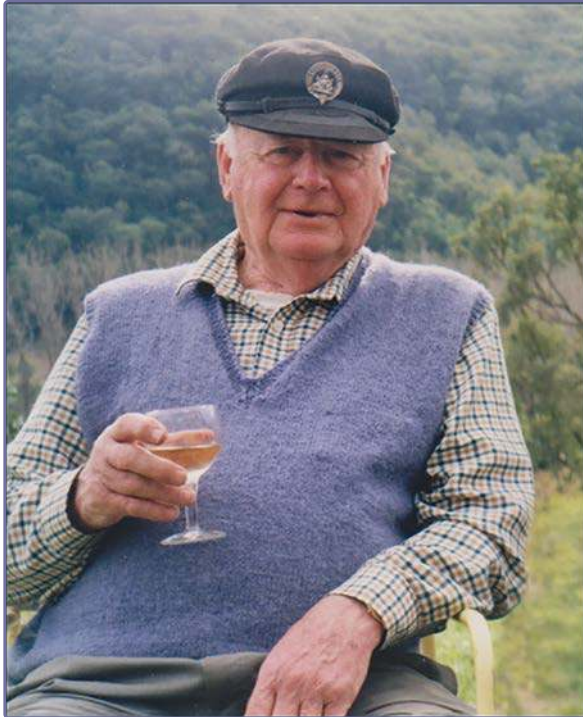


The Pioneer



The late Dick McKenzie, Father of the Club



AUSTRALASIAN

Pioneers' Club

Contents

THE PIONEER	3
--------------------	----------

PROCLAMATION DAY ADDRESS, 8 FEBRUARY 2022, BY MARGARET CAMERON-ASH	6
---	----------

OPENING THE HARBOUR BRIDGE ... YET ANOTHER BACKSTORY	14
---	-----------

THE OTHER DISMISSAL	18
----------------------------	-----------



The Pioneer

Dick McKenzie

In every way, it is impossible to overstate the contribution to the Club over his 71 years of membership of Richard (Dick) McKenzie: 18th president, life member and, from February 2013, Father of the Club. Few, if any, over our Club's 112 years of existence can match the breadth and duration of his various terms of office. Tallied chronologically, it is singularly impressive and highlights the vast quantity of work Dick took on for the benefit of the Club:



1951-joined

1953-56 board member

1968-1978 board member

1968-1976 honorary secretary

1974-1976 vice president

1976-1978 president

1983-1989 board member

1985-1989 vice president

1988-1989 honorary secretary

1995-1997 board member

1997 honorary secretary

1999-2000 board member

A remarkable 24 years in office contributing across every aspect of the Club. However, even acknowledging this really only begins describe the depth of contribution Dick made. Outside of holding office, with his York Street office just 100 yards down the road from the Club in York Street, Dick daily attended at the Club.

To quote the late Dr David Lark “It would be fair to say that no one has shown greater devotion to the Club and its causes, has greater knowledge of the mechanics of its operation or has had a greater influence on its recent history,” and that was written in 1988, when Dick was far from done.

All aspects of Club life benefitted from Dick’s contribution. He maintained personal contact for many years with many, many members, including the Queensland chapter, whose annual dinner he attended every year even when not in office. He hosted clay pigeon shoots for parties from the Club at his Wiseman’s Ferry property (until complaints from the neighbours closed it down), he organised countless functions, championed the Club’s association with artist Oswald Brett and regularly gave guided tours around the Clubhouse detailing the stories behind the Club’s many paintings and artefacts.



He was the ultimate source of authority on all matters regarding the Club. In fact, his knowledge on the topic was truly encyclopaedic. As a Bi-Centennial project, in conjunction with Dr David Lark, he co-authored *A History of the Australasian Pioneers' Club, Sydney, 1910 - 1988*. In Dick’s words: “I told. He wrote.”

To quote Christopher Arnott, “The Club was his life. Dick lived, loved and dreamt it.”

Born on 14th December 1924, Dick was proudly descended from a number of qualifying pioneers: Kable (1788), Hassell (1797), Mileham (1797) and Wild (1817).

Dick began work with accountants Starkey and Starkey in 1940, before signing up in January 1943 for service in the RAAF (service no. 432851). On arrival in England, via San Francisco and New York, Dick was assigned to 550 squadron, Bomber Command. He was a rear gunner and flew 33 raids over Europe.

After the war he met Jean Harris and they were married in August 1952. They had their wedding reception at the Pioneers' Club (of course), which was then in Phillip Street. A long and happy marriage of 63 years followed. Dick also enjoyed a long and successful career at investment firm Stoddart Holdings before a takeover by Argo Investments in the early 1990s allowed Dick to spend even more time at the Club.

Dick is survived by his son Robert and daughter-in-law Dianne, grandchildren Simon and Alice, their spouses and great grand-daughter Ivy-Rose. The family still resides on the property at Wiseman's Ferry.

Vale a true giant of our Club.

Grahame Pratt

The Race for Botany Bay

Proclamation Day address,

8 February 2022,

by Margaret Cameron-Ash

It's delightful to be back in this wonderful building and I'd like to thank the committees of the Australasian Pioneers' Club and the Royal Automobile Club for the invitation to talk about the extraordinary naval victory of the Battle of Port Jackson – without a shot being fired.

I see some of you who were here a couple of years ago when I spoke about my earlier book, *Lying for the Admiralty: Captain Cook's Endeavour Voyage*. I'm happy to report that it has come to the notice of the CIA.

A senior analyst in the CIA, Robert Clark, has just published a book titled *Geospatial Intelligence: Origins and Evolution*, in which he cites my book in the context of Captain Cook's fabricated maps.

But now to its sequel – the decision to send the First Fleet.

