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‘WE WERE DETERMINED TO USE OUR OPPORTUNITIES TO THE FULL’

Page’s Rise to National Prominence

Earle Page had luck, as all politicians need. He entered politics at a formative time that made possible his astonishing rise to national prominence. Rural activism led to the appearance of the Country Party and a reshaping of the party system. Page liked to modestly portray his sudden rise as entirely the result of lucky accidents, but in fact his electoral success in his native Grafton and transformation into a national figure also owed much to his unremitting determination. Strategic leadership of the resurgence of new statism helped Page build a personal network of rural elites associated with this cause, while his closely related advocacy of regionalism and decentralisation became his first distinctive contribution to national political debate.

This all culminated by February 1923 in Page reaching a near ideal position from which to attempt to influence national policy. Suddenly, he was Commonwealth treasurer, de facto deputy prime minister and leader of a party that held almost half the positions in Cabinet. Page was not interested in high office for its own sake. The Bruce–Page Government, as it chose to call itself, took office during a resurgence of national optimism and unhesitatingly accepted responsibility for reinvigorating economic progress. It did not simply resume policies interrupted by the war but sought to rationalise Australian governance so as to provide a more efficient basis for national development. This helped make the 1920s an

era of innovative policies conducive to Page's personal plans for shaping a still formative nation, starting with ambitious attempts to shift the nation towards a comprehensive system of cooperative federalism.

Page's return from war and entry into public life, 1917–19

When Page returned to Australia in June 1917, his personal world was brimming with promise. He had undertaken war service, built a career as a surgeon and was locally prominent for his political activism. New statism, however, was still in a lull in the Grafton area. The war was continuing, a north coast drought had just broken and the state government was showing interest in a major new local project, the Nymboida hydroelectric power scheme. Page soon re-established himself as a prominent local figure. Throughout the remainder of 1917 he wrote for the *Daily Examiner*, delivered public lectures, lobbied MPs and harried newspaper editors, later reflecting in a draft of his memoirs that 'policies must be hammered continually into the minds of the public'.¹ He drew on his travels to produce long and earnest press articles on how hydroelectricity in Canada amounted to 'Lightening the Farmers' Lot'.² Page particularly recalled how the parents of children he had delivered years before still bemoaned the dearth of educational opportunities around Grafton. The parliamentarians he accosted 'seemed to have no thought-out remedy', but Page had no doubt that 'my own ideas of local development and sub-division of the large states and harnessing the water powers of Australia would give those opportunities'.³

Immediately after the war ended, new statism revived in several regions of Australia. This overlapped with the wider rural agitation that was the basis for the most enduring political development of the time, the appearance of the Country Party. The particularly strong revival in northern New South Wales has been attributed to the onset of regional drought in New England and to the state government's failure to provide new rail and port facilities.⁴ Proponents shared a sense of rural marginalisation: a booklet

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1 Quoted in Sally Collier, 'Earle Christmas Grafton Page: A doctor for the nation', *Armidale and District Historical Society Journal*, no. 39, 1996, p. 9.

2 *Daily Examiner*, 23 June 1917, p. 4, and 30 June 1917, p. 4.

3 'Australian Country Party Complimentary Dinner to Sir Earle Page', EPP, folder 2358.

4 Graham, *Formation of the Australian Country Parties*, p. 154.

issued in 1920 as the movement's 'first real text-book' warned that 'where political power is combined with commercial supremacy the danger will always be that the political power may be used to advance the commercial interests of the centre at the expense of the remainder'.⁵

New statism's local appeal and wide network of supporters made it an excellent basis for launching a political career. Proponents collectively provided a milieu in which Page was at home – a preponderance of town-based figures drawn from the professions, the rural press, Chambers of Commerce and local government, along with farmers' and graziers' associations. New statism in the north appears to have had a socially narrower and more elite base than in other parts of New South Wales.⁶ This helped him build a diverse range of influential personal contacts that included the New England-based Thompson, Drummond, and the Tamworth lawyer and MHR for New England over the period 1913–19, P.P. Abbott. Page also began to forge ties with like-minded figures from further afield such as F.B.S. Falkiner, a prominent sheep-breeder from the Riverina who was elected to the House of Representatives in 1913 with FSA sponsorship.

Page's political rise was also propelled by rural protest finally starting to organise itself into an Australia-wide political movement. Rural activism already had a long but sporadic history of 'political experiments', such as post-gold rush land reform leagues and the Victorian-based Kyabram movement's post-Federation demands for smaller government. These were typified by sudden emergence followed by rapid dissipation or merger with urban-based groups. But during the 1910s continuing rural insecurity led to 'a cultural reaction to the dominance of the big coastal cities on the one hand and the pastoralist establishment on the other' that decisively strengthened moves to form rural-based political parties.⁷

5 Northern New State Movement, *Australian Subdivision, Effect on Development, The Case for Northern New South Wales*, Glen Innes, NSW, 1920 (also known as *Australia Subdivided: The First New State*), p. 8; textbook quote by Ulrich Ellis, *New Australian States*, The Endeavour Press, Sydney, 1933, p. 153.

6 See Grant Harman, 'New state agitation in northern New South Wales, 1920–1929', *Journal of the Royal Australian Historical Society*, vol. 63, no. 1, June 1977, pp. 26–39, for an outline of support for new statism in this region; on the social base for northern new statism, see Nancy Blacklow, "'Riverina roused": Representative support for the Riverina New State Movements in the 1920s and 1930s', *Journal of the Royal Australian Historical Society*, vol. 80, no. 3–4, December 1994, pp. 176–94.

7 Graham, *Formation of the Australian Country Parties*, p. 139.

Rural-based protest during the period 1910–20 was being fuelled by such unwelcome government intrusions as compulsory wartime marketing, tariffs and arbitration, and referenda conducted in 1911, 1913 and 1919 that sought unsuccessfully to greatly expand Commonwealth economic powers. The organisational skills necessary for political parties were fostered by rural community entities that ranged from farmers' associations to annual agricultural shows, cooperative companies and masonic lodges.⁸ (Page's membership of the Grafton Freemasons from late 1917 would have added to his range of local contacts.) Wheat farmers were especially prominent in providing early rural political leadership. This reflected the added challenges faced by export-focused producers vulnerable to international price fluctuations and who were often based on small holdings in such drought-prone regions as Victoria's Mallee.⁹

Wheat was also the target of the first comprehensive wartime regulation of a primary industry. A compulsory wheat pool was instituted in 1915 that covered price control and shipping, jointly administered by the Commonwealth and the states. Regulation was later extended to other primary producers, including dairy farmers and graziers. Producers' reactions were mixed, ranging from resentment of government control to finding comfort in centralised purchasing and guaranteed prices. Page later testified that the problem was not the existence of such schemes *per se*, but rather the levels of prices they set for wheat, sugar and butter.¹⁰ These were wartime schemes only; their extension into peacetime would require legislation that needed the collaboration of the states in order to overcome significant constitutional problems. Over time, producer demands came to focus on a direct role in managing state-supported regulation and its post-war continuation. When combined with deeper currents of countrymindedness and small producers' perceptions of exploitation, the broad political outcome was to encourage rural pressure groups to directly enter parliamentary politics.

The first rural political parties were tentative and ill-organised, but significant for their being spread right across the nation. They included the appearance in 1912 of a country faction of the governing Liberal Party in Victoria that challenged the authority of Premier William Watt, and

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8 Ibid., pp. 292–4.

9 Ibid., p. 28.

10 Page, interview by B.D. Graham, 22 February 1956, Bruce Desmond Graham papers, NLA, MS 8471.

a faltering effort in 1913 by the FSA of New South Wales to foster a state country party. The New South Wales FSA and the Queensland Farmers' Union endorsed candidates for the 1913 federal election but the eight elected did not go on to form a distinct party. A stable rural parliamentary party first appeared in Western Australia in 1914 when the local FSA and Country Party won 10 state seats at separate elections that year for the upper and lower houses of state parliament. In Queensland the following year the Queensland Farmers' Union won five seats. In 1915 a similar group also appeared in New South Wales, based on the FSA and calling itself the Progressive Party. The Queensland and New South Wales parties in particular were anti-Labor, but concern to remain independent made all of the early rural parties reluctant to seek portfolios in Liberal ministries. The problem that this raised of how to otherwise wield influence was to be decisively addressed by Page.

The Victorian Farmers' Union (VFU), founded in the Mallee in 1916, rejected alignment with established parties in favour of seeking concessions from them: these parties would become 'putty in the hands of an organisation' said Isaac Hart, one of the VFU's founders. It sought to reform the wheat pool and also attracted support from dairy farmers who resented Commonwealth fixing of butter prices, and from Goulburn Valley irrigation settlers seeking the repeal of barriers to acquiring the freehold of their leases.¹¹ Page, however, showed from the outset little personal or policy empathy with wheat-farming militants. The VFU later became the main power base for several of his parliamentary colleagues and rivals, including Percy Stewart, Thomas Paterson and Albert Dunstan. Stewart in particular made an early impression on Page as 'weather beaten ... a typical wheat farmer, accustomed to the tough conditions of a difficult industry in a hard climate' and who delivered speeches 'ornamented with bitter invective'.¹² Another important early step towards a federal parliamentary Country Party was the formation of the Australian Farmers' Federal Organisation (AFFO) as a national body in 1916. This was an initiative of four major state bodies, the VFU and the FSAs of New South Wales, South Australia and Western Australia, in response to the wartime regulation of primary industry. The AFFO's platform included new states, the first time this issue had been adopted by a national organisation.

11 Graham, *Formation of the Australian Country Parties*, pp. 110–11, 112–13.

12 Page, *Truant Surgeon*, p. 54.

Page's final stepping-stone to parliament was his February 1918 election to the mayoralty of South Grafton by his fellow councillors, attributed by Page's own *Daily Examiner* to the eminence of his family mixed with his advocacy of 'unification' and of local government.¹³ He immediately signalled that his interests were more national than local by placing a long article in the *Daily Examiner* on the 'Case for Unification'. Mayor Page told his constituents that:

the early rapid development of the United States was largely due to the comparatively small size of the subdivisions permitting true local self-government in the widest sense, giving the people a personal knowledge of their public men, and permitting these to have an intimate and intelligent grasp of the whole area they were administering.¹⁴

He built on his August 1917 speech by observing that as the Australian states lacked historical tradition and respective unifying features they were ripe for 'the unification of the whole country', prior to 'the localisation of local powers in small, compact inexpensively governed provinces'.¹⁵ In April 1918, he won statewide attention by using a local dinner in honour of Premier William Holman to attack the state government's lack of commitment to the north coast, drawing cheers from other diners. The district, Page said, needed electricity from the river, proper harbours and better communications with adjacent regions. Compared to the mighty Clarence, many of the streams carrying much of the world's commerce 'were only muddy ditches in comparison'.¹⁶

In his memoirs, Page attributed his decision to run for national parliament to his commitment to the new state cause and local public works, especially 'water development'.¹⁷ Regional patriotism was a strong motivator, but Page recalled that he also wanted to 'introduce the fight throughout the whole of Australian politics' for national subdivision and development.¹⁸ He usually claimed to be acting on his own initiative, but in his June 1956 speech to the dinner marking his retirement from

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13 *Daily Examiner*, 14 February 1918, p. 4.

14 *Daily Examiner*, 16 February 1918, p. 3.

15 Ibid. An example of his statements on hydroelectricity is in the *Glen Innes Examiner* of 7 July 1919, p. 5.

16 *Daily Examiner*, 29 April 1918, p. 3.

17 Page, *Truant Surgeon*, p. 47.

18 Page speech to the Annual Convention of the New England New State Movement, Grafton, 23 October 1961, New England New State Movement, Armidale, UNE Archives, A547, box 33.

the frontbench Page also recalled 'a petition from more than half of the people' as the trigger. In a 1961 speech he added a reference to 'the leader of the movement' (unnamed, but probably Abbott) having pressed him to nominate. Page announced on 8 October 1919 that he would stand as an independent at the forthcoming federal election for the north-eastern New South Wales seat of Cowper, running against the incumbent John Thomson.

