defeat during the campaign, that he had thus not bothered to mount a full effort, and that he had left the work to Evatt. They again recalled his statement "It's not my referendum".
fear of post-war industrial conscription and man-power direction, the proposals failure to secure the full weight of regular Labor support" (146). He felt another fortnight's campaigning by the Government would have cleared up "the bewilderment of a section of the people".

Post-Mortem.

The tactics of the No-propagandists had forced the Government on to the defensive from the start of the campaign, and we could agree with Whittington that the referendum "was doomed to failure almost from the beginning" (147). The volume and character of NO propaganda reduced YES advocates to arguing the necessity for this power and that, of pleading that the safeguard against government by regulation was not intended to create an executive dictatorship. As Ian Milner has argued, instead of a sustained and constructive setting-out of what would be done in the post-war period if the powers were granted, YES advocates found themselves absorbed in repudiating the industrial conscription and socialisation bogeys and in creating, in turn, rival 'scares' such as the spectre of a post-war depression, and the loss of child endowment benefits should the referendum lose(148). One could agree with Milner that these appeals had much more reference to the facts than their NO counterparts. The fear of a depression was historically-based, and a post-referendum High Court decision in the Pharmaceutical Benefits Case lent support to Labor's doubts by calling in question Section 81 of the Constitution as a foundation for social security legislation; and in 1946 the Government felt compelled to place the matter beyond doubt by again appealing to the people. However, war-time restrictions with a people strained by man-power shortage in the fifth year

146. Ibid.
147. The House Will Divide, op.cit., p.124
148. Milner op.cit. p.45. The respective approaches are best epitomised by the official booklet setting out the cases for and against the referendum, in which Labor's recurring theme was a feared post-war depression, and the Opposition painted a gloomy picture of a bureaucrat's paradise in which all were regimented and restricted. Alteration of Constitution; Federal Referendum 1944, The Case For And Against, Canberra, Commonwealth Electoral Office, 1944.
of war, provided an atmosphere which stimulated popular response to the NO rather than the YES kind of appeal (149).

I would also agree with Milner that Labor erred in placing so much reliance on the 'rush' tactics successfully used in the 1943 election, and in staking so much on personal appeals by the Prime Minister. Before Curtin's return from overseas in July, there was marked inactivity on the part of official Labor. By contrast, weeks before the YES case began to be presented in any organised way, the Constitutional League and Opposition campaign was in full flood. Indeed, as early as February 1944, business pressure groups were strongly opposing the referendum (150). And, of course, Curtin was unable to undertake the nation-wide campaigning which could have considerably influenced wavering voters in the various States. Brian Fitzpatrick also lamented that the Government had had nearly two years to educate the public on the issues involved, but had rested everything upon a four week campaign. He claimed, with a good deal of justice, that the YES side was already doomed when the 'campaign' started (151).

However, it is almost universally accepted that the 'major weakness' of the YES side was the failure to give adequate effect to Dr. Evatt's October 1942 desideratum of 'telling the people' more about the objects to be achieved' (152). Of course, the

149. Milner, loc. cit.

150. A nation-wide opinion poll on August 12, 1944 revealed that, among male voters, NO supporters had increased from 34% in February to 53%, while the YES vote had declined from 49% to 40%.

151. Smith's Weekly, 2/9/44, p.11

152. See Milner p.45; G. Sauer op. cit, p.219; Round Table Vol. XXXV, December 1944, p.76. Surveying a flood of letters-to-the-editor for and against the referendum, the Daily Telegraph intimated that the bulk of the NO writers complained that the Government had not explained how it would use the powers. (Editorial, 11/8/44, p.8).
diversi onary campaign tactics of the NO side, as we saw, made the 'telling' difficult. But, despite Evatt's hindsight, it is ironical that both the form in which the proposals were placed before the people, and the popular uncertainty about the manner in which the powers were to be exercised, were major factors in their rejection. The skillful exploiting of the Government's alleged 'many voices' could scarcely have relieved this situation.

In a line of attack that appears to have had a profound influence on voters, the Sydney Morning Herald protested that it was not enough for the Government to describe what would happen if it failed to get the powers. Voters wanted to know what would happen if it did get them. Vague objectives had been stated, but the methods of achieving them had neither been disclosed nor discussed (153). In Britain, the Government had put before the British public during the last couple of years, elaborate plans for reconstruction so that they might be subjected to close and critical examination. The Commonwealth Government had no apparent plan of employment. It had to go to a British White Paper to show in some form what it wanted to achieve (154). J.L. Paton agrees that the Government did itself a grave disservice by not following the British practice of issuing a White Paper on its plans. (155). However, the critics failed to allow for the fact that the detailed blue-printing of British plans had not been hampered and delayed by the Australian uncertainty on the scope of post-war Constitutional powers. And, in any event, the eventual appearance of the Australian White Paper in May 1945 served not to appease but to enrage the same critics who assailed its 'regimentation' implications.

A common view is that the Government erred badly in repeating Hughes' fatal 1915 mistake of dropping a referendum proposal at a time when the nation's mood gave it a chance of acceptance, in return for the States' agreement to 'refer' the powers. The matter dragged on unresolved for 18 months, and by the time the Government in August 1944 asked the people to decide, the crisis atmosphere of 1942 was a thing of the past. The enemy had receded, and the austerity of civilian life under the strain of a very high degree

153. S.M.H. 26/7/44. p.2
154. S.M.H. 12/8/44. p.1
The niggers in the woodpile

Curtin's weak tactics anger
of mobilisation, had been more generally experienced. Rationing and shortages had grown more severe, powers of direction over labour had been exercised in an increasing field, and a much larger proportion of the population had been 'pushed around' (156).

A bad blunder had been the failure to include a guarantee against industrial conscription, fear of which, as Dr. Evatt acknowledged, clearly alienated many Labor supporters. Brian Fitzpatrick had early warned that a sustained propaganda campaign to allay workers' fears on this point would be necessary to secure victory; but he could find no sign of any such campaign (157). Labor, of course, did not launch a full-scale campaign until well into July, and Evatt had to concede that the Government had left itself insufficient time to re-assure workers. He believed at least another fortnight would have been required.

Enthusiastic endorsement of the referendum by the Communist Party proved a source of embarrassment to the Government and allowed people like Lang and Fadden to assail its motives.

Finally, in some Press quarters, the defeat was attributed to the 'noisy fanatics', Ward and Calwell (158). I repeat that the attack on Calwell was unwarranted, and the Daily Telegraph perhaps betrays the real motivation for its anti-Calwellism by protesting that "any doubt about the scope of his own powers, Calwell disposed of last April when he imposed a Gestapo gag on the Press" (159). From that date, Calwell became the main bête-noire of the Press, and it appears that they were prepared to go to any lengths to discredit him.

Gallup Polls.

An examination of nation-wide opinion polls in this period is illuminating. In both May and November 1942 a majority of people in all States (except Tasmania and Western Australia) favoured

156. An interpretation similar to this is advanced by E.R. Walker op. cit. p.102; D. Whittington The House Will Divide, p.115; and L.F. Crisp Ben Chifley, pp.194-95.
158. Daily Telegraph, editorial, 20/8/44. p.1
159. Ibid.
abolition of State Parliaments. Of the total sample, 60% favoured abolition (160). Attitudes were little affected by political affiliation, and it is generally argued that a referendum at this stage would probably have succeeded.

After the Canberra Convention, all States and two voters in every three favoured the transfer of the 14 powers. At this stage, non-Labor supporters were slightly more favourable to the proposal than Labor voters (161). Indeed, it was not until the Federal Opposition adopted the "party approach" and opposed the proposals in Parliament in February 1944 that a significant change was reflected in the opinion polls. And I would argue that the change of public attitudes between 1942 and 1944 was at least as much related to the change in the stand of the anti-Labor parties as to any change in the war situation or increasing war strain.