Today we're commemorating Proclamation Day – which was held with much music and fanfare two weeks after the First Fleet was safely installed in Sydney Cove, while the French squadron of Laprouse was anchored a stone's throw away in Botany Bay. The importance of the day was acknowledged by the High Court in the *Mabo* decision of 1992 when it stated:

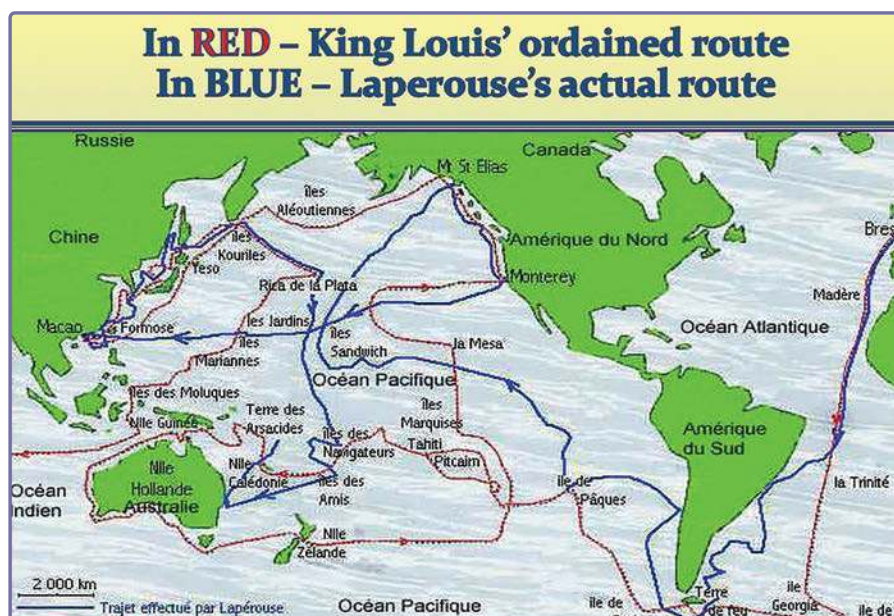
“The establishment of the Colony of New South Wales by settlement was complete, at the latest, when Captain Phillip caused his Commission to be read and published in the Colony.”

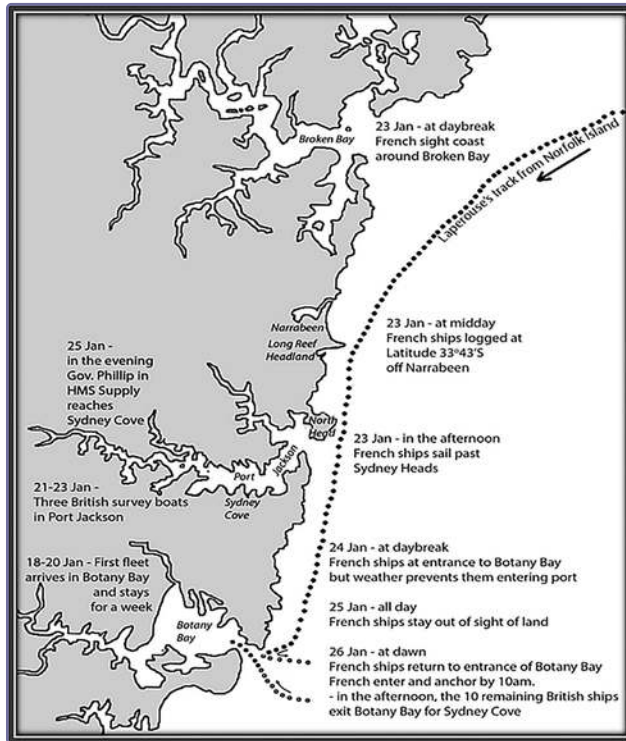
Thus, Phillip and the First Fleet were completing what Captain Cook had started eighteen years earlier. Yet, the story linking those two events is not the naïve and silly legend we were taught in primary school. It is a straightforward account of geopolitics.

The traditional convict story was a good smoke screen; it doesn't explain the abruptness of the Cabinet decision to send the First Fleet in August 1786. The

man behind that decision was Sir Joseph Banks, who had been a 24-year-old paying passenger on Cook's *Endeavour* when it visited Botany Bay. Now, he and his friends wanted the British government to seize Cook's discoveries before the French did. This could only be achieved by planting a colony of settlers in the place, but travel-ready emigrants are hard to come by. So when the government announced a parliamentary enquiry into the welfare of convicts, Banks suggested sending convicts to Botany Bay. Unfortunately, his suggestion was rejected. Instead, Parliament decided to end transportation and build new Penitentiary Houses at home. Here the convicts would repent and become useful citizens for England. The Penitentiary Act of 1779 was passed and a parcel of land was purchased at Battersea Rise from Lord Spencer, a forebear of Princess Diana.

Poor Joseph Banks. With the convicts staying in England, Banks had lost his cohort of colonists. He needed another group of emigrants and, six years later, they appeared. These were the American Loyalist refugees who had been forced to flee the US and needed a new home. Thus, Banks was well prepared when another parliamentary inquiry was held in 1785. He suggested sending a mixed cohort of American Loyalists and convicts to Botany Bay but, once again, his suggestion was





thrown out of court. Instead, the chairman decided that the Loyalists and convicts would be sent to Das Voltas Bay – in Namibia, at the mouth of the Orange River.

Sir Joseph Banks had been pushing for the colonization of New Holland for years, but now it was all over. Banks knew the reasons for his failure. One was cost, the other was the veto of the East India Company [EIC]. It would never allow a government-run colony to be built in the middle of its monopoly zone. Even so, Banks believed that if he could get clear evidence that France was poised to claim New Holland, Whitehall would pressure the EIC to give its permission for a British colony.

So, what was happening in France? France was flush with success after separating Britain from its colonies. Now Louis XVI was eager to enhance French prestige even further. He decided to mount a French voyage to the Pacific and complete – even surpass - the work of the famous Captain Cook. The campaign would be

led by Captain Jean-François Laperouse, in command of two large vessels. It was billed as a scientific voyage and it did indeed carry eight scholars from the Academy of Sciences, two of whom doubled as priests for each of the ships. Even so, King Louis's instructions contained an important section entitled "Aims relating to Politics and Trade."

Not surprisingly, Laperouse's proposed Pacific voyage became a cause of concern amongst the foreign ambassadors. They weren't falling for the old trick that France was conducting a "scientific voyage for the greater good of mankind." Catherine the Great instructed her agent to make inquiries about France's intentions on her Siberian coast. The English ambassador, the Duke of Dorset, whose main passion was encouraging the French to take up cricket, also asked questions about the voyage. He sent reports to the Foreign Office, which left Whitehall alert, but not alarmed – for the moment.

However, one foreign ambassador was very alarmed. This was Thomas Jefferson, US Ambassador to France and a future President of the US. He was the most expansionist-minded of the US founding fathers. He had no doubt that the thirteen eastern States would one day spread west across the entire continent. Consequently, he didn't want Laperouse to plant French colonies on America's Pacific coast. Jefferson sent a spy to the Port of Brest, where Laperouse's ships were being fitted out. The spy was John Paul Jones, the Scottish-born hero of the American navy, who was in France on some naval business. He went to Brest, where he discovered valuable information from dockworkers and sailors whom he met in the taverns around the docks. Jones wrote a very detailed letter – which is contained in my book – telling Jefferson that Laperouse was instructed to plant French colonies in North America, or New Holland, or both.

