

The New States Movement

Australia, that greater progress and prosperity might have characterised the whole of that area. The relative development of Riverina, New England, and the northern portions of Queensland as compared with Victoria and Southern Queensland, or even with New Zealand—which also was at one time a portion of the original Colony of New South Wales—does not appear to lend support to that theory. It is suggested that opponents of further subdivision might ponder this aspect of the case. If the success of the original experiment has been demonstrated beyond dispute, on what grounds, may it be asked, should the further extension of the process be objected to? Is it to be argued that the existing State is now small enough? If so, what of Victoria, which is little more than a fourth of New South Wales in area and approximately an eighth of Queensland? This presentation of the case is essential to those who are prepared to approach the question with an open mind. It is recognised that there are commercial and financial interests that are seldom swayed by any motive higher than their own immediate advantage, and there are industrial interests who think that a unified system may give them a more cast-iron control of unionism than they possess to-day. To the first I would commend the suggestion of Dr. Earle Page that, with further subdivision, Sydney would cease to be the Capital of New South Wales and would become the commercial Capital of Australia. This process has been observed in New York City, which is no longer the capital of New York State in the true sense, but is the commercial and financial hub of the United States. As to whether it would be a good thing for the worker in particular and for Australia in general to be subjected to a closer and more strangling grip of Trades and Labour Council, and the type of politics and industrialism it has evolved, is a question that I cannot develop in this article.

Since 1856, from time to time, there has arisen a demand, in New South Wales, for the right of self-government for an undefined area lying north of Newcastle, and a

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somewhat similar area lying south of Goulburn, whilst at the present moment a vigorous organisation is growing in the Central West, joining hands with the Riverina and New England movements.

So far as the North is concerned it is not too much to claim that it is the best-organised, and—in the constitutional sense—the best educated of the New States' organisations. Resuscitated in 1915, it has steadily held on its way. Though the present stage is not nearly so vociferous as its rather exuberant childhood, its teachings are more widely diffused and its influence more profound than at any time in recent years.

Like many other reforms, it has been misunderstood in quarters where sympathy, or at least suspended judgment, might reasonably have been expected.

Criticisms levelled at it are somewhat as follows:—"It is too narrow in scope"; "It should comprehend the whole of Australia in its sweep"; "It aims at tackling the problem of subdivision of Australia piecemeal"; "It will increase the cost of government"; "It will greatly enlarge the Civil Service"; and—localising the objections to New England—"It will be unable to support itself financially." Curiously enough the last objection has been levelled at New England—as the northern area has now been named—and in the same breath it has been argued that the New Staters are trying to rob New South Wales of its richest territory.

It is not possible within the limits of this brief review to traverse the whole of the objections, but it is well to recall that in 1924 at the instance of the New State Movement a Royal Commission appointed by the New South Wales Government exhaustively inquired into the whole question including that of cost. On this subject I hope to say more later. It is pertinent, however, to point out that the advocates of Unification who continually raise the

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bogey of the cost of States, new and old, have never yet attempted to produce, so far as I am aware, any real evidence that the peculiar form of government they advocate would cost any less.

There is ample evidence that it would be hopelessly ineffective in dealing with the problems of a land as vast as Australia.

In the early days of the later Northern agitation—1916-1931—the leaders realised that to succeed it must appeal to a wider public than the residents of New England. Quite apart from anything else, the difficulties associated with a verdict that appeared to depend upon “the consent of the Parliament of the State and a majority of the electors voting on the question” indicated that public opinion throughout the State must be well informed if success were to crown their efforts.

With this object in view, an “All-Australian” New States Conference was convened at Albury on July 3rd, 1922. At this conference resolutions which had already been carried with large majorities at an Armidale Convention on 21st April, 1921, were re-affirmed almost without dissent.

The principal resolution and that which really forms the basis of the movement reads as follows, viz.:—

“That this Convention affirms the desirability of immediately holding a Constitutional Convention to remodel the (Federal) Constitution and secure a new and definite apportionment of the powers of States and Commonwealth—

- (a) To enable the Commonwealth to discharge national functions effectually.
- (b) To safeguard and define the State powers of government and local development, to prevent duplication and friction.

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- (c) To provide easy machinery to facilitate subdivision of present States to secure normal development and economy of government and decentralisation of administration."

The general tenor of this resolution should at least serve to indicate that a charge of limited vision is scarcely justified.

It was early realised that unless an amendment of the Federal Constitution could be achieved the difficulties in the way of subdivision of existing States would seriously affect the chances of success. It was felt that the best results would not be secured if subdivision commenced and ended with Northern New South Wales.

It is admitted that the resolution is capable of a fairly wide interpretation, but it did and does definitely establish the principles underlying the Northern New States Movement, principles, let it be stressed, that were accepted at Albury in 1922 by delegates from practically every State of Australia.