The February 1944 Poll implied that a referendum would probably have been carried by small majorities in all States except Tasmania (162). Until then, all polls had shown negligible difference of opinion between Labor and non-Labor voters. But now, whilst 58% of Labor voters supported the transfer, only 37% of non-Labor people did. The poll, significantly, was taken whilst Parliament was debating the Bill, and non-Labor voters were obviously responding to party appeals. The previous poll in December 1943, had suggested that 70% of the sample would vote YES and 61% of those interviewed remained in favour of unification (163). In each case this had been an improvement on the figures of December 1942 when 64% had favoured the transfer, and 60% supported abolition of the States. Thus, until the February 1944 poll when the Federal Opposition had just declared its stand, a nation-wide majority of 70% seemed likely for the referendum, and Labor and non-Labor voters were

161. Ibid. Filed with Nos. 90-102
162. Ibid. Nos. 180-185
163. The April 1944 poll showed 56% of Australians still in favour of abolition of the States.
equally in favour. I am therefore sceptical of the theory that public opinion had been transformed on the question of transferring the powers by the change in the war situation and the increased war-weariness that occurred between, say, November 1942 and August 1944. The big change in opinion came only in February 1944 and then primarily, it would seem, because party politics were now injected into the question. I am inclined to believe that a 1942 or early 1943 referendum, if plagued by the party strife of August 1944, would have met the same fate.

The April 1944 poll showed little change from February 1944, and a YES majority still seemed possible. But later polls bear out the validity of Ian Milner's point that, whereas the NO side launched its campaign as early as February, Labor erred badly in awaiting Curtin's return in July. The polls indicate that this strategy was disastrous. It was between April and May, whilst non-Labor campaigned and Labor remained inactive, that the real turning of the tide occurred, and thenceforth the referendum looked doomed. This validates Fitzpatrick's contention that the YES side was already doomed when the four weeks' campaign began, viz: (164)

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<td>YES</td>
<td>49</td>
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<td>41</td>
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The Government's fortunes took a further dip in June, and by July had reached their nadir. And, the polls indicate that the change is accounted for almost entirely by non-Labor voters joining their party and deserting the YES side - not, it would seem, by any change in the war situation (165). From its low point in July -

164. Adapted from A.P.O.P. Nos. 217-231. (Figures for male voters only).

165. In February 1944, 37% of non-Labor males supported YES; in April this was steady at 36%, in May there was a marked drop to 27%, and in June to 17%. On the other hand, 58% of male Labor voters supported YES in February and April; which declined somewhat to 52% in May, and 51% in June.
when the Labor campaign began - the YES side built its support back again to the level of May. This lends some credence to Evatt's claim that the result might have been different with another fortnight's campaigning. And we could agree with Milner and Fitzpatrick, that a longer, more sustained campaign may have succeeded, particularly as those won over by the Government between July and August seem to have been regular Labor voters returning to the fold, and the Government lost primarily because it failed to secure the full weight of regular Labor support (166).

The August poll disclosed the motivation behind people's voting intention. It revealed the principal bogeys of the NO campaigners - socialisation of industry and industrial conscription - as the main reasons for a NO vote. On the other hand, most intending YES voters were reacting to the fear of post-war unemployment (167).

166. This table confirms the point that the Government's July-August recovery was mainly due to unsure Labor voters being converted by the YES campaign (source: A.P.C.P. Nos. 217-31)

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<td>52</td>
<td>59</td>
<td>YES</td>
<td>11</td>
<td>10</td>
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<td>NO</td>
<td>33</td>
<td>29</td>
<td>NO</td>
<td>80</td>
<td>82</td>
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<tr>
<td>UNDEC.</td>
<td>15</td>
<td>12</td>
<td>UNDEC.</td>
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The poll of August 12, taken one week before the referendum proved an accurate guide to the result. It revealed 51% intending to vote NO, 39% to vote YES, and 10% were undecided. Excluding those undecided, the intending NO vote was 56%. In the event 54.7% of the formal civilian vote was for NO.

167. See Appendix L.
CHAPTER XIII


My account of Labor's plans for the post-war world and its vision of the "new social order", ends on the note of the White Paper "Full Employment In Australia". J.J. Dedman had relieved Chifley of the Post-War Reconstruction portfolio in February 1945, and the Department of War Organisation of Industry was dissolved into the other Department under Dedman and Dr. Coombs in February-July 1945 (1). Accordingly, it was Dedman who tabled the White Paper in the House on May 30, 1945. However, Chifley had continued to take the closest interest in its evolution (2). The White Paper was the final, most systematic statement of Labor's objectives and the methods of attaining them. It was the final formulation of the "Labor dream", adapted to the fact of failure to obtain wider Constitutional powers.

Dedman described the document to Parliament as "a charter for a new social order" to replace the old order of the inter-war years, when the prime objective was rigid adherence to a certain financial policy which looked upon unemployment and dwindling world trade as necessary evils. It was not an isolated policy, but part of the general social pattern in which reform of the banking system, steps for the re-establishment of Servicemen, and the series of social security measures already introduced were

1. L.F. Crisp Ben Chifley, P.197n. Dedman would appear to have been the obvious choice for the job when War Organisation of Industry became of less importance. He had been largely responsible for the five objectives laid down by the 1943 Federal Conference for the Department to pursue in the post-war period and he had great sympathy with most of Chifley's plans. J.T. Lang, as early as February 1944, (Century 18.2.44, p.4) claimed that Dedman had already been selected by Curtin to relieve Chifley, but that action would be deferred pending the referendum as Dedman's known susceptibility to advice by 'Professors' might prejudice its prospects. However, Dedman denies that the changeover was in train before the referendum and contends that his work in rebalancing the war effort in 1944 determined Curtin's choice (letter to writer).

parts (3). The basic purpose of the banking legislation, which was related to this measure, was to ensure that no 'outworn financial prejudices' or the resistance of vested financial interests would ever again be a bar to full employment (4). Full employment was to be the Government's contribution to the individual's security, while at the same time the less fortunate would be protected from hardship by social security measures. Full employment would spell opportunity, and opportunity would open the way for achievement. He pointed to the evils of unemployment: wasted lives and resources and missed opportunities for social betterment. The war had shown that full employment could be achieved under critical conditions; and he believed that it could be attained in peace-time in ways consistent with a free society.

The approach of the Post-War Reconstruction Department to the problem had already been expounded 'unofficially' by Dr. H.C. Coombs on several occasions, notably in a lecture delivered in June, 1944 (5), and the White Paper inevitably contained much that

3. S.M.H. 31.5.45, P.5.
4. In March, 1945, the Government brought down two Bills to alter the operation and control of the Commonwealth Bank. Control of the Bank was to be vested in a Governor assisted by an Advisory Council and responsible to the Treasurer, rather than in a Bank Board of the kind Sir Earle Page established in 1924. The main purposes of the legislation, according to Chifley, were to strengthen the central banking functions of the Bank, to ensure that the monetary and banking policy of the Bank would be in harmony with Government policy, and to ensure the development and expansion of its general banking business by active competition with the trading banks (D. Whittington, The House Will Divide, op. cit. PP.125-26). The Bills gave permanent legislative expression to the existing emergency controls over the trading banks, which had been exercised by National Security regulations. Chifley believed that Labor's main aims in Government, viz. a full employment economy and a State providing social security in a free society, required full control over banking. A.W. Stargardt (ed.) Things Worth Fighting For - Speeches by Joseph Benedict Chifley, Melbourne, Australian Labor Party, 1953, P.6.
was familiar. E.R. Walker has placed the document in its international context (6). Its main thesis, he points out, most closely resembled that of Beveridge's 'Full Employment in a Free Society'. The objective was not merely the avoidance of cyclical depressions along the lines of the British White Paper of May 1944, but 'work for all' along the lines of Beveridge and the Murray-Wagner-Thomas Bill (7), with rather less emphasis on fostering 'free competitive enterprise and the investment of private capital' than the Bill. It also differed from its British and Canadian (8) counterparts in giving much less prominence to the expansion of world trade, and none to the particular problem of reduction of trade barriers.