When I read this letter, I knew that this was the letter that launched the First Fleet. But how did this bombshell arrive in London ten months later, on exactly Thursday 17 August 1786, triggering the emergency Cabinet meeting of the following day? Who threw the bombshell?

It was John Ledyard of Connecticut. He had sailed with Captain Cook on his Third Pacific voyage. It had called in at Tasmania, before heading north to find the Northwest Passage. Now, six years later, Ledyard was in Paris searching for financial backers for his fur-trading business. When he arrived in Paris, the gregarious Ledyard became a close friend of Thomas Jefferson. Consequently,

Jefferson consulted Ledyard about John Paul Jones's letter. After all, Ledyard was the only American in Paris who had visited both New Holland (ie, Van Diemen's Land), and the west coast of North America. Jones's letter reported that Laperouse's ships were carrying farmers, agricultural equipment and citrus trees and other plants – suitable for a temperate climate. After reading this, Ledyard assured Jefferson that, while the French may establish a seasonal fur-trading base in sub-arctic Alaska, the farmers and plants were destined for New Holland.

Jefferson was relieved, and there the matter may have ended. However, a few months later William Pitt's first cousin - the Marquis of Buckingham - recruited John Ledyard to assist in his gun-running operation to South America. Buckingham's plan was to send guns and ammunition from London to Venezuela to support the Spanish colonists in South America in their rebellion against Madrid. Furthermore, he wanted an American citizen to be the front man of this British operation. At the beginning of August 1786, Ledyard was summoned from Paris to London to join a ship scheduled to leave the Thames on Friday 18 August. Tracing Ledyard's movements, I found that he reached London around 12 August and purchased two dogs, a tomahawk, and a peace pipe.

Next, I turned my attention to the whereabouts of Sir Joseph Banks. Historians say that Banks was not in London at the time of the Botany Bay decision – but this is not so. Certainly, he had moved his household to his villa near Kew, as he did every August when the Royal Society shut down for the summer vacation. However, the Royal Society Dining Club met all year round and Banks was a clubbable man. So I asked the archivist at the Royal Society to send me copies of the Dining Club register for the month of August, 1786. Sure enough, Sir Joseph Banks had driven from Kew to attend the weekly lunch at the Crown and Anchor Tavern in The Strand on Thursday 17 August.

It was probably at Banks's house, 32 Soho Square, that Banks and Ledyard met. Both were Cook alumni and would have reminisced about their Pacific voyages. Ledyard mentioned his friendship with Jefferson and the ambassador's concern about the French voyage to the Pacific. He related the contents of John Paul Jones's letter about Laperouse's goal to plant colonies in New Holland. Banks was gobsmacked. As soon as Ledyard departed, Banks called his carriage and rushed over to Downing Street. Here was proof of France's imperial ambition to seize New Holland. This would jolt William Pitt's cabinet into action. When Banks arrived at No.10, he found Pitt entirely focused on his negotiations for an

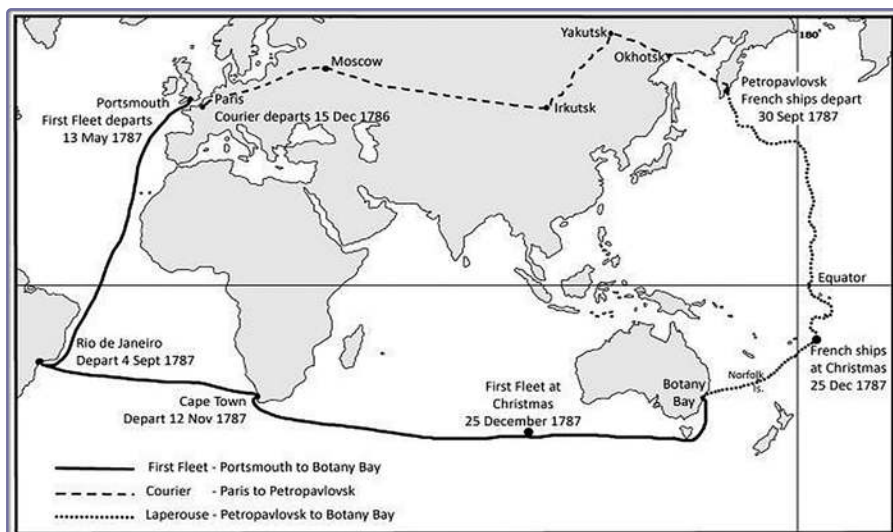
Anglo-French Commercial Treaty. But when Banks told him Ledyard's news those negotiations were postponed and Pitt called a cabinet meeting for the following morning.

The meeting ran for 30 hours and at midday on Saturday a despatch rider was sent to Windsor Castle where George III was informed that his empire would soon extend to the Pacific Ocean. Pitt put the operation into the hands of the secretary of the Home Office, Lord Sydney, while he returned to his precious Commercial Treaty with the French. It was famously signed the following month, only to be torn to shreds six years later when the next Anglo-French war broke out.

Meanwhile, Lord Sydney wrote to the East India Company demanding its consent for a colony inside its monopoly zone. This was given, but at a high price: there could be no trade between the new colony and Asia and, to ensure this, no ships could be built in the colony. Preparations for the First Fleet got underway. One of Lord Sydney's best decisions was to appoint Captain Arthur Phillip as Commodore of the Fleet and Governor-designate of the new colony.

Progress was slow, but eventually the Fleet left Portsmouth on 13 May 1787.

Arthur Phillip knew that his eleven ships would rendezvous at Botany Bay. But he also knew that this was not his final destination. In the Home Office archives there is a memorandum which Phillip wrote before he left England, indicating that he



already knew that Cook had found Port Jackson. But Cook had only seen Sydney Harbour from the shore. The *Endeavour* had not entered Port Jackson and so the entrance had never been sounded. This must be done before Phillip could risk leading the Fleet through the entrance. So, as soon as Phillip reached Botany Bay he would take three small boats to make a quick survey of Sydney Harbour, while the big ships waited in Botany Bay.