Page's long-standing support for a new state and local development provided a ready basis for a campaign that played on local resentments. His own *Daily Examiner* offered unabashed support, assuring electors that Page had 'the ability, means and time to give to his country, and that the interests of the electorate would be safe in his hands'.¹⁹ The more detached *Sydney Morning Herald* assessed Page to be 'a very popular resident' who had Thomson 'caught at a severe disadvantage'.²⁰ Page in campaign mode used his private car to traverse the entire electorate twice, usually speaking in public three times a day, six days a week.²¹ Despite his early return from active service, campaign advertisements featured him in AIF uniform.²² Page maintained a studied independence from established party politics: although 1919 was the first national election to use preferential voting, he did not instruct his supporters on second preferences.²³

Page's keynote speech for the campaign was delivered at Grafton's Theatre Royal on 22 October. It reaffirmed his August 1917 address and was the first prominent instance of a personal trademark – trying to marry the immediate interests of a local audience with his national vision. He ranged from local telephone services and the hydroelectric potential of the Clarence up to nationwide regional self-government, the dangers of state enterprises and the greater good of a more ordered national economy. The people of Grafton were told that their local postal services 'were starved in order that the Melbourne Post Office might be made the finest in the Southern Hemisphere'. Page presented as a committed fiscal conservative, calling what became known as vertical fiscal imbalance – whereby the Commonwealth collected excess revenue that it promptly transferred to the states to spend – 'one of the prime causes of this orgy of extravagance'. He attacked the fundamentals of Australian governance by describing the

19 *Daily Examiner*, 24 September, 1919, p. 4.

20 *Sydney Morning Herald*, 2 December 1919, p. 6.

21 O'Hara, 'The Entry into Public Life of Sir Earle Christmas Grafton Page', pp. 79.

22 Such as in the *Daily Examiner* of 11 October 1919, p. 6.

23 O'Hara, 'The Entry into Public Life of Sir Earle Christmas Grafton Page', p. 83.

'whole Federal system [as] made for wastefulness, as almost everything was duplicated'. A revised Constitution 'would enable national affairs to be controlled by a National Parliament' and shift regional matters to 'local subdivisions of Australia that should be made according to community of interests'. Page foreshadowed his still developing interest in planning by raising the careful use of tariffs 'to establish secondary industries that the primary industries demanded', and so 'make the country self-contained'. He also proposed national insurance, an essentially contributions-based scheme to deal with the deprivations of unemployment, sickness and old age.²⁴

There is a significant omission from Page's 1917 and 1919 speeches. No reference was made to agricultural support schemes of guaranteed prices, produce pools, production quotas or export bounties – often collectively dubbed orderly marketing. These were already issues of debate and are widely regarded as having been the Country Party's *raison d'être*. Page certainly supported such schemes, particularly for the wheat industry. But unlike many of his political colleagues, orderly marketing was not the foremost focus of his policy activism. Part of the reason is that over the period 1918–21 Australian dairy farmers opposed market regulation as having artificially depressed prices. During the 1919 campaign Page, seeking to represent a dairy-producing area, declared himself against 'government interference with the dairying industry, and more especially with the price-fixing of primary products'.²⁵ But more fundamentally, he had frequent misgivings that the widespread subsidisation of industries would include those that were inefficient. Orderly marketing did become important to Page's conception of how the national economy should be managed and to his party's political strategies – he, for example, praised a new Dairy Produce Control Board when it was created in 1924.²⁶ But it was never the dominant feature of a much broader personal world view that saw salvation for primary producers as more likely to be found in regionalism, technology and planning. (Page, incidentally, sometimes used the phrase orderly marketing to instead describe the efficient overseas marketing of Australian goods.)

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²⁴ All quotes in this paragraph are from the *Daily Examiner*, 23 October 1919, p. 3.

²⁵ See Graham, *Formation of the Australian Country Parties*, pp. 151–2; Page quote from *Daily Examiner*, 23 October 1919, p. 3.

²⁶ On Page and the Dairy Produce Control Board, see the Lismore *Northern Star*, 23 October 1924, p. 4.

Page proceeded to win Cowper with over 52 per cent of the primary vote, an impressive result for an independent in a diverse electorate that stretched from his native Clarence Valley southwards to the Manning River and Taree. Thomson received a mere fifth of the primary vote, behind not only Page but also the Labor candidate. Page topped the poll in 15 of Cowper's 16 major population centres and won nearly 60 per cent of the primary vote in its biggest district, Grafton. The only major centre where he failed to top the primary vote was Kempsey in the south, and even there Thomson secured a mere 48 votes more than Page.²⁷ The victorious Page was paraded through the streets of South Grafton and serenaded by an apparently surprise gathering of a local band and schoolchildren.²⁸ Why did Page triumph so readily and proceed to hold this seat as a local power base for the next 42 years?

First, Page had built a very broad personal profile in the Grafton region. During the 1910s he had made his own additions to his family's reputation for conspicuous public service, particularly by serving on South Grafton Council. Although a town-dweller, his medical practice gave him exposure throughout Grafton's extended hinterland. By contrast, the sitting member was, according to Page, rarely sighted in the electorate, not helped by his being ill in hospital for part of the 1919 campaign. Thomson was used to little opposition, having been returned unopposed at the previous two elections. Page strengthened his ties to his electorate and credentials as a man on the land when in 1923 he was part of a syndicate that purchased Heifer Station on the Clarence River, a beef cattle property about 50 kilometres north-west of Grafton. Page bought out the other owners in 1932.²⁹ Ellis later described this property as Page's 'pride of his personal possessions', where 'he returned at every opportunity to renew his energies and his inspiration in close contact with his beloved river'.³⁰

Second, Page had strong ties to the local press. Newspapers were extremely important in rural Australia for providing regular communication across dispersed communities and asserting local identities.³¹ In northern New South Wales they enthusiastically supported the local political movements and new state campaigns with which Page was engaged. Page and his

27 O'Hara, 'The Entry into Public Life of Sir Earle Christmas Grafton Page', pp. 85–6.

28 *Daily Examiner*, 16 December 1919, p. 4.

29 See Jim Page, *The History of Heifer Station*, privately published, no date.

30 Ellis, *A History of the Australian Country Party*, p. 323.

31 Graham, *Formation of the Australian Country Parties*, p. 142. See also Blainey, *Black Kettle and Full Moon*, pp. 104–9.

business colleagues positioned the *Daily Examiner* as an agent for other northern papers. Page wrote of how the *Daily Examiner*, the Lismore *Northern Star*, the Tamworth *Northern Daily Leader* and the Tweed River *Daily* 'developed a uniform policy on decentralisation and became the vehicles for our campaign'.³² In June 1921, he also became an owner of the *Northern Star*, while fellow new staters formed a powerful network by controlling other regional publications. Thompson edited newspapers in Tamworth from 1911, while E.C. Sommerlad edited the *Inverell Argus* and, from May 1918, owned the *Glen Innes Examiner*.

Third, and most fundamentally, Page rode the nationwide and local rise in rural protest politics. In October 1918 a North Coast Development League was formed to promote local public works, notably Page's scheme to dam the Clarence. Page was elected league president, and the following year led a public roadshow along the north coast and then inland to the Tablelands. Ellis later commented that Page would have used such speaking tours to gauge public support for a run at federal parliament.³³ In April 1919 alone, he addressed meetings at Inverell, Glen Innes, Armidale and Tamworth.³⁴ Drummond was impressed when he heard Page speak at Inverell, marking the start of his admiration of Page.³⁵

Page's transformation into a national figure, 1919–23

Page, the nationally unknown new rural MP – intense, well-educated and more 'townie' than farmer – later claimed that he had entered parliament with few personal ambitions. He was supposedly subject to just three years leave of absence agreed to by his medical partners in Grafton. Page later reflected that his three partners 'displayed a touching faith in the speed of parliamentary process whereby I would achieve constitutional

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32 Page, *Truant Surgeon*, p. 42.

33 J.B. O'Hara, 'A doctor in the house: Earle Page 1915–1920', *Armidale and District Historical Society Journal*, no. 14, April 1971, p. 95.

34 John Joseph Farrell, 'Bones for the Growling Dog?: The New State Movements in Northern New South Wales 1915–1930', MA (Hons) thesis, Department of History, University of New England, 1997, p. 30.

35 Jim Belshaw, 'Decentralisation, Development and Decent Government: The Life and Times of David Henry Drummond, 1890–1941', PhD thesis, University of New England, submitted but subsequently put aside by its author; see newenglandhistory.blogspot.com.au/2010/06/decentralisation-development-and-decent.html, Chapter 2, 'Entry into politics 1907–1920'.

reform, carve out some New States, and inspire the development of water conservation and electric power on the Clarence and on other Australian rivers'.³⁶

In his maiden speech he assured the House of Representatives, rather disingenuously, that 'it was almost by accident that I strayed into the by-paths of politics', then proceeded to propose the complete overhaul of the national Constitution and Commonwealth Budget.³⁷ Looking back in 1955, he added that he entered national politics only as he had been unable to get results outside it.³⁸ But there is little doubt that Page had harboured grand ambitions. His obituary in the *Medical Journal of Australia* reported that during the 1910s members of his local community spoke of him as a future prime minister and that early in 1917 Page told his commanding officer he aspired to that office.³⁹ Ellis also thought that Page entered parliament with such hopes of high office, only to find that lesser ministerial rank was sufficient for pursuing the policies that were his primary interest.⁴⁰ As a new MP, Page proceeded to build a public profile far exceeding that of any other rural-based politician. A mere 16 months after being elected, he was a national figure, leading the Country Party and issuing demands to a formidable prime minister.

Page's rise was helped by post-war policy debates. One of these was a revival of popular interest in developmentalism. Proponents saw the young nation as now ready to realise its potential, aided by a keen sense of entitlement for rural Australia. The appeal of such optimism was marked by the reaction to Brady's 1918 *Australia Unlimited*. This illustrated book for the popular market was physically heavy but lightweight in content, yet was reviewed effusively by the press. Brady asserted that Australia's farmlands, 'highly fertile and unlimited in area', were capable of supporting a population of 200 million. Contrary to the obvious, he doubted 'if there are a hundred square miles of true desert within the whole area of the Australian continent'.⁴¹ Boosters such as Brady drew forth articulate critics, including the geographer Thomas Griffith Taylor,

36 Page, *Truant Surgeon*, p. 49.

37 *Commonwealth Parliamentary Debates*, 4 March 1920, p. 194.

38 Page speech on being granted life membership of the Country Party, 24 June 1955, quoted in Collier, 'Earle Christmas Grafton Page: A doctor for the nation', *Armidale and District Historical Society Journal*, p. 5.

39 Bell et al., obituary of Sire Earle Page, pp. 731–4.

40 Ellis, *A History of the Australian Country Party*, p. 328.

41 Brady, *Australia Unlimited*, pp. 37, 57.

the science administrator David Rivett and the pioneer environmentalist James Barrett. Taylor was particularly outspoken about environmental limitations and 'could not resist ridiculing every sacred cow'.⁴² Hostile public and media reactions to such critics reflected how ideas of national development had come to overlap with wider Australian patriotism.

Page's continuing advocacy of unification and new states was aided by his entering parliamentary politics at a time of decisive evolution in Australian federalism. Ongoing sparring between the Commonwealth and the states created a debate for him to join. The Australian nation was still formative, with many basics of national governance highly contestable. In particular, the Commonwealth was seeking to increase its financial and other powers well beyond what the states had agreed to in 1901, encouraged by the war having boosted the role of central government. The Commonwealth takeover of customs and excise in 1901 deprived the former colonies of a quarter to a third of their total revenues. As the Commonwealth initially collected far more than it spent, section 87 of the Constitution – the 'Braddon clause' – required it to return three-quarters of these receipts to the states for the first 10 years after Federation. In 1908 the Deakin Government's *Surplus Revenue Act 1908* provided for the Commonwealth to retain remaining surplus funds rather than automatically also grant these to the states. The growth of national responsibilities imposed stress on these early fiscal arrangements, and in 1910–11 the Commonwealth fixed its payments to the states at 25 shillings per capita. These were provided with no guarantee of longer-term continuation and were eroded by price inflation. In 1915 the Commonwealth's introduction of estate duties and a progressive income tax brought it into direct competition with the states for revenue.

Increased Commonwealth activity elevated one of Page's main passions to the forefront of debate: state–Commonwealth policy cooperation. Although the constitutional debates of the 1890s assumed a clear division between these two main levels of government, it became evident soon after 1901 that they had essentially concurrent powers that necessitated close consultation. The earliest formalised mechanisms for this were post-Federation premiers' conferences, convened by the states rather than the Commonwealth. In 1915 complementary legislation enacted by the Commonwealth, South Australia, New South Wales and Victoria

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42 J.M. Powell, *Griffith Taylor and 'Australia Unlimited'*, pp. 25, 39–40.

created the first significant intergovernmental agency, the River Murray Commission, empowered to regulate use of the river's waters. Despite these early forms of cooperation, 'tension had begun to develop between the legally restricted responsibilities of the federal government, as set out in a specific list of transferred powers, and the need for increased activity suggested by the Commonwealth's growing importance in the overall governance of the country'.⁴³ This was inevitable in a federation that commenced with a small central government but then had to meet the growing needs of a new nation. Increasing Commonwealth assertiveness was exemplified by its convening a premiers' conference on post-war reconstruction in September 1919, just three months before Page was elected to parliament.