The Australian document, in Dedman's words, "first sets forth boldly and unequivocally the Government's intention to secure full employment for the people of Australia after the war. Secondly, it outlines the method by which the Government proposes to achieve this aim. Thirdly, it examines the special problems which will face the Australian economy in the transition from war to peace" (9).

The White Paper manifested a whole-hearted acceptance of Keynesian economics. It stated categorically that "full employment is the fundamental aim of the Commonwealth Government" (10). The basic premise was that Governments should accept the responsibility for stimulating spending on goods and services to the extent necessary to sustain full employment. Full employment could be maintained only so long as total expenditure provided a market for all the goods and services turned out by Australian men and

9. S.M.H. 31.5.45, P.5.
women (11).

The chief threats to full employment were the instability of private capital expenditure, and of expenditure from overseas. Public capital expenditure was the principal feature of expenditure that could be readily varied to offset variations in the more unstable sections of expenditure. When employment tended to decline, resources could be usefully employed by the decision to embark upon developmental work and to improve the collective capital equipment of the community. Precisely the opposite course had been followed during the Depression, when public works were reduced at a time when all other expenditure was falling. Similarly, when private spending was tending to expand, some reduction might be made in public capital spending. However, if private spending seemed likely at any time to expand to a level where it might prevent the completion of urgently needed public capital projects, the Commonwealth and State Governments should seek means by which they could determine which capital projects, public or private, were the more important to the community, and accord priority to those projects.

Full employment was defined as "a tendency towards a shortage of men instead of a shortage of jobs" (12). This was also Beveridge's criterion. It did not envisage 'everybody in a job'. Some people would be away from work because of sickness, some would be taking a 'spell' between seasonal or periodical employment, some would be in the process of changing from one employment to another offering better prospects, some would take

11. "The essential condition of full employment is that public expenditure should be high enough to stimulate private spending to the point where the two together will provide a demand for the total production of which the economy is capable when it is fully employed", Ibid., P.5.

time to acquire new training to equip them for other employment (13). There would not be 'work for work's sake' but employment directed to worthwhile purposes. Direction of labour would not be continued after the war. Man power would be acquired without compulsion through the work of an Australia-wide Employment Service, and financial and other assistance to overcome the costs of transfer.

The Paper warned that, in pushing total expenditure to the level necessary to maintain full employment, we might from time to time go too far. The economy would be threatened with the danger of inflation. An important factor here would be the Government's control of credit through the Commonwealth Bank which could be used to stop a boom or to stimulate private spending. In general, interest rates were to be kept low and it would be the responsibility of the Commonwealth Bank to ensure that the banking system did not initiate a general contraction of credit or contribute in any way to the growth of unemployment through a decline of expenditure.

The Paper recognised that 'in the past, the chief fluctuations in total spending and employment in Australia, have arisen from changes in the value of Australian exports in response to the varying prosperity of world markets', and set out the following policy to be pursued to meet any such threat to full employment in the future (14):

13. Such a state of affairs both Beveridge and the Australian White Paper boldly termed 'full employment', whilst Coombs in his June 1944 lecture, more cautiously spoke of 'a high and stable level of employment' (the term used also in the British White Paper). Coombs assumed that, on the average, four per cent of males and two per cent of females seeking employment would be unemployed (Problems Of A High Employment Economy op. cit., P.26), but the assumption is not stated openly in the White Paper. E.R. Waker (op. cit., P.380) posed the question whether the general public would be satisfied with such a policy and claimed it would be difficult to explain to the remaining unemployed, even if few in number, why 'full employment' did not include them.

14. This was not part of the Beveridge plan. It reflected the special problems of a primary produce-exporting country.
(a) To seek agreement with other nations by which the latter would undertake to do everything possible to maintain the level of their own employment.

(b) To participate in developing other forms of international collaboration, designed to expand world trade and to mitigate fluctuations in prices of raw materials and food-stuffs.

(c) To prepare now for the post-war development of Australia's export markets.

(d) To develop measures to stabilise the incomes and, hence the expenditure, of Australian export producers, so as to offset the short-term fluctuations in the demand for Australian exports.

(e) To stabilise total expenditure and employment in the face of any expected reduction in spending from overseas on Australian products, by bringing about a compensating expansion in public capital expenditure and by other means (15).

The document mentions as 'the chief possible sources' to finance the appropriate level of Government expenditure - taxation and borrowing, either from the public or the central bank. The 'main source' should be taxation (16). However, there were limitations on the extent to which taxation could be used. It should cover at least all expenditure on current items, and also some contribution toward capital expenditure. Financing by the Commonwealth Bank could be used to advantage up to the limit of available men and resources, but, if carried beyond this point, would create instability and threaten full employment (17).

16. A.C. Garnett op. cit., P.183, believes this was probably inserted as a repudiation of 'social credit' theorists inside the A.L.P. who argued that the expenses of Government could and should be financed by central bank credits.
In the immediate years of transition from war to peace, there would be special problems. The fundamental problem was that the war-time excess of spending power would persist until more adequate supplies of peace-time goods again became available. In this period, control of prices, materials, and investment would continue.

As Crisp indicates "The White Paper repeatedly drove home the point that, in a federal Australia, the Commonwealth and State Governments must join forces and act in concert if full employment were to be achieved and sustained ..." (18). In his view "the White Paper represented the authentic, forward-looking, reformist tradition of the A.L.P. It was the product of Labor united and in the ascendancy." However, "Its ideas of the criterion of full employment ... bear the marks of inter-war experience, and proved much too cautious in terms of post-war reality as it later emerged" (19).

Public Reception

The White Paper met a hostile response from Opposition, business, and Press quarters which assailed its alleged 'regimentation' implications. The Sydney Morning Herald epitomised the reaction of the critics, in arguing that a policy of 'always more jobs than men' could be maintained only by perpetuation of 'iron restraints' which held enterprise and individual liberty in check, and would mean nothing short of a 'totalitarian regime'.


19. Ibid. As mentioned, the White Paper apparently envisaged an unemployment rate of three or four per cent. This would doubtless seem a creditable achievement by contrast with the inter-war unemployment average of about 14 per cent of men and women seeking work.
Censorship Poser for Reich's

ALTERNATIVE UNIFIED

Unify Rates,

BY A SPECIAL

[This is the second of a series of articles which have been published in the Sydney Morning Herald.]

AUSTRIAN railways have been declared to be in the hands of the new government. The present government has taken over the control of the railways and has introduced a new system of management.

The new system is based on the idea of a unified railway system, with all the lines managed by one department. This will make it easier to coordinate the services and to improve the efficiency of the railways.

The new government has also introduced a new system of tariffs, which will be more equitable and will take into account the needs of all classes of passengers.

From the Sydney Morning Herald: June 1, 1945, P.2.
for Australia (20). Business leaders thoroughly endorsed this thinking, and one claimed that the document should be re-named "To Hell With Democracy" (21). On the other hand Mr. G. Anderson, President of the N.S.W. Trades and Labor Council, felt that the Government had not gone as far as many of its supporters would have liked, but had taken an initial step towards implementing Labor's platform (22).