Further, on 28th April, 1931, a combined Conference of delegates from all the New South Wales Movements, viz., Riverina, New England, Monaro, South Coast and Central West, carried a resolution substantially the same as the above, and accepted the principles it contained as the basis of their Movement.

The principles enunciated therein are the real basis of the movement.

Briefly that basis is—

- (1) That a true Federal system of government is the only system that will permit of proper legislation, administration and development for Australia.
- (2) That the Commonwealth should control those matters which are truly national—and international—in scope and nature.

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- (3) That the States should legislate in respect of, and administer all matters which are of, State or local character, and which generally concern citizens in the ordinary affairs of life.
- (4) That the present unwieldy size of a number of the States is—
 - (a) A deterrent to their economical and effective administration.
 - (b) A menace to the continuance of the Commonwealth as a unit for the purposes of national government.

Insistence upon the Federal system of government is not likely to be popular with those who visualise an Australia controlled by one government and legislated for by one Parliament at Canberra, but the men who have fostered this subdivision ideal are those who are not concerned so much with theories, as with the actual fruits of centralisation at first hand. They have a personal knowledge of the vastness of the Australian continent and have had a bitter lesson in the effects of a tariff policy dictated by a combination of city industrialists and city manufacturers upon the less populous rural areas. They believe that this policy is as short-sighted as it is selfish, and is primarily responsible for many of the less wholesome features of our social life to-day. They regard the ideal of a completely unified system of government that will be devoid of friction as an idle dream. If attainable it would be like the quiet of a dank pool, the price of stagnation.

It may be thought that the advocates of New States place altogether too much emphasis upon the difficulties of governing three million square miles (plus mandated and other territories) and too little upon the (alleged) absurdity of having seven governments to govern six and a half million people. But why stop at "seven" parliaments? Why not make it "eight" and include New Zealand, which was also a part of the original Colony of New South Wales? The

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capital city of New Zealand is only about four days' steam from Sydney, the nearest port to Canberra; whilst Darwin and Perth (the capital of Western Australia) are roughly twice as far from Canberra as Wellington, the New Zealand capital.

It is freely admitted that the next fifty years may revolutionise travel over our vast spaces. Experience seems to prove, however, that the closer you can bring government to the people to be governed, more particularly in respect of the ordinary affairs of life, the more economical such government is likely to be. Sir Austen Chamberlain, speaking of Locarno, stressed one phase of this question when he said: "I do not think it possible to treat of matters of this consequence covering so wide a field by despatch or cable across the ocean. For a true appreciation of the position personal contact and personal explanation are necessary."

What is true of Locarno seems to apply with equal force to legislation and administration affecting citizens in the ordinary affairs of business and life. The New States Movement lays stress on the contention "that geographical considerations affect government"—(Bryce).

What they deem necessary is a system that grants full recognition to this fact and extends to such areas as New England, Riverina, and the Central West in New South Wales, and to Northern and Central Queensland the unhampered right—consistent with national obligations—to pursue their own government and development.

Whilst the advocates of New States are of the opinion that subdivision of existing States would cause a reduction in the cost of government, they feel that the real gain would lie in the progress made by the new governing units once they were freed from the Big City interference. The present system leads to intolerable circumlocution and considerable expense in the transport of officials. Apart from

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this it is felt that a great deal of the enterprise and finance expended on unnecessarily bloating the Capital Cities would be diverted to the greater national benefit of building up the new States. It is contended that by this means, and not by the abolition of State Parliaments, a reduction in the size of the Civil Service will be obtained. Consider the normal development of a State Civil Service as indicated by our own experience in New South Wales. As our population has increased Ministers have felt it necessary to devolve on Boards and Commissions an increasing number of their functions. Thus the Civil Service grows in extent. But what must be the tremendous impetus given to this evil tendency if one set of Ministers at Canberra be compelled to grapple with the problems of a continent larger than the United States of America on the mainland! To quote Harlow, in his reference to the attempt to govern the American States from England—

“As the number of Commissions increase the directing powers will call for the creation of a super-commission to administer its predecessors, to make them function smoothly and to try to create efficiency where it is most needed and generally least possible.”

It may be noted in passing that New York is closer to London than many parts of Australia are to Canberra, and that from Glasgow to Quebec is approximately the same distance as from Sydney to Perth.

Apart from this aspect of the case it cannot be overlooked that much of our financial embarrassment is due to the invasion by the States of what has been in other lands the legitimate field of private enterprise. If in the constitutions of New States there are inserted clauses limiting the taxing power and limiting the borrowing power, except by referendum of the electors, it is probable that New States would not only keep taxation within bounds, but they would prevent an inordinate growth in the Civil Service.

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Turning to the field of legislation, it is found by no means easy to determine the proper sphere of the Commonwealth and the proper sphere of the States. To the person who accepts the Federal principle as the right one to maintain in Australia, it is not difficult to determine that certain things should be the exclusive sphere of the Commonwealth, and certain other things are equally fitting subjects of State legislation.