Meanwhile, in Paris, the French Navy minister Castries became alarmed when he learnt of Britain's planned convict Fleet. He drafted new orders for Laperouse and sent them in a despatch to Moscow and thence across Siberia to Kamchatka. It arrived while the Russian governor was hosting a farewell ball for Laperouse and his officers. The courier burst through the doors and handed the despatch to the French commander. In it Castries instructed Laperouse to abandon the next leg of his itinerary and go straight to Botany Bay. If Laperouse had done this, he would have reached Botany Bay by Christmas 1787. However, he could not resist making a detour to search for some non-existent treasure islands - Rica de Plata and Rica de Oro – in the North Pacific, which cost him a month.

The French sighted Australia's east coast on 23 January at Broken Bay and turned south, sailing past Port Jackson to reach Botany Bay, as instructed. Laperouse's two ships were at the entrance to Botany Bay at dawn on 24 January, but the terrible weather prevented him from entering for two days.

Meanwhile, Arthur Phillip – in *HMS Supply* – had reached Botany Bay on 18 January. The remaining ten vessels of the Fleet arrived within the next forty hours. Between 20 and 23 January Phillip surveyed Port Jackson, selected Sydney Cove, and returned to Botany Bay to collect the Fleet. Alas, the poor weather prevented most of the ships from getting out of Botany Bay, except *Supply* - with Phillip - which made it to Sydney Cove on 25 January.

On Saturday 26 January, with the Governor up in Sydney Cove, it was now up to Captain John Hunter to lead the Fleet out of Botany Bay. As he did so, he was met by the two French ships entering the Bay. Both parties paused to exchange courtesies, but Laperouse was amazed to find the British racing for the exit just as his French ships arrived. Four hours later, the Fleet departed Botany Bay and all the ships were safely anchored in Sydney Cove by sunset.

The Battle of Port Jackson was possibly the most significant naval victory in the era of Anglo-French rivalry. The Battle of Trafalgar in 1805 has received

the most glorification of any naval battle in history but, while it boosted English morale, it decided almost nothing. It did not prevent the invasion of England, because Napoleon had abandoned that plan months earlier. It did not end the Napoleonic Wars, which raged for another ten years. The Battle of Port Jackson received no glorification, but Arthur Philip's victory gave this country the evolving parliamentary democracy of England instead of the absolutist monarchy of France. It also united the continent with a single language, and it shaped the history of the eastern hemisphere.

As Geoffrey Blainey wrote in his renowned book *The Tyranny of Distance*, the sudden decision to colonise Australia was made because “it was simply vital that France should not be allowed to occupy such a strategic site.”

Opening the Harbour Bridge ... yet another backstory

Guest at the Club's Equinox Lunch was Richard Hattersley, to tell of his family's vital link with the Big Day on the Bridge.

Thank you for the invitation to your club to tell the little stories involving my connection with this 90th anniversary of the official opening of the Sydney Harbour Bridge - a connection that comes through my mother. She was involved, not just with the official opening of the Bridge, but also with another 'official opening' which, for her, was probably the somewhat more important of the two.



Richard Hattersley at the Equinox Lunch, with projected Cazneau image of De Groot astride Mick [photo: David Miller]

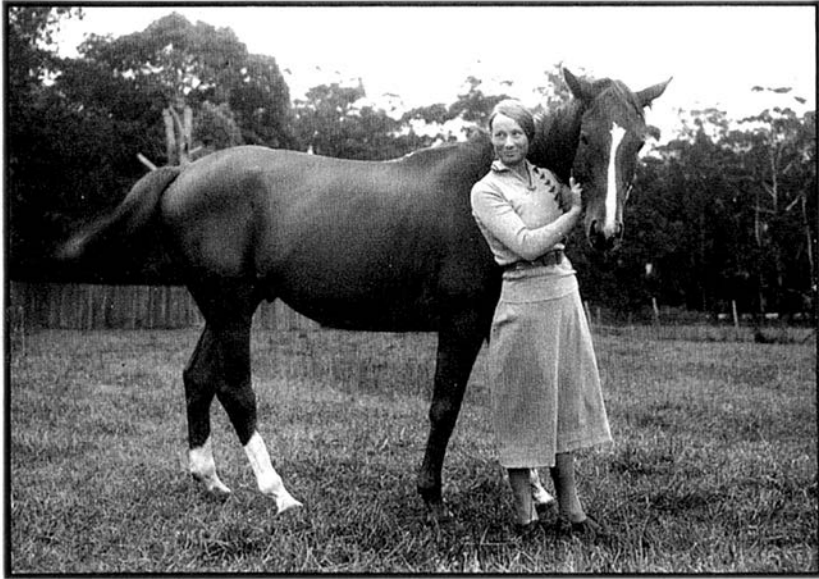
To go back 90 years, my mother, then 22, was not only on the Bridge herself that day, but also, unbeknownst to her at the time, was the horse belonging to my mother's cousin's future wife's sister - if you can follow all that! Her cousin's future wife's sister was Margot Reichard ... whom I only knew as Aunt Margot ... and it was her horse, by name Mick, that Captain Francis De Groot, member of the New Guard, borrowed for his ride on to the Harbour Bridge and into history. Aunt Margo and her sister, my Aunt Louise, who was the one married to my mother's cousin, lived in a grand two storey house built in Pymble in 1897. My understanding is that when the Reichard family lived there the house sat on acreage with stables, and it was in those stables that Aunt Margot had her horse, Mick.

How Aunt Margot's horse came to be borrowed by De Groot, and how De Groot then rode it onto the Bridge and slashed the ribbon, is not for my telling here today. The story was never open for discussion with the cousin's wife, even decades after the event, probably because of a concern about what 'the authorities' might do if it were revealed that it was their horse used in cutting the ribbon.

Instead, I'm just going to talk about my mother's involvement in the official opening, plus another of her own making. To take the second 'official opening' first - and the one that for my mother was probably of greater significance - that was



Lanosa at the time the Reichard family lived there



*With thanks most sincere,
yours faithfully,
F. & de Groot.*

Margot Reichard and Mick, signed by De Groot "With thanks most sincere"

the 'official opening' of ... her new laundry! My mother was living at Lindfield. It was 1962, the thirtieth anniversary of the official opening of the Bridge, and coincidentally she had just overseen the renovation of that laundry. Gone was the old copper boiler. In its place was a sparkling new washing machine, plus a sparkling new toilet. So mother decided to celebrate its official opening during one of her bridge luncheons. As luck would have it, coming to that luncheon were not only the two Reichard sisters, the owners of Mick, but also Miss De Groot. In preparing for her 'official opening', mother had shut the newly painted, cream coloured door to her laundry and across it had placed a ribbon - not unlike the one the Pioneers have. With the three ladies assembled, Mother asked who would like to cut the ribbon. Miss De Groot said: "I'll cut the ribbon because it was my father who cut the ribbon." But then my Aunt Margo said: "No, I'll cut the ribbon,

because it was my horse that your father borrowed to cut the ribbon.” As something of a compromise, I suppose, and so that both ladies could be involved, Aunt Margo, whose horse it was, got down on all fours, and Miss de Groot got on her back, on all, well, on all twos, as it were, and the two of them sidled up to mother’s door. Miss De Groot didn’t have her father’s sword, but she did have the pair of scissors that mother had given her. On reaching the be-ribboned door - snip! Whereby mother proudly announced: “I now declare this laundry officially open.”