The most eloquent statement of opposition to the proposals came, paradoxically, from one of the bogey-men of the anti-referendum forces, Professor D.B. Copland (23). Copland argued that the fundamental conflict between freedom and security should be kept always in the foreground, and insisted that people did not want to have their lives planned for them by anyone. The case for liquidating controls over the transition period was overwhelming. He objected to the term 'full employment' and to the slogan of 'more jobs than workers to fill them'. He was opposed to the

20. S.M.H. editorial 31.5.45, P.2. And see D.T. 1.6.45, P.8 which agreed wholeheartedly. There appears to have been no Parliamentary debate on the Paper, but comment by some Opposition spokesmen is recorded in the Press. They added little to the above sentiments (e.g. see P.C. Spender in S.M.H. 19.6.45, P.4). Round Table commented that, though Opposition leaders hotly criticised the 'regimentation' aspects of the plan, they had made no formal statement on the White Paper. They were in the dilemma of having much to say in condemnation of it, but of lacking any well-thought-out alternative to place before the public. Theirs was a 'negative attitude' (Vol. XXXV, September 1945, P.372).

21. Mr. B.R. Orr, President, N.S.W. Chamber of Manufactures (S.M.H., 10.8.45, P.5). The Director of the Associated Chambers of Manufactures, Mr. E. Withall, also hotly attacked the plan (S.M.H. 1.6.45, P.3).

22. S.M.H., 1.6.45, P.3.

23. See S.M.H. 9.8.45, P.2, and A.C. Garnett op. cit., P.189. In January 1945, Copland had expressed the following views in lectures at Harvard University which were later re-printed in a book The Road To High Employment (Harvard University Press, 1945).
policy stated in the Australian White Paper, and in agreement with
an American government report suggesting a level of from five to
eight per cent unemployment. He criticised the Beveridge Plan
as being unrealistically 'perfectionist' in its advocacy of 'full',
rather than merely 'high', employment, and argued that the former
could not be maintained without undue regimentation and danger of
inflation. In a short market for labour, some employers would
offer higher pay and start a vicious spiral of wages and prices.
Thus, he argued, a certain minimum pool of unemployed was the
only alternative to labour regimentation, price control, and the
fixing of maximum as well as minimum wages.

A.C. Garnett argued that the Opposition parties were in
agreement with the more cautious position of the professor (24).
Yet this was the same Opposition which had charged Copland and
other Government advisers with seeking to foist a post-war
bureaucratic dictatorship on Australians (recall some of Fadden's
hysterical accusations). Here is conclusive evidence that
Copland's standpoint was grievously misrepresented during the
referendum. But, as stated earlier, a close reading of his
address to the Canberra Summer School disclosed the same deep
concern for personal liberty as he was now manifesting.

The long-continued post-war prosperity may have vindicated
Menzies' prophecy of a boom rather than Labor's predicted
depression, but the latter's post-war plan of 'full employment',
sauious though it proved in terms of post-war reality, was a
much more accurate prophecy of things to come than the dilemma
posed by the Opposition of a pool of unemployed or post-war
regimentation.

If, like D.W. Rawson, we take Socialism to involve the public ownership of at least the larger industries (1), then we can state categorically that the Curtin Government's vision of the 'new social order' was not a Socialist one. The economic and social reconstruction plans of the Government aimed at realising welfare and security objectives accepted by all the leading Allied Governments. This would involve far-reaching Government post-war controls over private enterprise, but these economic policies had their counterpart in Britain under a Conservative Party-dominated Government. Curtin, for example, was able to draw a strong parallel between the projected post-war controls of his Government and those foreshadowed by the British White Paper of May 1944.

James Jupp has indicated that "there is a substantial degree of similarity between the post-war reconstruction policies of the A.L.P. and those being put into operation in Western Europe at the same time, by socialist and non-socialist governments alike. That the non-Labor parties were unlikely to have adopted similar measures may, indeed, have been a significant factor in their political eclipse in the immediate post-war years" (2) and he adds that "What the war-time A.L.P. government wanted was the same range of powers which the British government found necessary for carrying through its post-war policies. Some, at least, of those powers would have been desired by a non-Labor government as well" (3). To E.R. Walker, the adoption by the 1943 A.L.P. Federal Conference of a list of objectives 'intellectually related' to those espoused by bodies like the National Resources Planning Board in the U.S.A. and the League

1. Labor In Vain? op. cit; P.61.
3. Ibid., P.108.
of Nations Delegation on Economic Depressions, "signified (Labor's) participation in a world-wide movement of social thought and aspiration" (4). We can thus conclude that the Labor Government was preparing for a controlled and welfare-motivated economy after the war, aiming at realisation of objectives officially proclaimed by all the United Nations - full employment, social security, an expanded national income, and improved living standards for the masses.

As Richard Windeyer (5) pointed out at the time, the conditions brought about by the war were very similar in all democracies, and the difficulties to be solved, when peace came, almost identical. Not surprisingly, the proposed methods of grappling with these problems were similar. Control by Government was "not some artifice invented by the Australian Labor Government as a means of introducing socialism" (6). Windeyer condemned "the narrow, remote provincialism too often seen in discussion of Australian affairs" (7). The reaction to Labor's insistence that there must be no sudden cessation of controls after the war, seemed to assume that it was something happening in Australian politics disconnected from the current of world affairs. However, there was a thriving contemporary literature in England and America, occupied with discussion as to how far the driving force of private enterprise should be marshalled, organised, and supplemented by the authority of the State (8). In Australia, leading politicians and business spokesmen used such opprobrious terms as 'Fascist' or 'Totalitarian' because of views that after all were highly respectable. Was it possibly because these gentlemen did not

7. Ibid. P.5.
8. To support this point, Windeyer quoted the opinion of a long list of authorities such as the Editor of the London Economist, the Vice-President of the U.S.A., the National Resources Planning Board of the U.S.A., and the Indian Government. Ibid., PP.7-10.
know how far the best opinion had gone in older countries? (9)

The 'best opinion' among overseas Conservatives was indeed at one with the Curtin Government in arguing that private enterprise often languished before the war, and that if Governments took the initiative in the post-war period and encouraged and assisted, private enterprise might become a powerful instrument for developing the economy and fulfilling its true function. Such planning, as the Australian Government insisted, involved no real threat to legitimate private enterprise and initiative (10).

Sir John Anderson, Chancellor of the Exchequer, speaking to the directors of the Bank of England and merchants of the City of London, declared that private enterprise must now be willing, if it wished to prosper in the post-war world: "... genuinely and regularly to consult with the Government on the main lines of policy, and accept the determination of the Government to take a much closer interest in the general lines of industrial and commercial policy that in the past ... The interest of the Government in private enterprise does not mean interference by the Government at every stage. The closer the voluntary consultation, the less frequent will be the need for compulsion later" (11).

The Labor Government through Curtin, Evatt, and other senior Ministers, had pledged itself to give 'ample scope' to private enterprise in the post-war years, and not to attempt more than was necessary to restore industry, provide full

10. Curtin had expressed these sentiments in his speech opening the Constitutional Convention (S.M.H. 25.11.42).
11. Quoted in Ian Milner op. cit; P.48.
employment, full production, and full consumption (12).

However, spokesmen for Australian business interests betrayed little awareness of enlightened overseas opinion.