The means of constitutional change was also evolving. By 1919 it was widely recognised that High Court judgments generally favouring the Commonwealth were more important than referenda to amend the Constitution or the voluntary surrender of powers by the states. The court rejected a challenge to Deakin's Surplus Revenue Act, and in 1920 the famed Engineers' Case largely removed the concept of implied immunity of the states from Commonwealth law. This amounted to ushering in 'the primacy of the Commonwealth, a primacy which was to develop in the next half-century into dominance'.⁴⁴

Debates on federalism acquired added impetus from high hopes engendered by the end of the war and a related widening of perceptions of the potential of national government. Wartime planning of industry and American-sourced concepts of industrial management encouraged a swing away from laissez-faire policies and towards ideas of efficiency in government and the planning of the economy. Duty-focused, collectivist views of society were promulgated by a bevy of policy thinkers, who although marginal to conventional politics were outspoken in their belief that the nation could be engineered for the better. They included historian and adult educator G.V. Portus, Frederic Eggleston and Elton Mayo, as well as organisations such as the Workers' Educational Association (WEA). The year 1915 saw, for example, publication of the proceedings of a wartime conference on industrial planning as *National Efficiency: A Series of Lectures* by the economist R.F. Irvine and others. In 1919

43 W.G. McMinn, *A Constitutional History of Australia*, Oxford University Press, Melbourne, 1979, pp. 134–5, 192.

44 *Ibid.*, pp. 130, 138.

Portus produced *An Introduction to the Study of Industrial Reconstruction* and *The Problem of Industry in Politics* that enthusiastically cited British exemplars for industrial planning.⁴⁵ Page read widely in search of ideas and supporting arguments, and by the early 1920s he began to show an interest in concepts of national planning and efficiency that later became prominent in the Bruce–Page Government.

For Page, the most significant of these new intellectual figures was F.A. Bland, an associate of Portus who became an increasingly voluble advocate of political decentralisation and efficient public administration. Bland wrote in a 1923 WEA publication of a shift of emphasis from traditional 'negative' government functions of external security and internal order towards more positive functions 'arising out of the social, intellectual, artistic and economic conditions of modern times'. These included education, public health, 'public utility schemes' and 'the fostering and development of economic resources'.⁴⁶ Bland was to become a prominent admirer of many of Page's ideas, especially on planning and related cooperative federalism.

Most fundamentally for Page, he entered parliament when tension and change in the established political parties created openings for the emergence of a national Country Party. Without this, he might indeed have returned to Grafton after just one term. The party system had already begun to assume a recognisably modern form with the 1909 Fusion of the Free Trade and Protectionist Parties to form the first Liberal Party, and the continued rise of the Australian Labor Party (ALP) to form a majority government in 1910. The war had heightened political tensions generally by sharpening social divisions, such as between ex-servicemen and those who stayed at home, Catholics and Protestants, and capital and labour. Post-war, continuing internal tensions weakened the two major parties and left neither well-placed to respond forcefully to growing support for rural candidates.⁴⁷

In the run-up to the 1919 election and after, the main anti-Labor party was beset by continuing difficulties in assimilating discordant elements. Some of this discord arose from the Fusion having brought together two formerly rival parties. But much was attributable to the unexpected

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45 See Moore in Walter, *What Were They Thinking?*, pp. 137–8, 158.

46 F.A. Bland, *Shadows and Realities of Government: An Introduction to the Study of the Organisation of the Administrative Agencies of Government with Special Reference to New South Wales*, Workers' Educational Association of N.S.W., Sydney, 1923, p. 3.

47 Graham, *Formation of the Australian Country Parties*, p. 294.

need to also accommodate ex-ALP leader Hughes. In November 1916 he and his immediate supporters had stormed out of the ALP over the conscription issue. They briefly formed a Cabinet of their own before joining the Liberals in February 1917 to create the Nationalist Party as the basis of a united ministry. The ALP split in every state except Queensland, resulting in the Nationalists easily winning the federal election of May 1917. The advent of peace the following year released tensions in a government that had primarily been unified by the exigencies of the war effort. In December 1919 Hughes's instinctive economic interventionism saw him lead his government into an unsuccessful referendum conducted simultaneously with the federal election that sought greatly increased Commonwealth powers over trade and commerce, trusts, combinations, monopolies and industrial affairs. There was further unease within his own party over its leader's support for state-owned enterprises, such as the Commonwealth Shipping Line and ventures into radio and oil refining. The prime minister was also widely distrusted for his autocratic style. The Hughes problem was to present Page, during his first term in parliament, with a unifying target for his early leadership of the Country Party.

He also gained from perceptions that Hughes was anti-rural. Although Australia's gross domestic product actually diminished by almost 10 per cent between 1914 and 1920, many rural industries did well. Pastoralism was buoyed by British wartime acquisition of wool, and prices for most rural products remained high after peace was declared. But a strong perception that the Nationalist Government increasingly favoured urban over rural interests helped give Page and his political confreres purpose and prominence. All major farmers' organisations other than the VFU supported the Nationalists during the war. This support rapidly dissipated from 1918 as the Hughes Government signalled its intention to extend regulation and protection. Its mid-1918 decision to fix the price of meat sold in metropolitan markets outraged graziers. In March 1919, Commonwealth plans to greatly increase tariffs to shield manufacturers drew the ire of farmers' organisations. Fears that a federal parliamentary rural party would divide the non-Labor vote largely evaporated when the Hughes Government introduced preferential voting after the May 1918 by-election for the seat of Flinders, at which a VFU candidate had threatened to run. (This candidate's withdrawal enabled Stanley Bruce to enter politics by winning this seat.) Farmers' organisations opposed the December 1919 referendum, again with the notable exception of the VFU.⁴⁸

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48 Ibid., pp. 115–16, 118–19.

The main mover in organising such rural unrest into a federal Country Party was the AFFO and its constituent state bodies. Initially, it demanded that the Australian Wheat Board, formerly an object of resentment for wartime management of the wheat pool, be made a permanent body offering secure purchasing. The state organisations convened a series of joint meetings that culminated in the AFFO in August 1919 adopting a new federal platform in good time for the forthcoming federal election. This document effectively marks the start of the early Country Party's characteristic support for both free markets and selected state intervention. It called for tariff reform, rationalisation of federal and state functions and freedom from excessive regulation, but also for producer representation on the various boards and commissions regulating their interests. The AFFO platform also overlapped with Page's sentiments by calling for 're-arrangement of the functions of the Federal and State Governments to enable the Commonwealth effectively to carry out national functions'. But by not incorporating his full national vision on regionalism and electrification it is also evident that Page differed from the emerging mainstream of rural agitation. Nor did the AFFO yet amount to a united nationwide political party: its four member bodies proceeded to issue their own manifestos, albeit each based on the AFFO's platform.⁴⁹

In October the Graziers' Association of New South Wales accepted an invitation from the FSA to declare its support for the new rural-based Progressive Party, helping to broaden it beyond small wheat farmers.⁵⁰ Good showings at by-elections by candidates endorsed by farmers' organisations led them to endorse a total of 27 candidates nationwide at the 1919 election. One of these was Page, who gladly accepted the FSA's apparently unsolicited support as it 'provided the very machinery I sought and appropriate allies should I be elected to parliament', a further indication of his intention to pursue a program of change.⁵¹ This came so late in the campaign that he undoubtedly would still have won without the FSA imprimatur. Many of the other 26 ran as candidates for a state farmers' organisation or as rural-oriented Nationalists. Page was already a convert to the idea of a national Country Party. He later wrote that

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49 Ibid., p. 130; Ellis, *A History of the Australian Country Party*, pp. 47–8. The full text of the platform is reproduced in *The Land*, 29 August 1919, p. 11.

50 Don Aitkin, *The Colonel: A Political Biography of Sir Michael Bruxner*, Australian National University Press, Canberra, 1969, pp. 42–3.

51 Page, *Truant Surgeon*, p. 48. Page here mistakenly refers to endorsement by the AFFO instead, an error he did not make in a 1956 interview with Graham; see Graham, *Formation of the Australian Country Parties*, p. 131.

his opening campaign speech owed much to Falkiner, now running for the Senate, who had called for 'a solid Country Party that will vote as such'.⁵² The term Country Party was already well established, though not yet standard; it was in use in New South Wales as early as 1893.⁵³

The 1919 election produced a strange set of results. They were indicative of the still formative nature of the Australian party system, especially the lack of a clear focus for the rural protest vote. Out of a House of 75 members, the election returned 30 Nationalists, 26 ALP members, 8 'Farmer-Nationals' endorsed by the Nationalists or farmers' organisations, 3 Liberals from South Australia, 5 VFU representatives, 2 members of the Western Australian FSA and 1 independent Nationalist.⁵⁴ This nonetheless amounted to a historic breakthrough for rural political movements at the national level. Page was one of 11 who agreed to a proposal by the member for the Victorian electorate of Grampians, Edmund Jowett, to meet. At their first meeting, on 22 January 1920 in Parliament House, Melbourne, they unanimously resolved 'that this party shall be known as the Australian Country Party, and shall act independently of all other political organisations'.⁵⁵

All of the 11 had gone to the election without the backing of a dedicated party structure or platform other than what was provided by a farmers' organisation. They had few agreed policies beyond generalities concerning support for rural Australia, cutting taxes and opposing socialism. Yet the press reported that the new Country Party expected 'to be able to exert a considerable influence on the Government's actions, especially in such matters as the proper exercise of economy in public expenditure'.⁵⁶ Although six of the 11 had some parliamentary experience, Page recalled them as 'untried cohorts' who were 'fortified by our political innocence and backed by an indestructible optimism'.⁵⁷ His colleagues were: three VFU members, W.G. Gibson, W.C. Hill and Stewart; a Victorian grazier, Jowett; a Victorian dairy farmer, Robert Cook; a Tasmanian newspaper proprietor, William McWilliams; a Western Australian parliamentarian, Harry Gregory; a wheat farmer and former mayor of Perth, John Henry Prowse; a Queensland pastoralist and parliamentarian, Arnold Wienholt;

52 Page, *Truant Surgeon*, p. 69.

53 Graham, *Formation of the Australian Country Parties*, p. 57.

54 *Ibid.*, p. 132.

55 Melbourne *Argus*, 23 January 1920, p. 6.

56 Melbourne *Age*, 23 January 1920, p. 7.

57 Page, *Truant Surgeon*, p. 61.

and a New South Wales dairy farmer and pastoralist, Alexander Hay. The only state not represented was South Australia. Page had a near fully national parliamentary network to work with.

Contrary to what is widely assumed today, Page was not their first leader. McWilliams, one of only two with appreciably long parliamentary experience, was chosen to lead on a one-year trial basis with Jowett as his deputy. Page became party secretary and whip. At a meeting in Melbourne in February 1920 the AFFO formally approved the new party styling itself as the Australian Country Party. This federal example encouraged the appearance of state counterparts. By the end of 1920 avowedly rural parties had been established in every state except Tasmania, and those in Victoria and in New South Wales had been consolidated by good showings in state elections. AFFO delegates and Country Party federal parliamentarians met in Sydney in March 1921 where they adopted a platform more reminiscent of Page's own national agenda. This provided for constitutional reform via a convention, subdivision of the states, decentralisation, planned marketing by producers and consumers, and the 'scientific investigation, complete survey and tabulation of the resources' of the nation.⁵⁸ But the AFFO still soon became more preoccupied with more conventional issues. Its June 1922 conference focused on new markets for wheat, representation on the Tariff Board, dairy and sugar prices, non-European labour, taxation reform and duty on sulphur.⁵⁹

McWilliams lost the party leadership in April 1921. Page attributed this to the leader's 'increasing tendency to vote against the majority' and added that his own ascension was entirely at the behest of his parliamentary colleagues. He even claimed to have been the only party room member not to vote for a Page leadership.⁶⁰ An important factor in his rise within the Country Party was the fluidity of its policies and strategies. The early rural parties – the Progressive Party in New South Wales, the VFU, the federal Country Party and others – were each united only by their generalised fear of rural decline. They attracted and accommodated rural interests ranging from small wheat farmers to town-based professionals and large-scale graziers, all with differing expectations of the new party. Graham described the rural political movement of 1914–19 as characterised by

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58 Ellis, *A History of the Australian Country Party*, pp. 69–70.

59 *The Land*, 23 June 1922, p. 11.

60 Page, *Truant Surgeon*, p. 66.

'sudden changes of direction, muddled strategies, and confused aims'.⁶¹ The historian W.K. Hancock, in his classic and influential *Australia*, saw the Country Party of the 1920s as 'a coalition of diverse interests'.⁶² Supporters espoused causes as varied as new states and soldier settlement, and were divided on orderly marketing and free trade.