As a footnote to that historical occasion, mother was also present, as I said earlier, at the official opening of the Sydney Harbour Bridge itself. Just imagine that day, if you will. There’s my mother, all of 22 years old, and she’s been allowed to borrow the family car to drive her friends to the official opening, provided ... her mother has told her ... she’s back home in time for tea. So here she is, driving from her Cremorne home, over to the northern side of the Bridge and then - and this is as I remember her telling it – on to the Bridge itself! However, half way across she sees a melee on the other side, people massing and, suddenly concerned that if she gets caught up in all of that she won’t be home in time for tea, she makes a split second decision and pulls the steering wheel sharply down and around! It was a claim she always made - and who am I to doubt my mother? - a claim she always maintained: namely, that she was the first person to do a U-turn on the Sydney Harbour Bridge!

Editorial notes

- 1 The Reichard house, then called *Lanosa*, still stands at 62 Mona Vale Road, St Ives. Significantly, but sympathetically, altered since 1940, and subject to an Interim Heritage Order, it is now an Early Learning Centre.
- 2 For how the horse came to be borrowed, see *The Pioneer*, December 2021, page 3. As for getting him to the Bridge, De Groot’s biographer, Andrew Moore, narrates that Mick was collected from the Reichard stables at 5.45am on the day by an unemployed associate of New Guard leader Eric Campbell and ridden to the vehicular ferry at Milson’s Point, arriving at 8am to cross the harbour on the horse punt for a rendezvous with De Groot at Fort Macquarie around 8.45am ... an hour before the formalities were to begin.
- 3 In a letter to DeGroot shortly after the incident, Albert Reichard (Margot’s father) expressed satisfaction that “my horse came back safe and sound (and) I am very glad he did the task you set him in a satisfactory manner.” J M Cottee (Margot’s son), in *De Groot, Mick & the Opening of the Sydney Harbour Bridge* [self published 2007], recalls that a Junee wheat farmer sent Mick a bag of oats as a reward for “doing good work.” Ernest Lamb, KC, subsequently arranged for prominent photographer Harold Cazneaux to photograph his client, De Groot, in uniform astride Mick at *Lanosa*.

The Other Dismissal

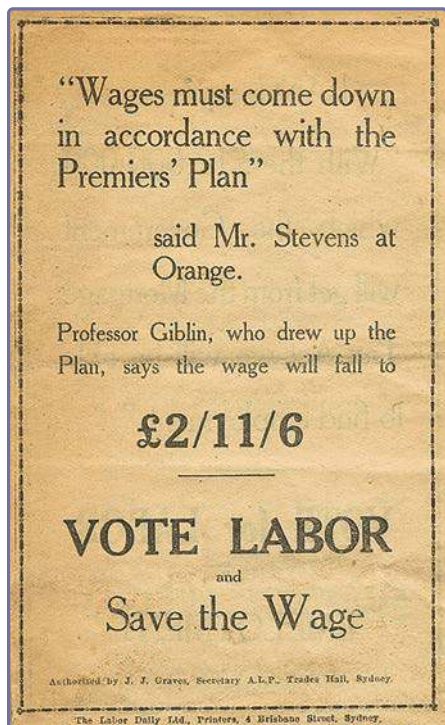
Only 55 days separate the two events of 1932 in which New South Wales Premier Jack Lang was centre stage. The first was his (recently commemorated) official, if pre-empted, opening of the Sydney Harbour Bridge on 19 March, at which the King's representative, Governor Sir Philip Game, was (to the displeasure of the King and the outrage of the New Guard) relegated to a supporting role reading the sovereign's message to his subjects. If De Groot's interruption on the Bridge took Lang by surprise however, the same cannot be said of the second seminal event, the Governor's intervention in Macquarie Street on 13 May to dismiss him from office.

Sir Philip Game became Governor of New South Wales in May 1930 at age 54, inheriting Lang's earlier attempts to abolish the Legislative Council and make NSW a unicameral state. Lang became premier, for the second time, on 4 November 1930, at age 53 and, in the words of John Ward, former history professor and vice-chancellor of Sydney University, "was the only Labor premier of the period whom intelligent conservatives regarded as dangerous and reckless in financial management."¹ It was a period when "the working class was, by and large, a tenant class with comparatively little investment [and] militancy was in direct ratio to unemployment ... [so] ... Lang's actions were in accord with ideological rejection [by] the unions of any interference with their living

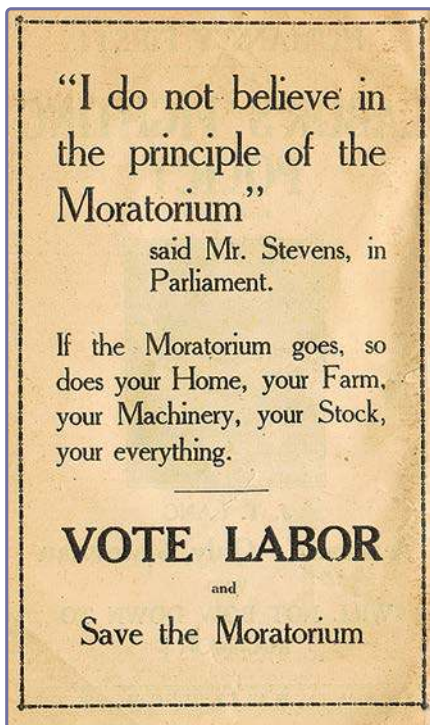


Lang is Right badge [author's collection]

standards"² and workers by the thousand sported badges proclaiming *Lang is Right*. When other state premiers pledged, as part of the Melbourne Agreement, to tackle the Depression with deflationary measures which included balanced budgets, Lang "made the preservation of the Australian standard of living his battle cry."³ He campaigned, as an alternative to federal treasurer E G Theodore's plan for cutting wages, on a platform that "wages must remain inviolate,"⁴ along with extensive public works