The President of the Associated Chambers of Manufactures of Australia (Mr. H.J. Hendy) protested of the Commonwealth's post-war plans that: "It should be left to us who know our own way of life, who know the Australian outlook and temperament, to carve out our own system ... Whatever was right or wrong with our pre-war civilisation, there can be no doubt that it conferred great benefits on many of the peoples of the countries where it was most highly developed ... Australian manufacturers will have a most determined argument to hold what we have and to add to it if we can. If we are to lose anything, it must be taken from us, not supinely handed over" (13). He went on to say that: "As the end of the war drew nearer, and the problems of rebuilding were at hand, I hope that we will hear less and less of so-called 'New Orders'. I do not take kindly to any suggestion that Governments needed to 'plan' for manufacturing industry, because plans inevitably breed controls, and official planning was of such remarkable fecundity that controls were soon...

12. One might protest that the Government's November 1944 decision to nationalise interstate air-lines - which was finally circumvented in the High Court - was inconsistent with Curtin's numerous 'No Socialisation' pledges. But national ownership and control of such a vital and increasingly monopoly-dominated public utility as air transport, could be justified on quite other grounds than those of socialist principle. As Round Table commented "There is a large section of the community, even of that section opposed to Labor politically, which thinks that the nationalisation of the air-lines is desirable. In Australia the railways, tramways, and bus services are practically all run by the Government, and this section thinks that the addition of the air-lines to the Government traffic services is a natural development". Vol. XXXV, March 1945, p.178.

13. S.M.H. 5.11.43, P.4.
about them like a swarm of locusts". (sic.) (14)

We can agree with Ian Milner that the opposition to the granting of additional Commonwealth powers was not, in fact, grounded on any valid fear of consequential socialist legislation, but rather upon a determination to undermine confidence in, and so unseat the Government (15). True, the two powers singled out for attack during the referendum, were chosen for the alleged reason that they would open the door to the implementing of Labor's socialisation objective (16). But, as Milner insists, the political record of the Government hardly suggested an ambition to risk a referendum defeat for the purposes of securing powers for post-war socialisation (17). Indeed the Government had resisted the increasing pressure of the Miners' Federation, not only for nationalisation, but even for further government control of the coal-mines. One can not but agree with Milner, that it was surely obvious that the voice of E.J. Ward was not the controlling voice of the A.L.P. (18).

14. Quoted in Labor Call, 11.11.43, P.7. On November 8, 1943, the S.N.H. remarked that; "If anything could undermine public faith in the future for which we fight, it would be the 'back to 1939' movement proclaimed in Melbourne last week".

15. op. cit; P.46.

16. Not coincidentally, they were also the two powers whose exercise, stopping well short of socialisation, still posed the biggest threat to the pre-war 'rights' of Big Business such as the arbitrary right to hire and fire and the disciplinary device of a pool of unemployed.

17. Ibid. P.47.

18. One has only to read Brian Fitzpatrick's weekly column on post-war reconstruction questions in Smith's Weekly during the war years, to appreciate the frustration of thoroughgoing socialists at the moderate, reformist trend of the Parliamentary leadership. He regarded the claim that the Labor Government was bent on post-war socialisation as 'a good joke'; as far as he was concerned there were only 'two socialists' in the Cabinet. (Smith's Weekly, 26.2.44, P.11)
On this interpretation, what the anti-referendum forces sought above all to resist, was Labor's attempt to prepare for a controlled and welfare-motivated post-war economy, to supersede the 'old order' of unregulated profit-making, with its pool of unemployed and unrestricted right to hire and fire. However, as Rawson warns, though the portrayal of the A.L.P. as a party which sought a predominantly Government-owned economy was "not only an exaggeration, but a deliberate exaggeration for electoral purposes", on the other hand, "one should not underrate non-Labor's capacity for self-deception" (19).
APPENDIX A

THE CONSTITUTION ALTERATION (WAR AIMS AND RECONSTRUCTION) BILL INTRODUCED BY THE COMMONWEALTH ATTORNEY GENERAL DR. H. V. EVATT

ON OCTOBER, 1, 1942.

1. This Act may be cited as Constitution Alteration (War Aims and Reconstruction) 1942.

2. The Constitution is altered by inserting in Chapter I after Part V the following Part and Section :-

"Part VI - War Aims and Post-War Reconstruction

"60A - (1) The Parliament shall have full power to make laws for the peace, order, and good government of the Commonwealth, its territories, and all places under its jurisdiction or control, for the purpose of carrying into effect the war aims and objects of Australia as one of the United Nations, including the attainment of economic security and social justice in the post-war world, and for the purpose of post-war reconstruction generally.

" (2) Without limiting the generality of the foregoing sub-section, it is hereby declared that the power of the Parliament shall extend to all measures which, in the declared opinion of the Parliament, will tend to achieve economic security and social justice, including security of employment and the provision of useful occupation for all the people, and shall include power to make laws with respect to -

(a) the reinstatement and advancement of those who have been members of the fighting Services of the Commonwealth during the war, and of the dependents of such members who have died or been disabled as a consequence of the war;

(b) employment, including the transfer of workers from war-time industries;

(c) the development of the country and the expansion of production and markets;

(d) the production and manufacture of goods and the supply of goods and services, and the establishment and development of industries;

(e) prices of goods and services, including their regulation and control;

(f) profiteering;

(g) the encouragement of population;

(h) carrying into effect the guarantee of the four freedoms, that is to say -

(i) freedom of speech and expression;

(ii) religious freedom;

(iii) freedom from want; and

(iv) freedom from fear;

(i) national works and services, including water conservation and irrigation, afforestation and the protection of the soil;

(j) the improvement of living standards in both rural and urban areas;

(k) transport, including air transport;

(l) national health and fitness;

(m) the housing of the people; and

(n) child welfare.

"(3) All the powers conferred upon the Parliament by this Section may be exercised notwithstanding anything contained elsewhere in this Constitution or in the Constitution of any State and shall be exerciseable as, on and from a date to be proclaimed by the Governor-General in Council."
First inquiry into the post-war aspirations of Australians, recently completed by Australian Public Opinion Polls, shows that about three out of four people expect great changes in our way of life after the war. Foremost in the minds of all classes is a desire to eliminate unemployment and improve the living conditions of working people.

Question: 'Would you like to see any great change in our way of life after the war?'

Of each 100 interviewed -

66 answered YES
20 said No, and
14 had no opinion.

People in all circumstances are among the 20-in-the-100 who do not wish for any great changes. About 40 per cent of them were Labor Party supporters. The 66-in-the-100 were fairly representative of the population as a whole, with only a slight working class bias. Some of them had only vague or mixed ideas about what they wanted, but nearly nine out of 10 were able to give a definite answer to a second question:

'What are the chief changes you desire?'

Most people stressed only one objective, and of each 100 who answered the second question:-

24 seek 'work for all', 'better conditions for working people' or 'social security'.
11 specifically referred to improved housing, education or medical services.
20 said 'more even distribution of wealth' or 'equality'.
16 favoured more control of private enterprise, a changed economic system, or Socialism.
7 answered 'more religion', 'brotherly love' or 'improved morality'.
5 said 'no more wars' or 'better international understanding', and
17 gave various answers such as 'more industries', 'less red tape' or 'a better deal for farmers'.

About six people referred to material improvement, compared with each one who mentioned hopes of a better moral basis for our post-war world.

DELEGATES TO THE CONSTITUTIONAL CONVENTION
HELD AT CANBERRA FROM NOVEMBER 24, 1942 TO
DECEMBER 2, 1942. 1

Commonwealth

House of Representatives

The Rt. Hon. J. Curtin M. P.
The Hon. F. M. Forde M. P.
The Rt. Hon. A. W. Fadden M. P.
The Rt. Hon. H. V. Evatt K. C., LL. D., M. P.
The Rt. Hon. R. G. Menzies, K. C., M. P.
The Hon. J. B. Chifley M. P.