Generally speaking, there is little quarrel with the powers of the Commonwealth as at present held, more particularly in Section 51, though it is felt that the taxing power should be more clearly defined. Then there is the question of Industrial Law. Should it be conferred solely upon the Commonwealth or should it become the sole legislative province of the States? Should the Commonwealth be vested with power to declare the basic wage and the basic hour for Australia, leaving other matters to the States? But is it possible to declare a uniform basic hour and a uniform basic wage equally applicable to all the States?

The following incident will serve to give point to these questions. In 1926, when a Rural Award had been granted to the Agricultural employees in New South Wales, the maximum hours worked were about 60. It is fairly evident to the initiated that any attempt to fasten the higher standard on to the Tasmanian industry would have practically strangled it. It would appear that Sir John Quick was fully seized with these difficulties when he stated that unification would not result in uniform legislation "but a swarm of statutes only locally applicable and totally inconsistent."

Summing up, the general tendency of the New State Movement is to insist that where a law is not, and cannot be, soundly applicable to every citizen and State of the Commonwealth, such law is a fit and proper subject of State legislation.

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A distinctive feature of the Northern New States Movement has been its clear grasp of the fundamental principles of a Federation. This has saved it from the apparent inconsistency of fiercely demanding the abolition of State Parliaments with one breath and in the next, with equal emphasis insisting that Provinces to be created shall exercise all the powers of existing States with something thrown in for good measure.

From the outset it has stressed the Federal aspect as a thing vital to Australia's growth and prosperity. With equal insistence it has pointed out that the unequal size of the States—in point of population and wealth—is a menace to the continuance of the Commonwealth as a national unit within the British Commonwealth of Nations. It believes in the maintenance of the Federation but insists that States are a necessary check upon certain undesirable possibilities connected with a weak Federal Government.

Recent events have proved incontestably that the contention is justified. It was the States, in the present financial crisis, who compelled the Commonwealth Government to stand up to its obligations: it is the over-big and over-powerful State of New South Wales that is now paralysing the attempts of the Commonwealth and the other States to discharge their obligations. If this State is not curbed by subdivision it will ultimately wreck the Federation. Does anyone imagine for one moment that if New South Wales were only as powerful as Tasmania that it could have maintained its present attitude for a single week? Because it has two-fifths of the population, more than two-fifths of the wealth and roughly a quarter of the Public Debt of the Commonwealth and States, it presents a problem that is paralysing the normal procedure of Federal Government. The evil effect of this defiance of constitutional restraints by New South Wales is seen in the ever-growing demand for secession arising from practically every State. Whilst it is unthinkable that the compact achieved by Parkes, Barton, Griffith and others consummated in 1901 and sealed with

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the bloody carnage of 1914-1918 should be broken, it needs very little imagination to understand the resentment of the smaller States at the selfish action of New South Wales. New States' advocates believe that the creation of smaller States will prevent a recurrence of this evil, and at the same time place an effective check upon any weak Federal Government that may happen to secure control. Whilst willing to test to the full the constitutional machinery at their disposal, they feel that a representative Australian Convention would achieve much.

Since 1900 Australia has marched far along the path of Nationhood. The War and Imperial Conferences have resulted in an altered status in the eyes of the world and in International Law. Among other things we have an Australian-born Governor-General and are about to receive Imperial recognition of our claims in the person of a direct representative of the British Government. New Staters see in these changes the dawn of the day when the existing relation of the States to Great Britain will be regarded as an anachronism. They urge that the present Imperial prerogatives safeguarding the Constitutions of the States should be embodied in the Federal Constitution. Not that the power to amend a State Constitution should be transferred to the Commonwealth but that by a safeguarding clause the constitution of any State be made unalterable, except with the consent of the electors voting by referendum on the question. Apart from this there are many matters requiring impartial consideration. The "Report of the Royal Commission on the Constitution" should provide an excellent groundwork of expert evidence for a Constitutional Convention.

New Staters have not escaped the charge that they are attempting to turn to advantage a certain set of conditions without much regard to their applicability to the real objects of the movement.

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It is probable that the determined body of men who surrounded King John at Runnymede some 700 years ago were far less concerned with the noble Charter they were conferring on Britons for all time than they were with ridding themselves of an intolerable nuisance. It reasonably may be suspected that John himself was much less impressed with the matchless ideals expressed in that document than he was by the glitter of the swords in the hands of those who surrounded him.

“All reforms,” sagely remarked Sir Henry Parkes, “are the outcome of discontent with government!” The New States Movement is probably no exception to the rule; yet it is firm, based on the belief that the destiny of Australia demands a Federal system of government, finding its fullest expression in the gradual creation of additional States out of existing States and Territories. It is convinced that economy of government is not inconsistent with this ideal. On the contrary, it feels that this policy represents the only possible solution of the very grave problems which confront us.

—D. S. DRUMMOND.