Such a formative new party provided just the sort of inclusive political and policy environment that could accommodate Earle Page. So singular a figure would not have been as nearly as successful within a more established party, whether the Nationalists or the ALP. Page also had the advantage of not being identified with any one rural class or producer group, an important element in sustaining his leadership. He was quite distinct from the rural radicals associated with small wheat farming, notably the outspoken and inflexible Stewart, and from wealthier pastoralists such as Jowett. Working day-to-day as an equal partner in a wider movement was not Page's instinctive preference: this was to become evident in his engagement with fellow new staters during the early 1920s.

A string of issues with wide rural appeal helped the Country Party consolidate itself under Page's leadership. In July 1921 the government finally approved the Massy-Greene tariff, named for the Minister for Trade and Customs. This established a broad and high tariff structure as a basis for manufacturing-led development, and was consolidated over the next few years by the Tariff Board's responsiveness to appeals from individual manufacturers for protection. Manufacturing accordingly increased its share of gross domestic product from about 13 per cent to 18 per cent between 1920 and 1931. This marked shift in development policy away from rural industries amounted to a major provocation of country interests. They saw tariffs as affirming the urban bias of the Hughes Government by imposing costs on such capital equipment as reapers, binders and wire.

The new tariff, continuing debates over decontrolling wheat, wool and dairy production, and demands for rural credit for farmers as prices started falling from late 1921 all gave the nascent Country Party a firmer sense of purpose. (Hughes announced in April 1921 that wheat pooling would end – but following some complicated political manoeuvres agreed to

61 Graham, *Formation of the Australian Country Parties*, p. 96.

62 W.K. Hancock, *Australia*, Jacaranda Press, Brisbane, 1961 (first published 1930), pp. 200–1.

guarantee voluntary pools formed by the states.) There was also a widely shared belief that parliament had lost control of government expenditure, with the result that high taxation was constricting industry. In a speech to the VFU in Ballarat in September 1922, Page won headlines and coined a resonating phrase by likening the Hughes Government to a burglar and sternly demanding that it 'drop the loot'.⁶³ The issues that featured in Page's election policy speech of the following month, his first as party leader, mark the growing breadth of his party's interests. They included decentralisation, government expenditure (we are 'the watchdog of the public interest, and a break on waste', said Page), public debt, arbitration, tariffs, rural credits, constitutional reform and the future of wartime marketing arrangements. 'Australia', he said, 'has reached the period in her history where her greatest need is sound government upon an organised plan'.⁶⁴

Another major factor in Page's success is that turbulent relations with the Hughes Government earned him national attention. The early Country Party saw itself as honourable and apolitical – quite unlike how it perceived Prime Minister Hughes. It took pride in its undisciplined, slightly chaotic ways. Consider the following statement by Page soon after he became party leader:

The Country Party is essentially a party distinct from any other, and decides to remain so, because it is suspicious of the influences behind the other parties. It has its own organisation, its own offices, its own party rooms; but has not a signed party discipline that compels its representatives to vote for principles they disapprove of simply because another party or the Government advocates them. It supports good government and good legislation. It does not seek office, but it will not refuse to take the responsibility for its actions if called upon to do so.⁶⁵

Page as party leader at once launched attacks on Hughes. He benefited from the prime minister's instinctive habit of publicly counterattacking, recalling that 'within six months his attitude had made me one of the best-known members of the House and recognised throughout Australia almost as readily as himself'.⁶⁶ Page's 1922 election speech assailed the prime

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63 Page, *Truant Surgeon*, p. 84.

64 *Sydney Morning Herald*, 27 October 1922, p. 9. Page explained in his memoirs that rural credits were foremost to assist farmers when their sales are spread over a long period; see *Truant Surgeon*, p. 119.

65 *Sydney Sun*, 17 April 1921, p. 5.

66 Page, *Truant Surgeon*, p. 57.

minister as a breaker of promises with a 'total disregard of the financial position of the country' and made veiled references to the ex-Laborite who must surely be behind the creeping socialism and extravagance enveloping the nation.⁶⁷

The political uncertainty of the time made the stance of Page and his party a matter of national significance. Following the 1919 election, the Hughes Government did not quite hold a secure majority in the House of Representatives. With the support of four 'Farmer-Nationalists', as Page called them, the new Country Party held the balance of power between the Nationalists and the ALP, a position he found 'both exhilarating and sobering'.⁶⁸ The Country Party's search for a political strategy at first appeared to be a choice between a coalition with the Nationalists or preserving its independence by instead freely bargaining for concessions from either larger party. It settled on trying to influence the government without bringing it down, Labor being a worse alternative. But mixed messages that gave the strong impression of unpredictability enhanced the Country Party's influence. Page publicly refused to grant Hughes immunity from a vote of no confidence and even pointedly declined to provide any guarantees when the prime minister went abroad on official business.

Uncertainty was heightened by the Country Party's unpreparedness to vote solidly in the House. A motion on 19 October 1921 to reduce the size of the 1921–22 Budget came within a single vote of defeating the government. Hughes was saved by Alexander Hay deciding not to vote with his Country Party colleagues as he feared a Labor government would result. It is a measure of the Country Party's still formative political skills that most of its MPs did not share Hay's realisation that they were effectively moving a censure motion.⁶⁹ It also appears that the dissident Tasmanian Nationalist MP George Bell accidentally missed the Division in the House as he happened to be visiting the Senate at the time: Page suspected he had been literally led astray by his party colleagues.

Finally, the hyperactive Page established a widely recognised persona with a special strategic place of his own. Unpredictable as the new Country Party was, most of its MPs' contributions in parliament were limited to

67 *Sydney Morning Herald*, 27 October 1922, p. 9.

68 Page, *Truant Surgeon*, p. 62.

69 See Hay's own account in the *Sydney Morning Herald*, 8 December 1922, p. 12.

workaday matters. Amid prosaic debates on returned servicemen, tariffs, expenditure on a new capital city and public service salaries, Page had an unusually broad and clear sense of direction. Page's speeches read well in Hansard and helped make him the effective leader of debate on many national issues. His speech to the House of 7 April 1921 in response to the Massy-Greene tariff is a fine example of his pushing discussion in new directions. He only briefly addressed the agricultural marketing issues then preoccupying most of his colleagues, saying more about amenities in the countryside that would aid decentralisation, targeted tariffs to support selected industries, 'thoroughly comprehensive power schemes throughout the Continent', railway freight rates that were constricting industry in country towns, the 'degeneration and ill-health' of city dwellers, greater constitutional powers for the Commonwealth and 'subdividing the present big states'.⁷⁰ Although cautiously worded by Page to match his status as the new leader of his party, this speech is highly reminiscent of the expansive national vision of August 1917.

Regionalism and decentralisation: The basis of Page's vision

During this first term in parliament, Page expressed his policy persona foremost through his commitment to regionalism and decentralisation. The shift of industry and population away from big cities, and the related regionalisation of government structures, remained his most fundamental policy goals after he had been elevated to the Country Party leadership. This was far more than an incarnation of the yeomanry—closer settlement ideal that already had a long history in Australia. Summarising his case for new states in 1924, Page said that the 'higher civic spirit' arising from giving people 'complete power of controlling their own local development' would 'provide opportunities for the mobilisation of the local knowledge of local resources which do not exist under the present large states of Australia'.⁷¹ He stressed that this should not merely be an extension of existing local government, but rather the 'creation of a new self-governing administration' not beholden to a distant capital city.⁷²

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70 *Commonwealth Parliamentary Debates*, 7 April 1921, pp. 7282, 7284.

71 Page's evidence to the Cohen Royal Commission published in Earl Page, *The New State in Northern New South Wales, Resources, Finance, Government: Statement of the Case*, Northern New State Movement, Tamworth, 1924, p. 2.

72 *Ibid.*, p. 26.

In presenting decentralisation and regionalism so ideally, Page was undoubtedly projecting his personal memories of the Grafton community onto the entire nation. On new states, as on almost any given issue, Page had broader goals than most of his peers. He treated each proposed new state, including northern New South Wales, as a possible step towards a nationwide network of self-governing bodies. Most new staters were reacting to a specific local grievance and so sought a simple two-way breakup of their state to create a single new entity, such as a New England or a North Queensland. Page signalled his preference for considerably smaller and multiple entities by his pointed use of such terms as 'federal units', 'local subdivisions', 'provinces' or 'small self-governing areas', rather than new states.⁷³ He also laced his statements on regionalism with populist references to how these new entities would relieve the 'grossest extravagance both in national and State affairs', such as through leaner local legislatures.⁷⁴ Page's regionalist and decentralist vision animated much else that he pressed for as a new parliamentarian, including hydroelectricity and constitutional reform.

Page was also an early advocate of a link between decentralisation and the provision of the social amenities and infrastructure needed to sustain rural populations. He used his fresh memories of country doctoring in arguing that the difficulty of retaining settlers on the land was as much due to lack of basic facilities as to the failure to pay a fair price for their produce. In his first term in parliament, he portrayed railways as much as hydroelectricity as his favoured means of easing 'the monotony and drudgery of country life', drawing on his observations in North America.⁷⁵ Even after telephones were installed in his South Grafton practice, it remained torturously difficult to contact patients in outlying areas. In one case, it took two days for word to reach him by horse and buggy of a critically ill patient in the Guy Fawkes district 130 kilometres from Grafton and the same amount of time for Page to arrive, by which time she was dead.⁷⁶

Unusually among federal parliamentarians of his time, Page welcomed plans for Canberra. He interpreted the new national capital as a model for decentralisation based on small cities.⁷⁷ Conversely, he saw centralisation

73 See for example Page's August 1917 speech, p. 3, his article in the *Daily Examiner* of 16 February 1918, p. 3, and his 1919 election speech as reported in the *Daily Examiner* of 23 October 1919, p. 3.

74 *Daily Examiner*, 23 October 1919, p. 3.

75 *Commonwealth Parliamentary Debates*, 19 November 1920, p. 6760.

76 Page, *Truant Surgeon*, p. 31.

77 See for example an untitled typed note at EPP, folder 1624, undated but appears to be pre-1927; also Page's comments about Canberra's founding in *Truant Surgeon*, Chapter 18.

in big cities as the root of much evil and was prepared to state this bluntly, if a little wordily at times. E.C. Mumford, secretary of the Taxpayers' Association of New South Wales, must have been taken aback by a Page letter of February 1921 informing him that:

your Association will never get anywhere except it starts at the root of the problem, and the fundamental difference which has caused Australian development to lead to the possession of a series of states in which the capital is practically one-half of the total, is due, in my opinion, to the operation, first, of the unwieldy size of the states, which contributes most largely to the development of the professional politician, and the embarkation into government enterprises which gives to that politician enormous and uncontrolled patronage at his disposal.⁷⁸

This all amounted to a remarkable personal vision of Australian governance cast in spatial terms to achieve social and economic ends. There are three intertwined specific themes here: decentralisation, nationwide regionalisation of governance and creation of new states. Although the first two are the more fundamental, with new states essentially Page's means to them, new statism was his second most important political platform during his early years in parliament, after the Country Party itself. It was also vitally helpful to the early Country Party that, lacking its own strong formal organisation, drew upon new statism and related rural-based civic movements.

From a twenty-first-century perspective, the new state cause may seem outlandish. Yet in the early 1920s, it was a very serious issue indeed, supported by a powerful mix of intellectual and popular support. V.C. Thompson's *New State Magazine* ran maps of the nation divided into an array of new states and territories, and cartoons portrayed each big Australian city as an insatiably greedy top-hatted toff, perhaps influenced by Labor Party iconography. Advocates drew on long-standing resentment of the urban concentration of public works and social services. Persistent demand for new states was 'practically unique' to Australia due to the internal diversity of the larger states and the continuing sharpness of contrast between a few big cities and a sparsely settled countryside.⁷⁹ Also, Australia's system of government has long accorded only a minor role to local councils as against that of the metropolitan-based state governments.

78 Page to Mumford, 24 February 1921, Earle Page papers, UNE Archives, A180, box 1, folder 1.

79 R.S. Parker, 'Why new states?', in R.S. Parker, J. Macdonald Holmes, J.P. Belshaw and H.V. Evatt, *New States for Australia*, Australian Institute of Political Science, Sydney, 1955, p. 8; see also R.G. Neale, 'New States Movement', *Australian Quarterly*, vol. 22, no. 3, September 1950.

CANTANKEROUS OLD GENT: What, you want to set up in business on your own account? You'll make a mess of it, my boy!

DETERMINED YOUNG CHAP: I'll risk that. At anyrate I shan't have your finger in all my affairs.