Prime Minister
Minister for the Army and
Deputy Prime Minister.
Leader of the Opposition and
Leader of the Country Party.
Deputy Leader of the Opposition
and Leader of the United Australia
Party.
Attorney General and Minister for
External Affairs.
Treasurer.

Senate

Sen. The Hon. J. S. Collings
Sen. The Hon. R. V. Keane
Sen. The Hon. G. McLeay
Sen. B. Sampson D. S. O., V. D.

Minister for the Interior.
Minister for Trade and Customs,
and Vice-President of the Execut­
ive Council.
Leader of the Opposition.

New South Wales

The Hon. W. J. McKell M. L. A.
The Hon. A. Mair M. L. A.

Premier and Colonial Treasurer.
Leader of the Opposition.

Victoria.

The Hon. A. A. Dunstan M. L. A.
The Hon. J. Cain M. L. A.

Premier, Treasurer, and Solicitor-
General.
Leader of the Opposition.

Queensland.

The Hon. F. A. Cooper M. L. A.
Mr. G. F. R. Nicklin M. L. A.

Premier and Treasurer.
Leader of the Opposition.

South Australia.

The Hon. T. Playford M. H. A.
The Hon. R. S. Richards M. H. A.

Premier, Treasurer, and Minister
for Immigration.
Leader of the Opposition.

1. Compiled from Official Record of Proceedings of The Constitut­
ional Convention op. cit., p. (iii)
Appendix C Continued.

Western Australia.

Mr. A. F. Watts, M.L.A.  Leader of the Opposition.

Tasmania.

The Hon. R. Cosgrove, M.H.A.  Premier and Minister for Education.
The Hon. H. S. Baker D.S.O., M.H.A.  Leader of the Opposition.
141.

APPENDIX D

THE CONSTITUTION ALTERATION (POST-WAR RECONSTRUCTION)
BILL PRESENTED TO THE CONSTITUTIONAL CONVENTION BY THE
COMMONWEALTH ATTORNEY GENERAL DR. H.V. EVATT on
NOVEMBER 24, 1942.

1. This Act may be cited as the Constitution Alteration (Post-War Reconstruction) Act, 1942.

2. The Constitution is altered by inserting in Chapter I after Part V, the following Part and Section:

"Part VI - Post-War Reconstruction.

"60A -(1) The Parliament shall have full power to make laws for the peace, order, and good government of the Commonwealth for the purpose of post-war reconstruction.

" (2) It is hereby declared, without limiting the generality of the preceding sub-Section, that the Parliament shall have power to make laws with respect to -

(a) the reinstatement and advancement of those who have been members of the fighting Services of the Commonwealth during the war and of the dependents of such members who have died or been disabled as a consequence of the war;

(b) employment and unemployment, security of employment, the improvement of standards of living, and the relations between employer and employee;

(c) trade, commerce, and industry (including the production, manufacture and supply of goods and the supply of services);

(d) companies;

(e) investment;

(f) profiteering and prices;

(g) the marketing of goods;

(h) transport;

(i) national works;

(j) social services and social welfare;

(k) health and housing; and

(l) the protection of the aboriginal natives of Australia.

"(3) The power of the Parliament to make laws under paragraphs (f) and (g) of the last preceding sub-section may be exercised notwithstanding anything

1. Copy as contained in S.M.H., 25/11/42. p.6
Appendix D Continued.

contained in Section 92 of the Constitution.

" (4) The Parliament may make laws authorising any State or any Minister, officer, or instrumentality of a State or any local authority constituted under a law of a State to assist in the execution of any power conferred on the Parliament by this Section".

3. Section 116 of the Constitution is altered to read as follows :

"116. Neither the Commonwealth nor a State may make any law for establishing any religion or for imposing any religious observance or for prohibiting the free exercise of any religion, and no religious test shall be required as a qualification for any office or public trust under the Commonwealth or a State".

4. The Constitution is altered by inserting after Section 116 the following Section :

"116A. Neither the Commonwealth nor a State may make any law abridging the freedom of speech or of the Press".
MOTIONS BEFORE THE CONSTITUTIONAL CONVENTION OF 1942.

A. Motion Moved by the Leader of the Opposition
The Rt. Hon. A. W. Fadden M.P. - (1)

"That while the Convention recognises the need to confer increased powers upon the Commonwealth, it is of opinion that the war preoccupation of many hundreds of thousands of Australians (including those in the fighting services and prisoners of war), who have a vital interest in improved post-war conditions and a right to an informed vote, renders it impracticable to secure a deliberate judgement on the complex problem of such a fundamental change in the whole system of government in Australia as is proposed. Accordingly, it expresses the view that:

(a) the war powers of the Commonwealth being very extensive, advantage should be taken of the opportunity during the war of securing practical experience in co-operative Commonwealth and State action in relation to social and economic questions; so that in due course specific Constitutional changes may be made with the greatest possible knowledge;

(b) the consideration of what changes should be made in the Commonwealth Constitution to meet new circumstances should, at an appropriate date, be referred to an elective Convention representative of the people."

B. Amendment Moved by the Premier of Tasmania
The Hon. R. Cosgrove M.H.A. - (2)

"That this Convention is of opinion that -

(a) Adequate powers to make laws in relation to post-war reconstruction should be conferred on the Parliament of the Commonwealth;

(b) It is undesirable that permanent alterations of the Constitution should be effected at this critical stage in Australia's history;

(c) For this reason, legislative power with respect to suitable additional matters in relation to post-war reconstruction should be referred to the Parliament of the Commonwealth by the parliaments of the States under Section 51 (XXXVII) of the Constitution.

(d) Such reference should be for a period of not less than five years and not more than seven years from the cessation of hostilities, and should not be revoked during that period.

(e) At the end of such period, or at an earlier date, a referendum should be held to secure the approval of the electors to the alterations of the Constitution on a permanent basis."

2. As contained in Ibid, p. 144.
APPENDIX F

DRAFT COMMONWEALTH POWERS BILL UNANIMOUSLY ENDORSED BY THE
CONSTITUTIONAL CONVENTION OF 1942. 1

1. This Act may be cited as the Commonwealth Powers Act 1942.

2. The following matters are hereby referred to the Parliament of the Commonwealth, that is to say -

(a) The reinstatement and advancement of those who have been members of the fighting Services of the Commonwealth during the war and the advancement of the dependents of those members who have died or been disabled as a consequence of the war;

(b) employment and unemployment;

(c) organised marketing of commodities;

(d) uniform company legislation;

(e) trusts, combines and monopolies;

(f) profiteering and prices (but not including prices or rates charged by State or semi-goverment or local governing bodies for goods or services);

(g) the production (other than primary production) and distribution of goods, and, with the consent of the Governor in Council, primary production, but so that no law made under this paragraph shall discriminate between States or parts of States;

(h) the control of overseas exchange and overseas investment; and the regulation of the raising of money in accordance with such plans as are approved by a majority of members of the Australian Loan Council;

(i) air transport;

(j) uniformity of railway gauges;

(k) national works, but so that the consent of the Governor in Council shall be obtained in each case before the work is undertaken and that the work shall be carried out in co-operation with the State;

(l) national health in co-operation with the States;

(m) family allowances; and

(n) the people of the aboriginal race.

3. (1) This Act shall not be repealed or amended except in the manner provided in this Section.

   (2) A Bill for repealing or amending this Act shall not be presented to the Governor for His Majesty's assent until the Bill has been approved by the electors in accordance with this Section.

Appendix F Continued.

(3) On a day to be appointed by the Governor-in-Council, but not sooner than three months after the passage of the Bill through both Houses of the Legislature, the Bill shall be submitted to the electors qualified to vote for the election of members of the Legislative Assembly.