Labor leaflet for 1932 election
[author's collection]



Labor leaflet for 1932 election
[author's collection]

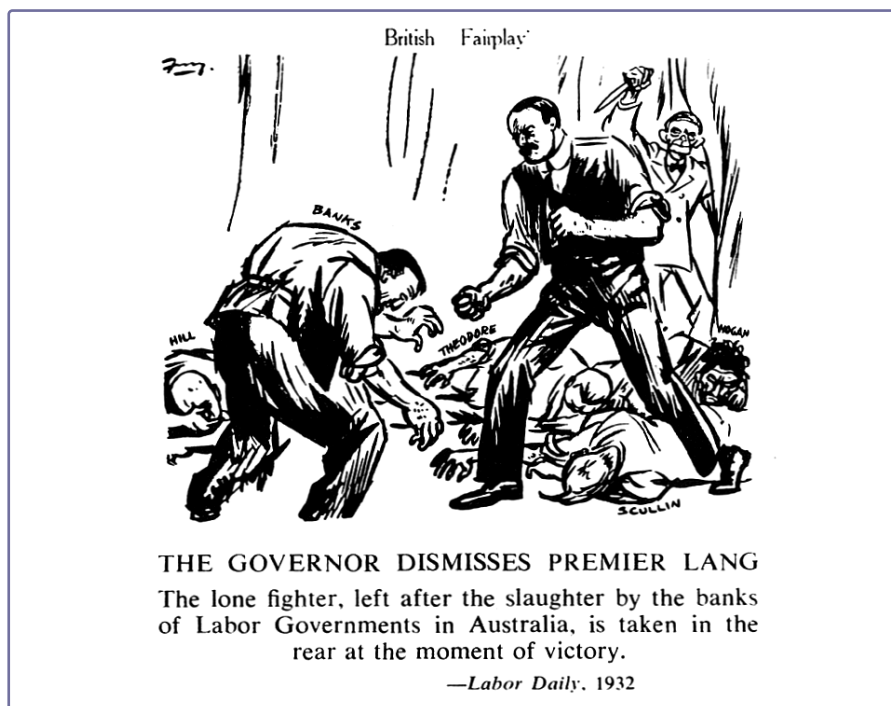
to reduce unemployment”⁵ and called for a moratorium on evicting from their houses unemployed tenants unable to pay rent. (The audio visual component of our recent commemoration reminded us that the Bridge was nicknamed ‘the iron lung’ because of the life support its construction generated to the otherwise unemployed during the Depression years.)

An early casualty of this policy was the Government Savings Bank of NSW [GSB], which held over £74 million deposited in a million accounts (when the population of Sydney was only 1.2 million).⁶ Political scare campaigns are nothing new and in the run up to the 1930 election the Nationalist government of T R Bavin played up the suggestion that Lang would finance his expenditure plans by commandeering “the hard earned savings of hundreds of thousands of workers” held on deposit with

the GSB.⁷ Consequently, Lang's election victory triggered heavy withdrawals by depositors from December 1930 to February 1931. The GSB's principal income-earning assets, nominally more than sufficient to cover its liabilities to depositors, were NSW Government Stock (ie, debentures). The Lang Plan (as it came to be known) included reduction of interest payments on government debt to 3% to free up money for injection into the economy, so when the newly elected Lang government failed in February 1931 to meet interest due on government stock and to repay maturing securities, in total £682,000, depositors began to have doubts about the safety of their deposits. When the Reduction in Interest Bill was introduced in March 1931 the government leader in the Upper House had to admit that the GSB "would be unable to meet its liabilities unless it also reduced its interest rates" and, although the bill was shelved, withdrawals in March were three times greater than in February. Over 16 days of trading in April, with queues around the block of its Martin Place headquarters, the daily average excess of withdrawals over deposits was £170,000. When it haemorrhaged a further £1.5m on 22 April 1931, and with only £214,000 in cash remaining, a notice posted on its closed doors, "payment suspended," announced that the second largest savings bank in the British Empire



Depositors queue to withdraw funds from the GSB, 22 April 1931 [SMH]



How the *Labor Daily* represented Lang's dismissal

had, in clinical financial language, “failed.” For the next nine months its depositors were limited to withdrawals of no more than 10% of their balances, financed by an advance to the GSB from the Commonwealth Bank, with which the GSB eventually merged on 13 December 1931.

A second plank in the Lang Plan was “to pay no further interest to British bondholders until Britain has dealt with the Australian overseas debt in the same manner as she settled her own foreign debt with America.”⁸ (The third plank was replacement of the gold standard with a ‘goods standard’.) The Australian economy generally was vulnerable because of the dominance of government borrowing in total capital inflow, the states having been voracious borrowers to fund public infrastructure (in NSW think the metropolitan railway and vast Sydney tramway networks alone). At the end of March 1931 Lang announced intention to default on interest obligations to British bondholders, due at month’s end.⁹ The

IF YOU CHANGE YOUR ADDRESS, NOTIFY THE		BANK AT ONCE, AND GIVE THE ABOVE NUMBER				
Date	Sums Received and Paid	Deposits	Payments	Balance	Officer's Initials	Agency Stamp
1929						
	Balance Forward			277 11 11		
4 FEB. 1931	Paid		5	272 11 11	OK	WAHR
10 FEB. 1931	Paid		10	262 11 11	OK	WAHR
See pg 8			10	252 11 11	OK	WAHR
26 FEB. 1931	Paid		10	242 11 11	OK	WAHR
27 FEB. 1931	Paid		10	232 11 11	OK	WAHR
11 MAR. 1931	Paid		10	222 11 11	OK	WAHR
19 MAR. 1931	Paid		10	212 11 11	OK	WAHR
Apr 20	Paid NW		10	202 11 11	OK	WAHR
Apr 17	Eighty ps	80		282 11 11	OK	WAHR
June	Paid (C. B. Advance)		3	279 11 11	OK	WAHR
June 10	Paid C B Advance		3	276 11 11	OK	WAHR
June 15	Paid C B Advance		3	273 11 11	OK	WAHR

ALWAYS SIGN YOUR NAME THE SAME WAY
KEEP THIS BOOK

OR PAYMENT MAY BE REFUSED
UNDER LOCK AND KEY

GSB depositor's passbook; note the restriction on the amount which could be withdrawn after April 1932 (£3) financed by "C B Advance" [author's collection]

Commonwealth paid up to avoid default, as it did when Lang defaulted again in January 1932. Losing patience, the new prime minister, J A Lyons, triggered what would become a byzantine tussle with Lang when he enacted, in mid March, the Financial Agreements Enforcement Act [FAEA], by which the Commonwealth:

- made itself directly liable to all creditors for payment of interest on debts taken over from the states;
- asserted a right to sue the states for recovery; and
- authorised taking the revenues of defaulting states.