Figure 6: Sydney and the North, *New State Magazine*, June 1923.

Source: Cartoon by J.C. Banks.

Most accounts of new state movements portray them as products of commonplace resentments about government resources. This does not do justice to the deeper reasoning of thinkers like Page. Since Page saw new states as steps towards Australia-wide regionalism, he encouraged advocates to campaign as a united movement working to a national agenda. 'The new state movement is not a local movement', he insisted

in June 1924.⁸⁰ Supporters of a national approach were usually policy-oriented intellectuals such as Bland and the barrister and constitutional lawyer John Latham. New statism was also a major basis of early challenges to the fundamental wisdom of the Constitution of the still young Commonwealth.

There was considerable variation in the strength of specific new state movements. When Page entered public life, the best organised was that in his native northern New South Wales. It remained so over the next several decades, partly due to the strategic leadership he provided. (It was often called the New England movement, although it included the north coastal region.) Similar movements persisted, to varying degrees, in the Riverina, the Monaro, western New South Wales, and central and northern Queensland. New statism was weaker in the more compact Victoria and Tasmania, and in South Australia and Western Australia it was constrained by the paucity of population outside the capital cities. Exceptions were short-lived movements on the Western Australian goldfields in the 1890s and later in the same state's south-west.

Decentralisation, regionalisation and new statism together form a long, complex story that waxed and waned throughout Page's career. While a true believer, he nevertheless suspended his new state campaigning whenever he needed to instead give priority to the Country Party's coalition with its urban-based partner. But his personal commitment never dissipated, signalled by the alacrity with which he would seize an opportunity when success appeared feasible. After the Great War, there emerged two main schools of thought on reorganising governance to implement regionalism. One proposed a unitary system under which all sovereign power would lie with a national government that delegated authority to regional governmental units at its own pleasure. But true new state advocates invariably favoured a genuine federal system in which sovereign regional entities were guaranteed a high degree of autonomy. They were very conscious of the distinction between *regionalism* that enabled local political control, and a nominal *regionalisation* based on a top-down system that merely delegated to regions. Page agreed that it was critically important that regions have sufficient authority to guide their own development.

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80 Dubbo *Western Age*, 27 June 1924, p. 2.

Page welcomed support for his cause from whatever source, including from across the party divide. The ALP rivalled the early Country Party in perceiving deficiencies in Australian federalism, but with the fundamental difference of proposing a national government fully empowered to implement the ALP's wider program. From 1918 the replacement of state governments with regional authorities beholden to the Commonwealth featured at ALP conferences. In 1920 the ALP issued a pamphlet dividing Australia (with Papua–New Guinea) into 31 provincial legislatures, all entirely dependent on the national government for revenue.⁸¹ Labor support was thus of limited use to most bona fide new staters. Yet Page managed both to condemn the ALP proposals as supporting unification of the wrong sort and to welcome them as an affirmation of his own views. In a November 1920 letter to the *Daily Examiner*, he cast them as evidence of 'a widespread awakening to the necessity shown by our new state propaganda of alterations of the present state boundaries'.⁸²

Page's regionalism and decentralisation raised obvious tensions that detracted from his effectiveness as an advocate. Foremost was his continued insistence on a strong central government and consequent difficulty in defining a suitable balance with his autonomous federal units. In his maiden speech to parliament in March 1920, Page proposed the Commonwealth's 'complete control of all national activities', only to be queried by a Labor interjector as to why he did not support outright unification.⁸³ For decades, Page's stance has understandably puzzled scholars. In 1950, R.G. Neale miscast him as being close to the ALP's stance on a strong central government that delegated to regions.⁸⁴ In 2005, A.J. Brown commented that the August 1917 speech illustrated 'the mysterious way in which Earle Page held to both unification and new states as a goal'.⁸⁵

Characteristically, Page was not overly troubled by this evident contradiction. A strong central government suited his deep-seated inclination to impose his own agenda. Page's attempts to resolve this were only stated in the broadest of terms. In October 1923 he spoke to a new state convention in Rockhampton of a national government that

81 Ellis, *New Australian States*, pp. 140–2; *New State Magazine*, August 1921, pp. 4–5.

82 *Daily Examiner*, 8 November 1920, p. 3. (This page is missing from Trove but a copy of the letter is in the Earle Page papers, UNE Archives, A180, box 1, folder 1.)

83 *Commonwealth Parliamentary Debates*, 4 March 1920, pp. 195, 196.

84 Neale, 'New States Movement', pp. 22–3.

85 A.J. Brown, 'The constitution we were meant to have', p. 52.

was 'able to plan, but will not be able to execute the details of the plan', and by concentrating purely on 'high policy' would leave 'the spade work of development and settlement' to 'local self-governing authorities'.⁸⁶ Whether Earle Page – schemer, planner, driver – would in practice have sat back in a national government to give local authorities such freedom remains decidedly doubtful.

Demands for new states recurred over decades, suggesting a long-term underpinning of regional and community sentiment that intellectual activists like Page, Drummond, Thompson and Ellis could draw on. Even if new states were always improbable, the considerable emotional energy they generated reflected some deep-seated perennials of Australian life – rural protest based on a keen sense of equality in entitlement, awareness of the burden of geographic isolation, local patriotism, and ready assumptions about a nexus between government and economic development. This all gave Page a receptive platform outside the political mainstream for most of his career. But he was to face a major challenge in his attempts during the 1920s and early 1930s to unite inherently localised new state activism into a nationwide force capable of establishing his federal units across Australia. Even Page, with his unique standing among new state activists as a major national figure, would remain strongly identified with the north-east of New South Wales.

Page's national leadership of new statism: His rallying cause 1920–23

The early 1920s were the heyday of new statism. This provided Page, as a rising new MP, with a ready rallying point for attempting to instil his spatial concepts of regionalism and decentralisation into national policy. The issue passed through two distinct stages: a strong revival in 1920–23 associated with the emergence of the Country Party, but then unexpected failure before the 1924–25 Cohen Royal Commission into new states that was convened by the New South Wales Government. Against a background of continuing anxiety about accelerating urbanisation – the Australian metropolitan population grew by over 37 per cent between

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86 Earle Page, *New States: Why They Are Necessary in Australia* – Speech by Dr Earle Page, delivered at the New State Convention, Rockhampton, October 1923, Northern New South Wales New State Movement, Tamworth, 1923, p. 3.

1921 and 1933, the rural by 20 per cent and the urban provincial by a mere 8 per cent – energetic new proponents vied among themselves and with Page for attention.⁸⁷

Northern New South Wales became the nation's driver of new statism. Although the movement claimed to be non-political, it was strongly linked to the upper echelons of the Country Party for all to see. In addition to Page, prominent supporters included Drummond (a Progressive and Country Party MLA 1920–49, and MHR for New England 1949–63), Michael Bruxner (a Progressive and Country Party MLA 1920–62, and state party leader 1922–25 and 1932–58), P.P. Abbott (Country Party MHR for New England 1913–19, and a Senator 1925–29), Thompson (Country Party MHR for New England 1922–40) and Sommerlad (a Country Party MLC 1932–52). Thompson's organisational contribution shifted the movement's hub to his home town of Tamworth. In January 1920 he published a series of newspaper articles on new states that later appeared as a booklet with a foreword by Page.⁸⁸ In March 1920 a New State Press League was established at a local newspaper conference at Glen Innes that Thompson organised.⁸⁹ Two months later, over 5,000 people attended the inauguration of the campaign in Tamworth called by the local council.⁹⁰ At Glen Innes in August, the Tamworth and Inverell New State leagues formed a united Northern New State Movement, with Abbott as president and Thompson as general secretary.⁹¹ Thompson took temporary leave from editing the *Northern Daily Leader* to devote himself full time to the cause and to personally produce *New State Magazine*.

This all proved more durable than the short-lived 1915 Grafton-based movement. New statism now had the dedicated Thompson active on the ground and the firm support of the local press, encompassing a larger, more viable region. Perhaps, too, it was propelled by the release of aspirations bottled up by the immense distraction of war. Page spoke later of his entering parliament at a crucial 'psychological moment to get

87 Heather Radi, '1920–29', in Frank Crowley (ed.), *A New History of Australia*, William Heinemann Australia, Melbourne, 1974, p. 359.

88 The booklet was Victor C. Thompson, *The New State, Embracing Northern New South Wales: A Series of Articles Published in the Daily Observer, Tamworth, and Addenda*, Daily Observer, Tamworth, 1920.

89 Ellis, *New Australian States*, pp. 152–3.

90 *Sydney Morning Herald*, 27 May 1920, p. 10; Harman, 'New State agitation in northern New South Wales', p. 30.

91 Ellis, *New Australian States*, p. 153.

results' when 'the First World War was just over'.⁹² As major causes for the early Country Party, new statism and decentralisation briefly provided him with a more comfortable fit with his party peers than at any other stage of his career.

Page provided new statism with strategic leadership. *New State Magazine*, to which Page contributed the foreword to the inaugural issue, records how he tried to rally the new state faithful across the nation. He addressed the May 1921 meeting of the Riverina movement and travelled on to Western Australia twice that same year where he spoke to the Great Southern New State League in Albany.⁹³ He was not alone in this nationwide proselytising – Thompson accompanied him to Queensland, Drummond went to the Riverina and Bruxner travelled to Western Australia – but Page held a unique status as leader of the federal Country Party. New statism also enlivened Page's public jousting with the prime minister. Unable to get the existing states to act, Page and other activists turned to trying to amend section 124 of the Constitution to shift the decisive say on new states from state parliaments to local referendums. Over 1920–22 the parliamentary Country Party called repeatedly for a constitutional convention as a prelude to a referendum on this at the 1922 election. Page wanted every state divided into four electorates that would each provide three convention delegates, thereby producing a northern New South Wales delegation.⁹⁴

Prime Minister Hughes promised action, then dallied. In November 1921 his government introduced a Bill for the election of convention delegates from House of Representatives seats, but withdrew this following strong and varying objections from MPs of all three major parties. During a May 1922 visit to Grafton, Hughes flickeringly raised hopes by commenting that 'if by a New State you mean the opportunity of helping yourselves I am with you to the end'. The visit was cut short when Hughes, 'proud of his horsemanship', asked Page to help provide him with a mount, only to break a collarbone when his horse reared and to find himself as Dr Page's patient.⁹⁵ Hughes almost immediately denied that his comments meant he supported a new state. Two months later, he concluded that the

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92 'Australian Country Party Complimentary Dinner to Sir Earle Page', EPP, folder 2358.

93 *New State Magazine*, July 1921, p. 17, and August 1921, p. 27.

94 Ellis, *New Australian States*, p. 162.

95 Page, *Truant Surgeon*, pp. 74–5.

Commonwealth could not act ahead of state government support. This reversal contributed decisively to Page's determination following the 1922 election to remove Hughes from office.

The new state movement benefited greatly from the growing public reputation of the new member for Cowper. Although Thompson remained prime organiser, he never matched Page as a strategist or for prominence. This became central to public perceptions of Page. Newspapers in April 1920 wrote of him as 'the possible future Prime Minister of Pacifica', formed out of the New South Wales north.⁹⁶ Hancock called Page 'the apostle' of the new state movement.⁹⁷ Other major political figures who engaged with new statism were dabblers by comparison. Premier Ted Theodore of Queensland, for example, proposed in 1922 the creation of new states but only after unification had been achieved, in line with ALP policy.⁹⁸ There was a parliamentary consensus in Queensland that the state was too big, but less agreement on how to rectify this. A few prominent non-parliamentary figures, such as the Anglican Bishop Radford of Goulburn, approached Page's breadth of vision, but lacked his persistence and national profile. There are hints of tension over Page's prominence, such as a short but sharp reference in *New State Magazine* to his not being part of the movement's rank and file.⁹⁹ Thompson publicly attributed the formation of the Northern New State Movement to the efforts of his newspaper, and pointedly referred to Page as instead covering the federal parliament.¹⁰⁰ Page preferred proselytising and high-level political manoeuvring to the tedious detail of organising and fundraising.

Page's strategy included an ambitious attempt to organise a national new state movement. This was first seriously signalled at the April 1921 convention of the Northern New South Wales Movement at Armidale, which also attracted delegates from as far as central Queensland and Albany in Western Australia.¹⁰¹ Page took a leading role at the important All-Australia Conference on new states held at Albury in July 1922. This was the first time that new state enthusiasts had met on an expressly national basis, and it was used by Page to endorse a broad strategy. Delegates came from northern New South Wales, the Riverina, Queensland and

96 Such as the *Kyogle Examiner*, 28 April 1920, p. 4.

97 Hancock, *Australia*, p. 201.

98 Ellis, *New Australian States*, p. 172.

99 *New State Magazine*, August 1921, p. 30.