(4) When the Bill is submitted to the electors, the vote shall be taken in such manner as the Legislature provides.

(5) If a majority of the electors voting approve the Bill, it shall be presented to the Governor for His Majesty's assent.

4. This Act, and the reference made by this Act, shall commence on the date upon which it is assented to, and shall continue in force for a period ending at the expiration of five years after Australia ceases to be engaged in hostilities in the present war; and no law made by the Parliament of the Commonwealth with respect to matters referred to it by this Act shall continue to have any force or effect, by virtue of this Act or the reference made by this Act, after the expiration of that period."
APPENDIX G

THE 1943 FEDERAL ELECTION

HOUSE OF REPRESENTATIVES

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<th>A.L.P.</th>
<th>U.A.P.</th>
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<td>49</td>
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* including NonCommunist Labor Party (4)

SENATE

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<tr>
<td></td>
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<td>32.4</td>
<td>53.0</td>
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</table>

N.B. When in 1946 the non-Labor parties increased their vote enormously, it was the 1943 Independent vote returning to them. The defection from Labor was slight.

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APPENDIX H

FIVE POST WAR OBJECTIVES AS LAID DOWN BY THE
1943 A.L.P. FEDERAL CONFERENCE. 1

1. The proper use of the nation's productive resources, technique, skill, scientific discoveries and inventions, so as to attain and maintain a high, rising standard of living.

2. These resources to be used for the production and distribution, in sufficient quantities, of the goods and services required to meet the fundamental needs of the whole population for sound nutrition, adequate clothing, housing, medical care, and education.

3. No man or woman able and willing to work to be left without employment for periods of time longer than is needed to transfer from one occupation to another, or, when necessary, to acquire a new skill; adequate social security payments to cover interruption to earnings through sickness, old age, transfer from one occupation to another, or similar causes.

4. Equality of educational and occupational opportunity for all, irrespective of family circumstances and income.

5. Progressive reduction of inequality of income, of leisure, and of working conditions.

1. See 1943 Conference Report, op. cit. p.42
APPENDIX I

AMENDMENT MOVED BY THE LEADER OF THE OPPOSITION THE RT. HON.

R. G. MENZIES K.C. M.P. DURING DEBATE ON THE CONSTITUTION

ALTERATION (POST-WAR RECONSTRUCTION AND DEMOCRATIC RIGHTS) BILL 1944

"(1) The reinstatement and advancement of those who have been members of the Fighting Services of the Commonwealth in any war and the advancement of the dependents of those members who have died or been disabled as the consequence of such war, the reinstatement and rehabilitation of those other persons, who by reason of war conditions have been displaced from their normal peace-time occupations, the reconstruction of primary and secondary industry, are the first obligations of government in the immediate period after the war;

(2) that the existing powers of the Commonwealth are not shown to be inadequate for such purposes;

(3) that it is, however, proper that any doubt on these points should be resolved by appropriate Constitutional amendment;

(4) that no amendment should be approved which could authorise the socialisation of industry, the undue centralisation of administration, or the maintenance of such laws as unnecessarily interfere with the liberty of citizens to choose their own means of living, and to exercise their rights as free people;

(5) further, that the House is concerned at the extent of the surrender of legislative powers to administrative officials;

(6) that, to afford adequate power to the Government and sufficient protection to the citizen, the Bill should be withdrawn and re-drafted so as to declare or provide, over a period of five years from the termination of actual hostilities, that the Commonwealth Parliament has, or should have (as the case may be), power to make laws for the peace, order and good government of the Commonwealth with respect to the fullest repatriation powers; the use of grants, loans, insurance, training and public works for the provision of employment and the prevention or correction of unemployment; the organised marketing of primary products of which there is normally an export surplus; and notwithstanding anything contained in Section 1, the prevention of unreasonable restraint of trade; the prevention of inflation; the use of economic regulations only to the extent necessary to deal with the problems of transition from war to peace; air transport; national health; family endowment; and the people of the aboriginal race; but should not have power to enable the Executive to engage in any civil production, industry, or commercial process, not authorised by its existing powers;

(7) that provision should be made that during such period, the exercise of such additional powers, when it possesses a legislative nature, should be by Parliament or if performed by virtue of some delegation by Parliament should be in terms which when Parliament is sitting have been first laid before and not disapproved by Parliament, and when Parliament is not sitting have been circulated to members at least 14 days before becoming operative.

1. From C.P.D., Vol. 177, pp.1027-1028
(8) that provision should be made for the setting-up, within a period of two years after the termination of actual hostilities, of an elective popular Convention for the review of the structure and working of the Constitution."
APPENDIX J

POST-WAR PROGRAMME OF THE UNITED AUSTRALIA PARTY

"We believe that in a new and peaceful and happier world, Government and citizens must set themselves to achieve -

(a) adequate repatriation benefits for all members of the Fighting Services and their dependants;

(b) adequate employment and good wages for those willing and able to work;

(c) the highest living standard which the physical and human resources of the nation can provide;

(d) social provision in relation to superannuation, sickness, and unemployment, and widowhood and misfortune generally, on a contributory basis;

(e) a full recognition that those engaged in industry, whether as employers or employees, have reciprocal rights and duties and must be treated as co-operators entitled to share in all advances of prosperity, the rewards of capital not being allowed to be out of harmony with the rewards of labour;

(f) stability of primary and secondary industries and the development of new and adequate markets for their products;

(g) public and private health services accessible to all people;

(h) a revised, expanded, and varied system of child and adult education, designed not only to improve technical skill of all kinds, but to develop the spirit of true citizenship;

(i) the ownership of attractive homes obtainable at a reasonable cost on easy terms;

(j) the restoration as soon as possible of normal individual freedoms, including the right of men and women to select their own vocation;

(k) increase of population and the encouragement of family life."

1. From S.M.H., 17/6/44. Adopted at a Melbourne Conference of U.A.P. leaders and office-bearers who unanimously resolved to do all in their united power to defeat the 1944 Referendum.
APPENDIX K

THE SAFEGUARD ON DELEGATED LEGISLATION INCORPORATED IN THE
CONSTITUTION ALTERATION (POST-WAR RECONSTRUCTION AND DEMOCRATIC
RIGHTS) BILL 1944.

Proposed sub-Section (4) of New Section 60A :-

"(4) A regulation of a legislative character under the authority
of any law made by the Parliament in the exercise of any
power conferred by sub-Section (1) of this Section :-

(a) shall, subject to this Section, take effect on the
expiration of the fourteenth day after its contents
have been notified in the manner provided by the
Parliament to each Senator and each member of the
House of Representatives or on such later date as is
specified in the regulation;

(b) shall not take effect if, within fourteen days after
its contents have been so notified, either House of
the Parliament passes a resolution disapproving of
the regulation; and

(c) shall take effect on the date of its making or on such
later date as is specified in the regulation, if the
Governor-General in Council declares on specified
grounds that the making of the regulation is urgently
required."

1. Copy in H. V. Evatt, Post-War Reconstruction - Notes On The
QUESTION: "What do you consider the main reason the Commonwealth is asking for the powers?"