By then NSW was in default by over £2 million.

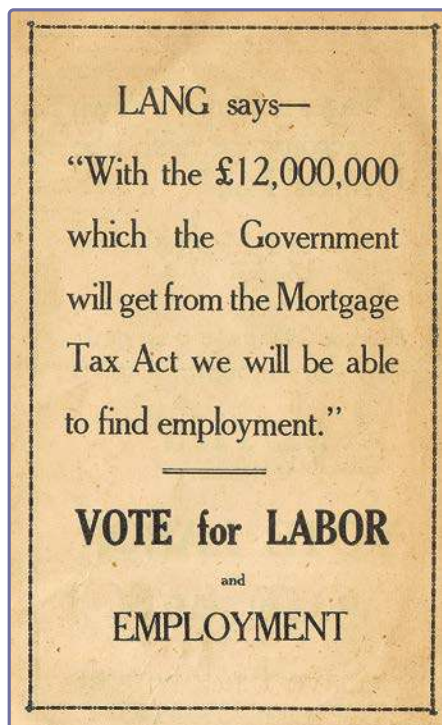
Lang's challenge to the legislation was dismissed by the High Court on 6 April and, in what economic historian C B (Boris) Schedvin has likened to a comic opera,¹⁰ Lang retaliated by impounding documents relating to assessments of income tax (which was then a state tax) so as to block the Commonwealth's issue

of assessment notices to attach the state's revenue pursuant to the FAEA.¹¹ Three more FAEAs broadened the scope for collection of state revenues and when the Commonwealth exercised power under them to require trading banks to hand over funds held to the credit of the NSW government Lang withdrew state funds from the banks, holding cash at the Old Mint building in Macquarie Street and bolstering this bravado by issuing, on 12 April, a circular to public servants which directed them:

- to forward all moneys collected directly to treasury rather than to banks;
- to insist that payments to NSW government be by cash or bearer cheques; and
- not to meet government expenditure by drawing cheques.

Troubled about the circular's possible illegality Game consulted the Chief Justice, Sir Philip Street, who advised that Game would have to make up his own mind.¹² Game then asked Lang to establish the circular's legality and consulted the Dominions Office in London while he awaited Lang's answer. When a further circular was issued on 10 May, "so that public servants might be paid," Lang demurred in its defence that it was necessary to keep state money out of the hands of the Commonwealth because slavery had been abolished in the British Empire, so public servants could not be forced to work without pay.¹³

At 6.45am on 12 May, after an all night sitting, the NSW parliament passed the Mortgages Taxation Bill, imposing a 10% tax on all mortgages, loaded with a further 10% if not paid within 14 days.



Labor leaflet for 1932 election
[author's collection]

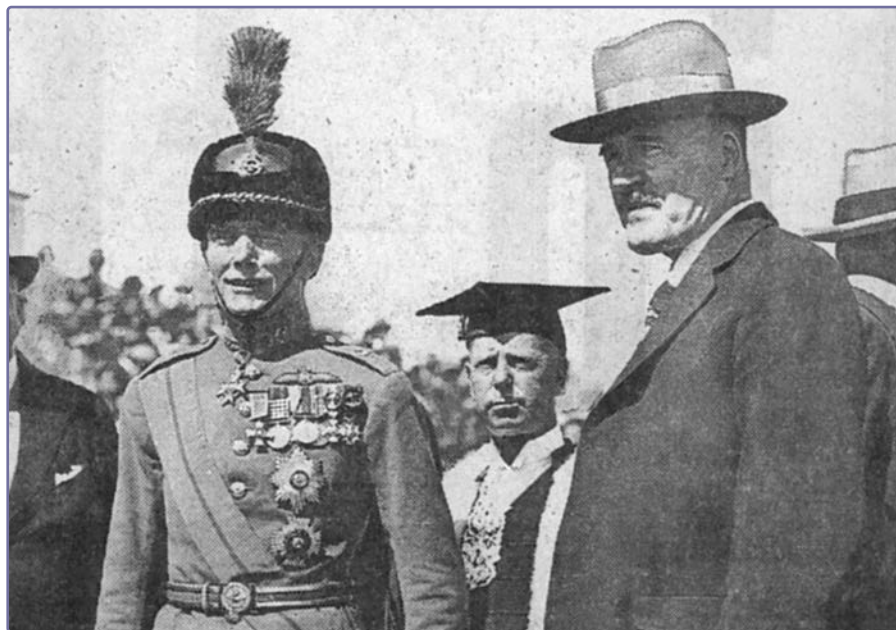
In effect, it was a capital levy on banks¹⁴ and awaited only the governor's assent to become law, but was overtaken by events of that and the following day. Game wrote to Lang, requiring that by 11am the following day (13 May) he "furnish me with proof that the instructions in the circular are within the law or alternatively withdraw the circular at once."¹⁵ Lang's response next day catalysed a climax. He said that the circular "represents the decision of Cabinet, and ... cannot possibly be withdrawn." Game hit back immediately: "... your letter ... does not dispute ... that the circular ... is a breach of the Federal law," and sought an immediate interview with his premier. They met at 3pm, after which Game confirmed in writing (at Lang's request) his view that "Ministers are committing a breach of the law ... [and] ... it is impossible for me to put the Crown in the position of being a party to an illegal action ... [and] ... if Ministers are not prepared to abide by the law ... it is their bounden duty ... to tender their resignations." Lang's response was blunt: "if your letter ... means that you are requesting the resignation of Ministers ... your request is refused." It was now almost 6pm on 13 May and Game acted decisively: "I feel it my bounden duty to inform you that I cannot retain my present Ministers in office, and that I am seeking other advisers. I must ask you to regard this as final."