100 Thompson, *The New State*, pp. 48–50.

101 Ellis, *New Australian States*, pp. 154–5.

the Western Australian goldfields. Attendance also reflected intellectual interest in decentralisation by including the Decentralisation League of Victoria; the Australian Legion, a Melbourne-based body that endorsed the Country Party and counted Latham as a member; and the Sydney-based Australian New States League.

Page led the convention's discussions on strategy. As a constitutional convention now seemed doubtful, he suggested that all new state organisations could bring the issue before their respective state parliaments so as to test the possibility of success under section 124. The anticipated negative results would help clear the way for seeking a referendum to shift the basis of approval to local votes.¹⁰² But Page was not in full control of proceedings. His proposal that a preliminary convention of 'skilled technical advisers' produce tabulated data prior to any constitutional convention was defeated, presumably for fear of delegates being effectively sidelined. (A heavy reliance on data was a feature of much of Page's new state proselytising.) The conference instead appointed Page as president of the 10-member executive of a new All-Australian New States movement.¹⁰³ This body seems to have done little beyond proposing new state boundaries and making overtures to the ALP, but the Albury convention did help spark debate that led to the only occasion that the New South Wales Parliament endorsed a new state. In September 1922 it agreed to a motion moved by Bruxner supporting a northern new state but only after the Nationalist Secretary for Mines and Forests, F.A. Chaffey, a new state sympathiser from the north, had this amended to focus on the federal government and the still hoped-for constitutional convention.

The wider Northern New South Wales Movement attached greater importance than did Page to building what Thompson dubbed 'a people's movement'.¹⁰⁴ It circulated petitions, organised public meetings and tried to build a hierarchical structure around a central executive, district councils and local leagues.¹⁰⁵ By October 1921, 197 local leagues had been created.¹⁰⁶ But popular support fluctuated with specific local grievances. Protest such as over the lack of a Tablelands to north coast

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102 *New State Magazine*, September 1922, p. 4.

103 *Ibid.*, pp. 5–7; see also Harman, 'New State agitation in northern New South Wales', p. 32; *Adelaide Register*, 11 June 1923, p. 11.

104 *New State Magazine*, November 1921, p. 16.

105 V.C. Thompson, 'Why I think the New State Movement is a winner', *New State Magazine*, July 1921, pp. 4–5.

106 Farrell, 'Bones for the Growling Dog?', p. 134.

railway provided too narrow a base to sustain interest. In 1921 a petition expected to gather about 200,000 signatures instead managed an estimated 30–40,000. According to William Green, a former mayor of Tamworth who had dropped out of the new state movement, a 1922 appeal to raise £25,000 for a fighting fund generated less than £500. The number of local leagues had dwindled to 12 by March 1923, probably as they had long since served their immediate purpose of electing delegates to the 1921 Armidale convention.¹⁰⁷

Page creates a power base: Forging the coalition with the Nationalists

The 1923 creation of a coalition between the Country Party and the ruling Nationalists elevated Page to the forefront of government and raised his hopes of reordering the nation. Page's decisive role in creating this lasting feature of Australian politics, by itself, secures for him an important place in political history. It also earned him a unique standing within the Country Party by identifying him with a political strategy that helped ensure its long-term survival.

Page sensed early an opportunity to benefit from Nationalist Party disunity. He signalled to its growing anti-Hughes element the possibility of a mutually productive alliance. In mid-1922 he spoke of how the Nationalists' 'more sober element was getting very tired of the thinly disguised socialism and the theatrical posturing and extravagance of the Prime Minister'. Hence 'the Country Party must with the assistance of some party whose ideals were framed on the same lines, get into power, otherwise the Commonwealth Parliament would decay and would not rise to its destiny'.¹⁰⁸

Although Page was central to the creation of a coalition at the national level, he was more chief proponent than originator of this strategy. There was a precedent at the Commonwealth level in the form of the Reid–McLean Government of 1904–5 that shared out portfolios between Free Traders led by George Reid and conservative Protectionists led by Allan McLean. The Western Australian Country Party joined an anti-Labor

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¹⁰⁷ Ibid., pp. 117–18, 134, 158.

¹⁰⁸ *Townsville Daily Bulletin*, 26 May 1922, p. 4; *Melbourne Argus*, 15 June 1922, p. 9.

coalition as early as June 1917. Federally, Hughes suggested a coalition in November 1921 in the wake of the parliamentary vote on the Budget that nearly toppled him, part of a wider offer that also proposed massive cuts to Commonwealth expenditure. In September 1922 the president of the Western Australian Primary Producers' Association (formerly the FSA), Alex Monger, became the first Country Party leader to propose specific terms for the Country Party's willingness to continue the state coalition it had joined in June 1917. This included demands that Country Party representation in Cabinet be proportional to its numerical strength in parliament, and that it hold all portfolios directly affecting primary industries.¹⁰⁹

Hughes again offered a federal coalition in the run-up to the December 1922 election. This election resulted in the Country Party winning 14 seats to the Nationalists' 26 and Labor's 29. Now unambiguously holding the balance of power, the parliamentary Country Party met at Parliament House, Melbourne, on 16 January 1923. It, at first, had no agreed strategy other than a vague preparedness to consider an understanding with the Nationalists provided that Hughes quit the ministry altogether. The Nationalists met the same day and delivered a message to the Country Party proposing that their respective party leaders meet on 22 January. Page was so keen on a *modus operandi* that he suggested they instead meet the following afternoon. The Nationalists appointed a negotiating team of six that included Hughes and Stanley Bruce. Page was one of three Country Party negotiators, along with Stewart and W.G. Gibson, but his own account makes clear that the negotiations were predominantly his own show.

Page kept the exact nature of any Country Party–Nationalist collaboration an open issue. The Country Party was prepared to support a wholly Nationalist government 'with a policy generally approved by the Country Party', or else could join a coalition that shared out portfolios. Hughes in canvassing options indicated that he did not entirely reject the possibility of a Country Party–led government with Page as prime minister, possibly as he thought this would not last long. Although newspaper reports suggested that Page was initially interested in this, as the negotiations continued he and the Country Party instead increasingly favoured joining a coalition with the Nationalists.¹¹⁰ Page's terms for

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109 Graham, *Formation of the Australian Country Parties*, pp. 179, 215.

110 *Ibid.*, pp. 188–90; Page, *Truant Surgeon*, pp. 91–2, 95.

a coalition insisted on a separate identity for the Country Party and such a 'distribution of portfolios as will give the Country Party power as great as its responsibility'.¹¹¹ He was clearly keen to acquire a say in power, and worked away at the Nationalists to make this acceptable to the Country Party by dropping Hughes from the front bench. (In the terminology of the time, Page spoke of a 'composite government' to refer to what is today commonly called a coalition. To him, a composite government was one in which the participating parties retained their distinct identities, as against a coalition in which they were effectively merged.)

Centrally involved in the Country Party's manoeuvrings was John Latham, who had just been elected as an Independent Union Liberal MP. Latham attended Country Party meetings, primarily as he could not on personal and policy grounds countenance sitting as a Nationalist while Hughes, who he had unhappily accompanied at the 1919 Paris Peace Conference, still held office. This is a further indicator of the openness of the early Country Party. Page recalled this 'honoured guest' providing 'the benefit of his practical wisdom and his sage legal advice', motivated by an attitude to Hughes even 'more virulent than our own'.¹¹² Ellis, a witness to these events, noted how the Country Party's exchanges with the Nationalists owed much to 'Latham's clarity of style and forceful expression'.¹¹³ Latham only joined the Nationalists in November 1925 and became attorney-general the following month. He continued advising the Country Party, including on the constitutional dimensions of new states, before serving as Opposition leader in 1929–31 and subsequently as chief justice of the High Court.

Page's detailed account in *Truant Surgeon* of the negotiations is vague about his own ambitions, despite his otherwise very evident determination for a major say in government. Negotiations and exchanges of letters went on inconclusively and by the end of January had reached deadlock, mainly due to Hughes's refusal to resign. Page then proceeded to release all the written exchanges for public scrutiny. The press warned that if the Nationalists and the Country Party could not reach an agreement there

111 From Page's 'Memorandum for Nationalist Party Managers', 24 January 1923, reproduced in Page, *Truant Surgeon*, p. 388.

112 Ibid., p. 90.

113 Ellis, *A History of the Australian Country Party*, p. 94.

was a possibility of a minority Labor government: the hostility between Hughes and Page should not be allowed to lead to such 'a travesty of government by the people'.¹¹⁴

Hughes finally resigned on 2 February. Page proceeded to deal directly with Bruce, marking the start of a working relationship that became central to his career. Bruce had only been a minister since December 1921 when he was unexpectedly appointed treasurer. Prior to entering parliament, he was managing director of a Melbourne importing firm. As a wounded veteran – of the British army at Gallipoli – he made such an impression at recruitment meetings that the Nationalists invited him to stand for Flinders. One of Bruce's major strengths was the contrast that his measured, stately demeanour presented to Hughes's intensity and abrasiveness. Bruce rejected the idea of a Nationalist government supported by the Country Party but readily agreed to a coalition as a more stable option.

On 6 February, Page arrived in Melbourne to negotiate with Bruce on the terms of a coalition. With Hughes gone, progress was swift and a result was announced late on 7 February. The formal agreement was set down in Bruce's spindly handwriting and released the following day. It is one of Australia's most important political documents and is preserved in the Earle Page papers in the National Library of Australia. The two parties were to retain their separate identities and the Country Party would hold five portfolios in a ministry of 11 members. Page would take precedence after only the prime minister. Not unimportantly, the new government was to be called the Bruce–Page Ministry. The agreement allocated specific portfolios between the parties but did not set out any agreed policies, a sign that the two leaders were comfortable with each other's stances.¹¹⁵ Ellis later wrote that Page 'regretted' being unable to consult all Country Party members.¹¹⁶

When the Country Party party room belatedly met on 9 February, Page came under attack for not consulting it earlier. Party uncertainty about a coalition reflected a fear of loss of autonomy, the fate of some state parties such as in Queensland. Just 14 months earlier, the Progressive Party in New South Wales had split over the issue of coalition with the

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114 *Sydney Morning Herald*, 17 January 1923, p. 12.

115 Graham, *Formation of the Australian Country Parties*, p. 193.

116 Ellis, *A History of the Australian Country Party*, pp. 98–9.

state Nationalists. Page countered that the terms of the coalition clearly provided for a distinct Country Party – indeed, this was their first article. Although two federal members later told the House that they had not wanted a coalition, at the time the party room satisfied itself with a motion on maintaining its identity.

It was clear to most that Page had secured a very good deal indeed, one that gave the Country Party nearly half of all ministerial positions. As Graham later wrote, 'nothing showed his skill in leadership as much as his efforts, in the months following the formation of the coalition, to persuade the Country Party movement to accept it'.¹¹⁷ This forging of a coalition is further affirmation of Page's resolve to achieve substantial change, not just to lead a marginal protest party. 'We were determined to use our opportunities to the full', he later said.¹¹⁸ As it became clear that the coalition constituted a balanced formula for maintaining the Country Party's independence while giving it great political influence, state country parties began exploring coalitions of their own, notably the New South Wales Progressives. Victoria remained the exception, where VFU radicals challenged the coalition concept for years to come.

Transition to a Bruce–Page Government proceeded remarkably smoothly, a tribute to the two men's desire to build a successful government. Page's choice of the Treasury portfolio for himself no doubt reflected the priority his party gave to reining in public expenditure (and was one of the portfolios he proposed for the Country Party when Hughes mooted a coalition 15 months earlier).¹¹⁹ In his first speech to the House as treasurer, he stressed the need for the government 'by its handling of the finances and by its general administration ... to improve the public credit in order to permit of the conversion on the best possible basis for Australia of the huge war loans that are to fall due during the ordinary life of this parliament'.¹²⁰

117 Graham, *Formation of the Australian Country Parties*, p. 193.

118 Page, *Truant Surgeon*, p. 102.

119 Davey, *Ninety Not Out*, p. 21.

120 *Commonwealth Parliamentary Debates*, 8 March 1923, p. 243.

Figure 7: The new Bruce-Page Ministry at its swearing-in ceremony, 1923.

Standing (left to right): W.G. Gibson, Percy Stewart, Eric Bowden, Austin Chapman, R.V. Wilson, L. Atkinson; seated; G.F. Pearce, Bruce, Lord Forster (governor-general), Page, Littleton Groom. Missing is Thomas Crawford.

Source: Courtesy of the National Library of Australia, (nla.gov.au/nla.obj-136658156), photograph by T. Humphrey & Co.