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<thead>
<tr>
<th>Intending NO Voters</th>
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<th>Intending YES Voters</th>
<th>%</th>
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<tr>
<td>Socialise Industry</td>
<td>30</td>
<td>Avoid depressions (37%)</td>
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<td>Industrial Conscription</td>
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<td>Ensure full employment (28%)</td>
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<td>Avoid depressions (9%)</td>
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<td>Abolish States</td>
<td>10</td>
</tr>
<tr>
<td>Ensure full employment (6%)</td>
<td>15</td>
<td>Control monopolies</td>
<td>10</td>
</tr>
<tr>
<td>Abolish States</td>
<td>10</td>
<td>Help returned soldiers</td>
<td>10</td>
</tr>
<tr>
<td>Control monopolies</td>
<td>8</td>
<td>Socialise Industry</td>
<td>5</td>
</tr>
<tr>
<td>Help returned soldiers</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No idea</td>
<td>13</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>100</td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

1. A.P.O.P. published August-September 1944, Nos. 217-31
### APPENDIX M

**WARTIME CURTIN MINISTRIES.**

First Curtin Ministry: October 7, 1941 to September 21, 1943.

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rt. Hon. J. Curtin</td>
<td>Prime Minister and Minister for Defence.</td>
</tr>
<tr>
<td>Hon. F. M. Forde</td>
<td>Minister for the Army.</td>
</tr>
<tr>
<td>Hon. J. B. Chifley</td>
<td>Treasurer; from December 22, 1942, Minister for Post-War Reconstruction.</td>
</tr>
<tr>
<td>Hon. J. A. Beasley</td>
<td>Minister for Supply and Shipping.</td>
</tr>
<tr>
<td>Senator the Hon. J. S. Collings</td>
<td>Minister for the Interior.</td>
</tr>
<tr>
<td>Hon. N. J. O. Makin</td>
<td>Minister for the Navy and Minister for Munitions.</td>
</tr>
<tr>
<td>Hon. E. J. Holloway</td>
<td>Minister for Social Services and Minister for Health.</td>
</tr>
<tr>
<td>Senator the Hon. R. V. Keane</td>
<td>Minister for Trade and Customs and Vice-President of the Executive Council.</td>
</tr>
<tr>
<td>Hon. A. S. Drakeford</td>
<td>Minister for Air and Minister for Civil Aviation.</td>
</tr>
<tr>
<td>Hon. W. J. Scully</td>
<td>Minister for Commerce and Agriculture.</td>
</tr>
<tr>
<td>Senator the Hon. W. P. Ashley</td>
<td>Postmaster-General and Minister for Information.</td>
</tr>
<tr>
<td>Hon. E. J. Ward</td>
<td>Minister for Labour and National Service.</td>
</tr>
<tr>
<td>Hon. C. W. Frost</td>
<td>Minister for Repatriation and Minister in charge of War Service Homes.</td>
</tr>
<tr>
<td>Hon. J. J. Dedman</td>
<td>Minister for War Organisation of Industry and Minister in charge of Council for Scientific and Industrial Research.</td>
</tr>
<tr>
<td>Hon. H. P. Lazzarini</td>
<td>Minister for Home Security.</td>
</tr>
<tr>
<td>Senator the Hon. J. M. Fraser</td>
<td>Minister for External Territories.</td>
</tr>
<tr>
<td>Senator the Hon. D. Cameron</td>
<td>Minister for Aircraft Production.</td>
</tr>
<tr>
<td>Hon. G. Lawson</td>
<td>Minister for Transport.</td>
</tr>
</tbody>
</table>

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Appendix M Continued

War Cabinet: from October 7, 1941.


Second Curtin Ministry: September 21, 1943 to July 6, 1945.

Rt. Hon. J. Curtin
Rt. Hon. F.M. Forde
Hon. J. B. Chifley
Rt. Hon. H.V. Evatt K.C.
Hon. J.A. Beasley
Hon. N.J.O. Makin
Senator the Hon. R.V. Keane
Hon. E.J. Holloway
Hon. A.S. Drakeford
Hon. W.J. Scully
Senator the Hon. W.P. Ashley
Hon. J.J. Dedman
Senator the Hon. J.S. Collings
Hon. E. J. Ward
Senator the Hon. J.M. Fraser
Hon. C. W. Frost
Hon. H.P. Lazzarini
Senator the Hon. D. Cameron
Hon. A.A. Calwell

Prime Minister and Minister for Defence
Minister for the Army.
Treasurer; Minister for Post-War Reconstruction to February 2, 1945.
Attorney General and Minister for External Affairs.
Minister for Supply and Shipping to February 2, 1945, thence Vice-President of the Executive Council.
Minister for the Navy and Minister for Munitions; from February 2, 1945, Minister for Aircraft Production.
Minister for Trade and Customs.
Minister for Labour and National Service.
Minister for Air and Minister for Civil Aviation.
Minister for Commerce and Agriculture.
Postmaster General and Vice-President of the Executive Council to February 2, 1945 thence Minister for Supply and Shipping.
Minister for War Organisation of Industry to February 19, 1945; Minister in Charge of Council for Scientific and Industrial Research; from February 2, 1945 Minister for Post-War Reconstruction.
Minister for the Interior.
Minister for Transport and Minister for External Territories.
Minister for Health and Minister for Social Services.
Minister for Repatriation.
Minister for Home Security; from February 2, 1945 Minister for Works.
Minister for Aircraft Production to February 2, 1945 then Postmaster-General.
Minister for Information.

War Cabinet: from September 21, 1943

As for the previous Ministry.
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WILSON, J. S. G.


WINDEYER, R.


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Interview:

On Wednesday 20th September 1967 from 7 p.m. to 10 p.m. I had an interview with Mr. L. C. Haylen former M.H.R. for the Federal seat of Parkes, N.S.W. (1943 to 1963), and Publicity Director of the YES Campaign in the 1944 Referendum.

Correspondence:

(a) Outgoing -


(ii) Letter dated 27-10-67 to Professor L. F. Crisp, School Of General Studies, Australian National University - also seeking information on various events dealt with in the thesis. (6 pp.)

(iii) Letter dated 14-9-67 to Mr. C. Wyndham, Federal Secretary, Australian Labor Party, enquiring whether Federal A.L.P. Caucus minutes have been preserved from the period covered in the thesis, and whether I might gain access to them.

(iv) Letter dated 14-9-67 to the Librarian, National Library Of Australia, Canberra A.C.T., enquiring about material held by the Library relating to the Curtin Labor Government including the papers of Federal Labor Parliamentarians active in this period.

(v) Letter dated 6-10-67 to the Archives Officer, Australian National University Library, Canberra, A.C.T., enquiring about material held by the Library relating to the Curtin Labor Government, including the papers of Federal Labor Parliamentarians and the minutes of various trade unions for this period.

(b) Incoming -

(i) Letter dated 30-10-67 from the Hon. J. J. Dedman containing comment on various questions and propositions raised in the writer's letter of 27-10-67. (5 pp.)

(ii) As the writer's letter to Prof. Crisp was forwarded late in the academic year just prior to the annual examinations when he was occupied with examining honours theses, it was returned on 2-11-67 with a series of helpful comments in the margin on the various issues raised by the writer.

(iii) Letter dated 4-10-67 from Mr. C. Wyndham explaining that one must write direct to the Secretary of the Parliamentary Labor Party, Mr. F. Birrell, M.H.R. to gain Caucus' permission to examine its own minutes. The matter was not pursued by the writer whose main interest, in any event, was in the deliberations of the Cabinet in this period. In this regard, the Hon. J. J. Dedman proved of much assistance.

(iv) Letter dated 27-9-67 from the Librarian, National Library, indicating that certain papers (listed therein) of J. B. Chifley, J. J. Dedman, and E. J. Ward were held, all of
which, except for a few items, were closed. There was also little useful material in this respect in Mitchell Library.

(v) Letter dated 17-10-67 from the Archives Officer, A.N.U. Library informing that papers of Parliamentarians were not held and enclosing lists of trade union records held, (8 pp.) including various minutes covering the period of the thesis. However the material did not appear to warrant further action.