So it was. A *Herald* representative, on entering the Premier's room, was greeted with "well, I am sacked. I am dismissed from office. I must be going, I am no longer Premier, but a free man."¹⁶ He donned his greatcoat and hat and picked up his attaché case. Staff lined up to say goodbye. Without speaking, he "shook them by the hand fervently" and went out by the main door to his waiting car to drive to his farm at Ebenezer.¹⁷ There was no doorstep declamation that "nothing will save the Governor" nor any incendiary invocation for *Lang is Right* loyalists to "maintain the rage" (although *Lang is Right* graffiti artists were busy around the city that night). The *Labor Daily* newspaper and Labor Council-owned radio station 2KY denounced the dismissal, but at the consequent election on 1 June public opinion supported Game.

So did the Dominions Office in London. "We are enchanted with your triumph over Lang and that in spite of New Guards, Old Guards and the Red Guards ... you have been exalted to the hero of the day" wrote the King's private secretary, Baron Wigram, to Game on 7 June 1932.¹⁸ The Philip Game papers were routinely released in January 1995, without any confected clamour to access the correspondence passing between Government House in Sydney and Buckingham

Palace in the hope of exposing some imperial intriguing. They disclosed that Game had a reluctant respect for Lang, who “was entirely courteous and personally friendly throughout, as he has always been.”¹⁹ Game’s assessment was that “the man undoubtedly has brains, courage and personal magnetism and I do not believe he is out for himself ... but on the other side of the picture he seems capable of quite foolish actions which alienate sympathy from himself and his cause ... on the whole I have conceived a considerable liking for him.”²⁰ As for the opening of the Bridge, His Majesty was reported to have been not amused: “We all thought that Lang might have been more suitably clad, both as regard his garb and head gear” ... and to have questioned “why, if the Governor-General were present, he didn’t open the Bridge as the King’s highest representative in Australia ... I cannot say that the King smiles upon this custom!”²¹

Lang never again held high public office. As leader of Lang Labor (the faction expelled from the ALP by its Federal Executive in March 1931, following a pro-Lang candidate’s success in the bitter by-election for the federal seat of East Sydney) he served one term as member for Reid in the Federal parliament and



Game and Lang at the Bridge opening; the King frowned upon Lang’s dress code

continued to publish his newspaper, *The Century* (much of it written by his lifelong acolyte, Alfred Paddison), always travelling to its Auburn office by train. He believed in himself and his policies, churning out a succession of books²² and in later years was on the living history circuit, addressing student assemblies, which is where I saw him at Sydney Grammar School in the early 1970s. The fire had gone out of his oratory but the embers of resentment still smouldered as, with gesturing index finger crooked by age, he contemned “I didn’t have money in the treasury to pay the widder (sic, widow) pensions, but I still had to pay the British bondholders.” Yet his non resistance to dismissal on constitutional grounds is seen by his critics as relieving himself of cleaning up the mess his extreme policies had generated, leaving his reputation strong as a left wing leader.

Lang died on 27 September 1975, aged 98. His Requiem Mass in St Mary’s Cathedral on 30 September was broadcast by the ABC and relayed to thousands outside who stood in nearby Hyde Park to farewell one of the most controversial political figures the state had ever known. Whether enthusiastically supported as a hero of the working class or severely criticised as a disruptive political careerist, he could not be ignored, not even now, in death. The *Sydney Morning Herald* reported that “the people gathered around him for the last time, as long ago in days that seemed without hope, they had rallied in their thousands to his call ... he became the most hated and the most loved politician in Australia.”²³ The line up of Labor luminaries inside included Prime Minister Gough Whitlam, who sat through eulogies which included recalling Australia’s only vice regal dismissal of a government in office, 43 years earlier, to resolve a political funding stand-off. There were then just 42 days to go, until 11 November 1975.

John Lanser

- 1 Ward, John: *The Dismissal*, in *Jack Lang* (edited by Heather Radi and Peter Spearritt), Hale & Iremonger 1977, page 165.
- 2 Young, Irwin: *J T Lang and the Depression in Labour History* No. 5, Liverpool University Press, November 1963, page 8.
- 3 Paddison, Alfred: *The Lang Plan – The Case for Australia*, Labor Daily Ltd, 2nd edition, 1931, page 26.
- 4 Paddison, op.cit page 32.
- 5 *Australian Dictionary of Biography* at <https://adb.anu.edu.au/biography/lang-john-thomas-jack-7027>.

- 6 Polden, Kenneth: *The Collapse of the Government Savings Bank of NSW, 1931*, Australian Economic History Review, vol 12, no 1, January 1972, page 52.
- 7 Election pamphlet of E L Holmes, Nationalist candidate for Bulli, cited in Polden, op.cit, page 4, note 10.
- 8 Paddison, loc.cit.
- 9 *Sydney Morning Herald*, 27 March 1931.
- 10 Schedvin, C B: *Australia and the Great Depression*, Sydney University Press, 1970, page 353.
- 11 Schedvin, page 353, Ward, page 167.
- 12 Ward, page 167.
- 13 Ward page 169.
- 14 Schedvin, page 353.
- 15 The curt correspondence between Game and Lang, tracing the last 24 hours of Lang's premiership, is reproduced in full in Berthia Foote's *Dismissal of a Premier – The Philip Game Papers*, Morgan Publications 1968, at pages 208-210.
- 16 *Sydney Morning Herald*, 14 May 1932.
- 17 Ibid.
- 18 *Sydney Morning Herald*, 16 January 1995, page 13.
- 19 Game to the King, 11 May 1932, in *Sydney Morning Herald*, loc cit.
- 20 Game to the King, 18 August 1931, in *Sydney Morning Herald*, loc cit.
- 21 Wigram to Game, 11 May 1932, in *Sydney Morning Herald*, loc cit.
- 22 *Why I Fight* (1934), *Communism in Australia* (1944), *I Remember* (1956), *The Great Bust* (1962), and *The Turbulent Years* (1970). The last two were partly or wholly ghosted by A C Paddison, as Paddison's business associate, Bernard Harte, verifies in *When Radio Was the Cat's Whiskers*, [Rosenberg 2000, at page 112]. The earlier books may also have been ghosted but Lang's son, Chris, (who was a one time lunch guest at our York Street club house) always maintained that his father did the drafts, which were given to others to complete.
- 23 1 October 1975.



EDITOR

John Lanser

EDITORIAL SUB-COMMITTEE

Christopher White, Antony Carr, Dr Matthew Glozier,
Grahame Pratt (President, ex officio), Charles Fairlie

Any opinions expressed in this publication are those of the authors and not necessarily those of the Australasian Pioneers' Club. Every care has been taken to attribute articles and images reproduced in this publication, and copyright permission has been obtained where necessary.

ISSN 2652-0761