Page's role over the next six and a half years as treasurer and de facto deputy prime minister gave him a say in most major decisions of the Bruce-Page Government. His conventional budgetary responsibilities were among the least distinctive of his achievements. There was little sense of demand management fiscal policy during this period. Governments did not feel that they could readily reduce unemployment, and public expectations were correspondingly limited. One historian, writing at the high point of Keynesianism, considered Page's budget speeches 'more like a Chairman's address to the annual meeting of a large public company than the nation's principal document on economic policy'.¹²¹ But Page was the first Commonwealth Treasurer to introduce budgets on a regular basis and early in the financial year, and he also improved the form of budget papers. Page himself said that previously budget items had been

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¹²¹ Boris Schedvin, *Australia and the Great Depression: A Study of Economic Development and Policy in the 1920s and 1930s*, Sydney University Press, Sydney, 1970, p. 88.

largely lumped together into uninformative totals, with the result that 'public criticisms tended to be directed towards the total amount rather than to the diverse items', which was 'not conducive to intelligent public surveillance of government expenditures'.¹²²

Two years before becoming treasurer, Page had called deficit budgeting 'a Rake's Progress'.¹²³ Page's first budgets reflected his oft-stated commitment to relief from taxes, especially for primary producers, and to smaller government. They provided for reductions to land and company taxes, a single collecting agency for Commonwealth and state income taxes, a higher income tax exemption level, an expanded averaging system for income tax on primary producers (helping them manage profit and loss fluctuations), widened deductions for farm improvements and pest control, and reduced postage charges. His first budget speech added the need for a national insurance scheme. Page described existing welfare as failing to:

remove that sense of cruel insecurity which haunts great masses of our people through the whole of their life – the fear that accident or temporary sickness may break up their home, the continual fear of unemployment due to causes entirely beyond their control, and finally the fear of a destitute old age after a life of toil.¹²⁴

Attempts to introduce national insurance were to feature in Page's parliamentary career, especially at the end of both the Bruce–Page and the Lyons governments.

Most importantly, Page drew on his policy visions to become the first Commonwealth Treasurer to explore the wider possibilities of this office. When visiting London in 1925 he invited the British science administrator Frank Heath to visit Australia and report on imperial cooperation in research. This led to the replacement the following year of the Institute of Science and Industry with the Council for Scientific and Industrial Research (CSIR), funded by a special trust fund so as to help long-term research planning. Another important initiative was banking reform that reflected Page's hopes for a central bank 'with power to control and save shaky banks and restore them to solvency without destruction of

¹²² Page, *Truant Surgeon*, p. 135; see also J.R. Nethercote, 'Liberalism, nationalism and coalition 1910–29', in J.R. Nethercote (ed.), *Liberalism and the Australian Federation*, The Federation Press, Leichhardt, 2001, p. 130.

¹²³ Ellis, *A History of the Australian Country Party*, p. 64.

¹²⁴ *Commonwealth Parliamentary Debates*, 26 July 1923, p. 1653.

their customers', an echo of his childhood memories of the 1893 bank smash.¹²⁵ When Page became treasurer, national policy on banking and currency was still very basic. The Commonwealth only started issuing coinage in 1909, and the Commonwealth Bank was created in 1911 purely as a trading bank in competition with the private banks. Concerns grew about the autocratic powers of the Commonwealth Bank's governor, its failure to provide credit for primary industry and its not acting as a central bank.

After the war, banks were unable to transfer to Australia funds they held in London due to a British embargo on the export of gold and the refusal of the Australian Note Issue Board, an autonomous department of the Commonwealth Bank, to buy London funds and issue notes against them for fear of sparking inflation. The tying up of bank funds in London limited the provision of advances to finance Australian exporters. In his October 1922 election policy speech, Page spoke of placing the Commonwealth Bank under an independent board that would reorient it towards supporting national development, especially rural projects including hydroelectricity and rural credits for primary producers. The new directors would be 'men of the broadest outlook', empowered to make the bank's resources available 'for development of the primary and secondary industries in Australia'.¹²⁶ Legislation in 1924 duly created an independent board with control of the note issue and also empowered the bank to fix and publish its discount rate. Following a trip to North America in 1925, Page created a rural credits department within the Commonwealth Bank to provide low interest loans to primary producers on the security of their produce.¹²⁷ Page recalled his efforts to place 'Australian public and private finance and development on a sound footing', including the *Commonwealth Bank Act 1924*, as 'the legislative enactments which, in retrospect, give me the greatest satisfaction'.¹²⁸

Yet the 1924 legislation was just a partial step towards a true central bank. A proposal to require private banks to hold 5 per cent of their funds with the Commonwealth Bank was dropped after opposition from the banks. In 1927, Page as treasurer introduced legislation to completely separate the Commonwealth Bank's savings bank functions from its central bank functions as 'an ideal safeguard for the whole banking

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125 'Australian Country Party Complimentary Dinner to Sir Earle Page', EPP, folder 2358.

126 *Sydney Morning Herald*, 27 October 1922, pp. 9–10.

127 Page, *Truant Surgeon*, pp. 118–20.

128 *Ibid.*, p. 112.

system', but this was also strongly opposed by the private banks and not fully implemented.¹²⁹ Page remained an advocate of an independent Commonwealth Bank. In 1931 he opposed an unsuccessful attempt by Theodore, now Commonwealth Treasurer, to assert political control over the bank by legislating to sell off its gold reserve so as to meet government debts.¹³⁰ Important as Page's measures were, a central banking role for the Commonwealth Bank was only effectively assumed during World War Two, and was shifted to the new Reserve Bank of Australia in 1960.

For all the rural development rhetoric that characterised the Bruce–Page years, the Country Party from the outset found it politically difficult to reduce tariffs that increased the costs of manufactured products used by farmers. The burden that tariffs imposed on primary industries remained a major, if inconsistently pursued, concern. The federal parliamentary party and state party associations were not united on the tariff issue: V.C. Thompson, for example, was a protectionist.¹³¹ In his memoirs, Page makes clear that the Country Party was opposed to the levels of protection imposed by the Massy–Greene tariff but was willing to countenance duties recommended by the Tariff Board for 'any worthwhile industry which could satisfy local needs and ultimately enter export markets'. Various marketing crises and a reluctant realisation that tariffs were here to stay led the government to implement an array of subsidies and pricing schemes for rural producers 'to enable the survival of primary industries, to provide them with reasonable conditions, and to assist the expansion of export markets'.¹³² Despite his reservations about industry support by government, Page famously called on primary producers to 'get into the vicious circle themselves' by seeking protection and compensating support through government organised marketing schemes.¹³³

Over the period 1923–24 new legislation provided for dairy produce and dried fruit export control boards made up of government nominees and producers' representatives, for government-arranged bank advances to dried fruit growers, for an Australian Meat Council, for bounties on beef and cattle exports, for government guarantee of bank advances to voluntary wheat pools and for a specific advance to the Tasmanian

129 Ibid., p. 125; Giblin, *The Growth of a Central Bank*, pp. 120–1.

130 Schedvin, *Australia and the Great Depression*, p. 238.

131 Graham, *Formation of the Australian Country Parties*, pp. 153–4, 229–31.

132 Page, *Truant Surgeon*, p. 65.

133 Quoted in Ellis, *A History of the Australian Country Party*, p. 115; see also Page, interview by B.D. Graham, 9 May 1956, B.D. Graham papers, NLA, MS 8471.

hop growers pool. What became known as protection all round was accepted as a means of reconciling urban and rural interests at a time when Country Party support was essential to the government's survival. (The appointment of a primary producer representative to the Tariff Board also helped to soothe the Country Party.) Less well known is that in a 1924 speech, which appears to be one of the first where he used the phrase 'vicious circle' before a major audience, Page also spoke at length about helping primary producers improve their competitiveness. This included the better marketing of exports, collaboration to end 'suicidal competition' on export markets, new power sources and standardising manufacturing to reduce costs.¹³⁴

One ALP Senator observed of all this that 'having a medical man in the ministry, the government is dealing out small doses of socialism – say a half-teaspoonful every twenty-four hours'.¹³⁵ Country Party members admitted a certain parallel, but rationalised such orderly marketing as a regrettable necessity that compensated for the tariffs and arbitration that served urban interests. Even Stewart referred to how 'we are compelled to accept the results of that system and hop into the ring to secure our share along with the rest'.¹³⁶ But this public-private symbiosis was predicated on private ownership of the means of production: Page remained a stalwart opponent of state enterprises and the nationalisation of industry.

The Bruce–Page Government signals its intentions: Commonwealth–state cooperation

Page took his place in the new Bruce–Page Government determined to reform the federal system and the Constitution. As he wrote in an early draft of his memoirs:

In the first decade [after Federation] parliamentary activity was largely devoted to the formal initiation of the constitutional provisions by the establishment of the practical framework. In the second ten years parliament, dominated by the necessities of war,

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134 Page was speaking at the annual conference of the New South Wales FSA; *The Land*, 22 August 1924, pp. 2–4.

135 Senator Albert Gardiner, *Commonwealth Parliamentary Debates*, 25 September 1924, p. 4727.

136 Stewart, *Commonwealth Parliamentary Debates*, 25 September 1924, p. 4778.

operated for the most significant period under the defence powers of the Constitution in the process of which significant weaknesses were revealed by experience. It therefore fell to the parliament in the third decade to profit from the experience of the previous periods and to apply the lessons learned in an effort to make the Constitution work in the manner visualised by the architects of the Federal system.¹³⁷

Bruce and Page were Australia's first national leaders to grapple comprehensively with coordinating policy with the states and the related correction of unbalanced fiscal relations. Their efforts reflect the tensions arising from an inelastic constitution that inspires developmentalist policy-makers to try either to change its provisions or manoeuvre around it. In doing so, Page worked under his prime minister's leadership, but still distinguished himself as a determined strategist with a discernible agenda of his own. He was to apply lessons from this early experience to many later ventures into cooperative federalism and economic planning.

Page, a self-declared 'lifelong advocate of constitutional reform', once claimed to have also been 'spurred into Federal politics by my interest in the principles of Federation'. This encompassed a conviction that such issues as electrification and transport could only be 'dealt with on a Federal or interstate level, and by a process of constructive national thinking'.¹³⁸ Federal ideas have deep roots in Australia's past but, as scholars of federalism have long observed, the Commonwealth–state balance has never been settled.¹³⁹ Page entered this debate as the leading proponent of the view that the federal system and the Constitution on which it was based were barriers to national development that were in dire need of reform. This led him as treasurer to pursue cooperative federalism, with the Commonwealth leading the development of national policies in collaboration with the states, but using its fiscal and other powers to remain firmly dominant.

Page considered himself a committed federalist. He described the classic series of American essays on constitutional federalism *The Federalist Papers* as his 'constant companion' and saw it as pointing to a model of a united

137 Draft for *Truant Surgeon*, EPP, folder 1860. A similar but less eloquently worded sentiment appeared in the published *Truant Surgeon*, p. 102.

138 *Commonwealth Parliamentary Debates*, 8 March 1944, p. 1071; also Page, *Truant Surgeon*, p. 102.

139 See for example A.J. Brown, 'Federalism, regionalism and the reshaping of Australian governance', in A.J. Brown and J.A. Bellamy (eds), *Federalism and Regionalism in Australia: New Approaches, New Institutions?*, ANU E Press, Canberra, 2006, pp. 11–32.

British Empire organised on federal principles.¹⁴⁰ Here he was reflecting a long tradition of a 'compound republic', which 'added the natural advantages of largeness to the local advantages of smallness'. The effective dual citizenship that this provides of respective states and of the nation helps explain the durability of Australian federalism.¹⁴¹ That federalism made the Australian nation possible by reconciling local loyalties with nationalism makes it a vital concept in Australian history, one that is illuminated by Page's policy campaigns.

Much of the written history of federalism in Australia consists of detailed technical accounts of Commonwealth–state financial relations, with only fleeting references to competing ideas and political drivers. Cooperative federalism appears frequently as a broad term encompassing various means by which Commonwealth and state governments jointly managed overlapping interests. In 1952 the political scientist S.R. Davis observed that the 'unmistakable trend in Australian government is in the direction of extensive inter-governmental co-operation and co-ordination under the impetus and leadership of the Commonwealth', yet 'there is no systematic account of it'.¹⁴² This has not greatly changed. W.G. McMinn added that the various cooperative mechanisms that appeared over time became important means of effectively limiting the states' power and increasing that of the Commonwealth. He listed four types of cooperation: use of state or Commonwealth bodies to implement the other's programs; joint agencies such as the River Murray Commission; the pooling of legislation, such as to create a national aviation regime; and more informal executive cooperation through such bodies as the Australian Agricultural Council.¹⁴³

Starting in the Bruce–Page years, Page played a major role in the development of such cooperative mechanisms. Just a few years after his 1917 call to scrap the existing Constitution entirely, Page found himself advocating cooperation between the states and the Commonwealth. The Bruce–Page Government tried to pioneer a move away from change forced by High Court decision and the Commonwealth's growing fiscal power by offering a voluntary alternative based on Commonwealth-led cooperative federalism. This broadly matched Page's developing ideas on unification and national approaches to policy and was one of the reasons why he and

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¹⁴⁰ Page, *Truant Surgeon*, p. 257.

¹⁴¹ Brian Galligan, *A Federal Republic: Australia's Constitutional System of Government*, Cambridge University Press, Melbourne, 1995, pp. 39, 43, 53.

¹⁴² S.R. Davis, 'Co-operative federalism in retrospect', *Historical Studies*, vol. 5, no. 19, 1952, p. 215.

¹⁴³ McMinn, *A Constitutional History of Australia*, pp. 191–4.

Bruce worked well together. He sought to fill the Constitution's lack of provision for collaboration between the two main levels of government by institutionalising means by which they could together develop national policies – effectively forms of nationwide planning. This became Page's way of attempting to drive policy fields over which the Commonwealth lacked constitutional authority. An outline of early measures to encourage intergovernmental cooperation reads like a roll-call of initiatives that he either led or contributed significantly to, most famously the Financial Agreement of 1927 that realigned Commonwealth–state financial relations and gave the Loan Council binding status. Page had a major hand in negotiating this arrangement, a career highlight that influenced his wider approach to federalism and constitutional reform. More specialised cooperative bodies also appeared under the Bruce–Page Government and in following years, covering fields as diverse as food and drug standards, immigration, road construction and primary produce marketing.

An important consideration here is that despite the difficulty of amending the Constitution, during Page's career it was decidedly not a revered document. Throughout his Bruce–Page heyday it still lacked any claim to have been especially successful by virtue of longevity. It attracted strident criticism for not preventing vertical fiscal imbalance. Both Page and Bruce strongly ascribed to the widespread view that such separation of revenue-raising from expenditure weakened accountability and the responsible use of public funds. Page had no qualms about correcting this and other anomalies, thereby 'making the constitutions of our states and Commonwealth our servants and not our masters'.¹⁴⁴ To him, the Commonwealth Constitution was at once a feckless impediment to progress and a potential basis for enshrining his policies. Either way, he frequently found himself pushing against what was already part of the received wisdom of Australian governance – that the wording of the Constitution is very hard indeed to change.

Also significant was the strength of what the political scientist Hugh Emy called 'the federal bargain' – Australia's '*sine qua non* of political co-operation and even of political integration'.¹⁴⁵ This holds that all Australian governments are formally equal in status and sovereign in nature, and has proved highly resistant to unilateral challenge. Instances

¹⁴⁴ Speech 6 January 1927 to the Constitutional Club, Brisbane, EPP, folder 417.

¹⁴⁵ Hugh Emy, *The Politics of Australian Democracy: Fundamentals in Dispute*, second edition, Macmillan, South Melbourne, 1978 (first published 1975), p. 72.

of the Commonwealth and the states working together, such as on orderly marketing, were thus necessary political accommodations, not the results of preference. Page was one of the first prominent political figures outside the ALP to openly challenge this bargain. Despite his protestations to the contrary, Page was never a true federalist who equally respected both tiers of government. As he had clearly stated in 1917, the national government should be dominant in setting policy. He approached federalism as, at best, a means of combining nationally determined policy settings with local expertise in implementation. Tension between the rational importance he attached to strong central government and his emotional attachment to regionalism persisted throughout his long engagement with issues of federalism.

Page's essentially national perspective was made stridently clear in his early public statements as treasurer, no doubt to the unease of his new state confreres. Just five months after becoming treasurer, he told the new state convention in Rockhampton that as Federation had failed there was a need for an 'intense NATIONAL FEELING that will override all parochial considerations, disregard the existence of imaginary state boundaries, and prevent the continuation of that system of pitting one capital city against another, which has proved so detrimental to the BALANCED AND PROPORTIONATE DEVELOPMENT of Australia as a whole'.¹⁴⁶ Yet most published assessments of Page underplay this commitment to strong national government via such means as collaboration with the states and instead focus in isolation on his engagement with new statism. Geoffrey Sawyer very plausibly suggested that most Country Party MPs opposed Page's proposed constitutional convention as they felt that what he really wanted was greater Commonwealth powers. Sawyer and A.J. Brown are among the few scholars to have commented that Page was essentially a centralist who wanted greater Commonwealth powers.¹⁴⁷

Debate on Commonwealth–state relations during the Bruce–Page years initially centred on the fiscal balance. The Commonwealth's wartime introduction of its own direct taxation contributed greatly to the states' collective share of all government revenue tumbling from 93 per cent

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146 Page, *New States: Why They Are Necessary in Australia*, p. 2; Page's own capitalisations in this published version of his speech.

147 Geoffrey Sawyer, *Australian Federal Politics and Law 1901–1929*, Melbourne University Press, Parkville, Vic., 1956, p. 203.

in 1901–2 to 55 per cent in 1918–19.¹⁴⁸ Commonwealth expenditure declined after the war, and many federal parliamentarians advocated eliminating the heightened vertical fiscal imbalance that resulted by ending the per capita grants still being made to the states. Proposals for fiscal reform also included a cooperative council to reduce the cost of loans by coordinating borrowing by both levels of government. The Commonwealth had long favoured this and made it a condition of related proposals that it take over state debts. At the Premiers' Conference of April–May 1908 Deakin had proposed a finance council under which the Commonwealth would arrange all loans, acquire the states' debts and establish a debt sinking fund – all foreshadowing what Bruce and Page later implemented.¹⁴⁹ The states were conflicted between being attracted to offloading their debts and their well-founded suspicion that coordinated borrowing would increase Commonwealth dominance.¹⁵⁰

The case for coordinated borrowing grew after the advent of peace in 1918. Australian governments resumed competing for loans locally and internationally, the Commonwealth sought to convert old loans into new obligations so as to service war debt, and the states wanted to finance soldier settlement and public works. Australia's net external debt continued to rise, reaching £419 million in mid-1923 and £570 million in mid-1928, largely related to rural development. The states were continually in deficit, as wartime inflation had eroded the real value of their per capita grants. The 1920–23 Royal Commission on Taxation recommended ending the per capita grants and all income tax being collected by the Commonwealth.¹⁵¹

Leadership in intergovernmental cooperation, financial or otherwise, had by the early 1920s shifted to the Commonwealth. This was driven by the imperatives of the war and the centralism of Prime Minister Hughes, hence his government's taking the initiative in convening the 1919 Premiers' Conference. The distinction between levels of government was

148 Nicholas Brown, 'Government, law and citizenship', in Bashford and Macintyre (eds), *The Cambridge History of Australia*, volume 2, p. 409.

149 R.S. Gilbert, *The Australian Loan Council in Federal Fiscal Adjustments, 1890–1965*, Australian National University Press, Canberra, 1973, p. 37. S.R. Davis records a Loan Council as being proposed as early as 1903; see S.R. Davis, 'A Unique Federal Institution', *University of Western Australia Annual Law Review*, December 1952, p. 355.

150 R.L. Mathews and W.R.C. Jay, *Federal Finance: Intergovernmental Financial Relations in Australia since Federation*, Thomas Nelson (Australia), Melbourne, 1972, p. 105.

151 R.C. Gates, 'The search for a state growth tax', in R.L. Mathews (ed.), *Intergovernmental Relations in Australia*, Angus and Robertson, Cremorne, 1974, pp. 165–6.

shifting from differing policy responsibilities to different organisational functions in dealing with increasingly shared issues. The Commonwealth began assuming a role as a central planner, especially of economic policy, with state governments handling implementation.

The new Bruce–Page Government sought to resolve these issues of federal finance and policy cooperation by asserting a leading role for the Commonwealth. Bruce led and Page provided crucially important encouragement and support. These efforts, says A.J. Brown, resulted in ‘Australia’s first real system of co-operative intergovernmental relations’.¹⁵² The 1922 Premiers’ Conference, the last presided over by Hughes, had a comparatively limited agenda of proposed cooperation in uniform railway gauges (even then a decades-old issue), export promotion, immigration and land settlement. The May 1923 conference presided over by Bruce and Page was very different indeed.

Its ‘number of proposals to secure national co-operation’, as Page rather casually described this effort to recast national governance, amounted to an attempt to comprehensively shape the Australian federation in a way broadly compatible with what he had called for in 1917.¹⁵³ The premiers were presented with a powerful signal of the new government’s commitment to national efficiency in the form of an unprecedentedly ambitious agenda for Commonwealth-led policy coordination. This covered 25 specific issues, each with an accompanying paper for the premiers to ponder. They included the coordination of government borrowing; the application of science to industry, notably hydropower; Commonwealth grants to the states for main road development; uniform railway gauges for the Port Augusta to Hay and Kyogle to Brisbane lines; rationalisation of industrial relations powers; joint electoral rolls; coordination of the collection of statistics; and, as detailed in Chapter 3, the planning and standardisation of electricity generation. The Commonwealth also proposed an Australia-wide stocktake of economic resources to assess what capital and labour the nation needed for ‘successful development’.¹⁵⁴

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152 A.J. Brown, ‘Subsidiarity or subterfuge?: Resolving the future of Local Government in the Australian federal system’, *Australian Journal of Public Administration*, vol. 61, no. 4, December 2002, p. 37.

153 Page, *Truant Surgeon*, p. 146.

154 A full set of agenda papers is at EPP, folder 1730; reports of proceedings are at folder 2663 (part 2). See also accounts of the conference in the Melbourne *Argus*, 24, 28, 29 and 30 May 1923; and in Michael Roe, *Australia, Britain, and Migration 1915–1940: A Study of Desperate Hopes*, Cambridge University Press, Cambridge, 1995, p. 49.

It was clear that this new Commonwealth Government was set on enlisting the states in a radical rationalisation of the federation. It saw national efficiency as both means and end, leaving no place for intergovernmental duplication. The May 1923 Premiers' Conference was also the Bruce–Page Government's first attempt to overhaul Commonwealth–state financial relations. Bruce, in opening the conference, signalled that this was the foremost issue and led for the Commonwealth throughout the ensuing conference debate. He described existing duplication between the levels of government and double taxation as intolerable, 'the gravest inconvenience to taxpayers'. Page spoke late in proceedings, when his grasp of the proposed reforms – thorough and confident, despite his lack of ministerial experience – drew him into sparring with the states on important details.¹⁵⁵

Negotiations quickly became intense and complex. Bruce and Page proposed to limit Commonwealth income tax to incomes of over £2,000 per annum in exchange for the abolition of the per capita grants.¹⁵⁶ Although the states agreed that fiscal relations were out of kilter, they objected to this implied focusing of their own taxes on lower income earners. They countered that the Commonwealth should instead withdraw from income tax altogether, and the states make compensating grants of their own to the Commonwealth – which Bruce and Page promptly declined because of continuing defence obligations. The Commonwealth's final offer, to limit its direct tax to company tax while also abolishing the per capita payments, narrowly failed due to rejection by New South Wales. The premiers, except the Western Australian premier, accepted only the joint collection by the states of Commonwealth and state taxes.

More significant was that the states agreed at this 1923 conference to create a loan council, albeit a voluntary one limited to seeking agreement on the timing and terms of loans. The raising of loans remained with each government, including decisions on amounts. (New South Wales withdrew from this Loan Council when Jack Lang became premier in 1925 but rejoined in December 1927 following his defeat.) This was the

¹⁵⁵ Melbourne *Argus*, 26 May 1923, pp. 9, 21–2.

¹⁵⁶ Mathews and Jay, *Federal Finance*, p. 119, say this was first proposed by Bruce and Page at a treasurers' conference; however, R.S. Gilbert, historian of the Loan Council, and Page himself both state it was at this premiers' conference; see Gilbert, *Australian Loan Council*, p. 75, and Page, *Truant Surgeon*, p. 130.

first practical step towards the 1927 Financial Agreement and the recasting of the Loan Council as a powerful entity that was to influence lastingly Page's conception of cooperative federalism.

Page's sudden rise in national politics had been propelled by a powerful mix of complementary issues, especially new statism, continuing rural demands for equal entitlement with the big cities and the organisation of rural protest into the early Country Party. Despite his idiosyncratic and striving nature, Page felt comfortable in the new Bruce–Page Government, exemplified by his enthusiasm for its early efforts to realign the federation. He quickly established himself as a forceful policy leader within a still formative parliamentary Country Party, most members of which were still feeling their way on issues. This all put him in a strong position to pursue his more personal policy agenda of hydroelectricity, new states and Commonwealth intervention to improve rural roads.

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