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Remarks at book launch,

Melbourne Thursday 25 Oct 2012.

Ray Evans

I can remember clearly the occasion when this biography was conceived.. John and Helen Hyde were having dinner with Jill and me at our home in Newport. The year was 1990. This was when the Hydes were running the IPA in Melbourne and we benefitted greatly from our friendship with them during that time.

At this dinner our conversation turned to Bert Kelly and one of us, out of the blue, said categorically, someone has to write his biography. So we rang him immediately and obtained his blessing for the project.

That was over 20 years ago, so there has been a long gestation period between conception and birth. By happy coincidence this year is the centenary of the birth of C R Kelly. His birthday is on 22 December. His mother called him Robert, but would not have him baptized as Robert Charles (RC) Kelly. So the initials painted in large white letters on his battered case were C R K.

This project was something I had treasured for myself but, after we had obtained Bert's blessing, I was able to raise some money and pay Shaun Kenneally to begin work on the book. Shaun had many gifts but writing a book was too big a task for him, and although he put together some valuable material, that particular project ran into the sand. I'm delighted that Hal Colebatch has placed a good number of Kenneally quotes in the book. His contribution to this project has been properly recognised in this way.

In the meantime I was able to conduct some interviews with some of Bert's contemporaries and ask them about their interactions with Bert. One of them was Jim Forbes, who became the Member for Barker in 1956, two years before Bert became the Member for Wakefield, and who later held senior ministerial portfolios for many years. He was Bert's closest parliamentary colleague. I also talked to Lorna Kelly and she gave me some valuable insights into Bert's career. Lorna, sitting up in the Visitors Gallery, was often the only person in the Chamber, apart from the duty MP on the other side of the House, when Bert was using the opportunity of the adjournment debate to get into the Hansard the results of his study of the Tariff Board reports.

However, I think the most illuminating interview I had was with Sir Paul Hasluck. Sir Paul mentioned that amongst Bert's Liberal Party colleagues, he was often put down "for his Methodist zeal". Sir Paul also told me that he prided himself on his ability to get on the right side of Sir John McEwen if it was necessary to get McEwen's support prior to a cabinet meeting. I mention McEwen in this context because McEwen was Bert's great and formidable opponent in

the long debate over protection, and so Hasluck's comment introduces the second most important figure in the Kelly biography.

In comparing the two men and the relative power they were able to wield, the story of David and Goliath immediately comes to mind. Jack McEwen was indeed a Goliath. As Leader of the Country Party, Deputy Prime Minister and Minister for Trade, he had built up a team of civil servants who were loyal to him rather than to the nation. He also had a faction within the Liberal Party who admired and supported him, and Menzies had to be watchful of them.

In the two year period after the 1961 election, when the Coalition had a majority of only one in the House of Representatives, McEwen had Menzies in a hostage situation, and it was during this period that McEwen carried out his plan to make the Tariff Board, which had been established in 1921, impotent, and to create in the Office of the Special Advisory Authority, an instrument which would do his bidding on tariffs. McEwen appointed Sir Frank Meere as the Special Adviser; the Tariff Board was neutered; the chairman, Sir Leslie Melville, an economist and a public servant of great distinction, was forced to resign; and Bert Kelly was still a backbencher with only three years experience in the parliament and the party-room. Hal Colebatch has well described the huge difficulties which Bert faced in this period. He was at his wits' end as to what he could do to. He really was a David facing up to this giant Goliath, and trying to find some suitable stones to put into his sling shot.

It is only now that we are learning about the extent of McEwen's mendacity and duplicity. Charles Massy has just published his immensely important book on the wool industry, *Breaking the Sheep's Back*,¹ and he discusses the way in which McEwen and his allies established the Wool Reserve Price Scheme, built up a wool mountain of over 4 million bales, and a debt of more than \$4 billions. In 1991, when Bob Hawke finally blew the whistle, that was really serious money. Massy's book could only be published last year after the death of one of the key players, and Massy has told us that in due course a new edition will come out with even more information on the damage that was done to the wool industry by McEwen and his supporters.

It was during this period, 1961-1963, that Bert, with only Jim Forbes to give him moral support within the Party-room, established himself as a parliamentarian who could not be shut down, bullied, or silenced. After the 1963 election, which restored Menzies' authority within the Coalition, Bert was able to go on the offensive.

After Melville had been forced to resign, a new Chairman of the Tariff Board had to be appointed, and Alf Rattigan, formerly from the Customs Department, accepted the job.

An account of Rattigan's appointment is in the book, but it is not the full story, and it is appropriate to tell it now and to get it into the public record. I had lunch with Alf Rattigan in Canberra, I think it was not long after he retired, and he told me how it came about that he

¹ Charles Massy *Breaking the Sheep's Back*: UQP, 2011,

decided to accept the appointment. Recall that Sir Leslie Melville, a very distinguished public servant, had been ignominiously forced to resign; that McEwen had broken the authority of the Tariff Board with his Special Advisory Authority; and that Rattigan was well aware of McEwen's ruthlessness and vindictiveness when he was crossed. So he was, not unreasonably, very reluctant to accept the appointment.

However, he was at this time attending a black-tie function in Parliament House of a diplomatic kind, at which Menzies sought him out, took him to one side, and asked him in the most direct terms to accept the appointment. According to Rattigan, Menzies' words were, "Rattigan, I really want you to accept this appointment", with heavy emphasis on the word "really". And he told me that after that very brief conversation he felt he had no choice but to do as the Prime Minister had asked.

Hal Colebatch tells us how Bert, full of anxiety, rang his father on the news of the appointment, but WS who had a very good knowledge, from his time on the Tariff Board, of who was who in Canberra, reassured Bert that Rattigan would turn out OK. And so it proved.

Let me now return to the conversation I had with Sir Paul Hasluck. In his dealings with McEwen, Hasluck told me that his technique was to put down no more than five points on a single sheet of paper, arrange to meet "Le Noir" as Menzies called him, and go over them, one at a time. Once McEwen had orally, and I emphasize the word "orally", signed off on each one, Hasluck knew he would get what he wanted in cabinet.

Hasluck's reference to "Methodist zeal" rang big bells in my mind because I, too, had been a Methodist boy, albeit 27 years younger than Bert.

The Kellys had come to South Australia from the Isle of Man, a self-governing Crown dependency in the Irish Sea, with a strong Methodist tradition dating back to John and Charles Wesley. South Australia was a Methodist stronghold; Adelaide was known as the city of churches. Much of this Methodism came with the Cornish miners who pioneered the copper industry in South Australia, thus saving the infant colony from bankruptcy. Geoffrey Blainey tells us that thirteen of the sixteen churches at Moonta were Methodist².

I understand that Methodism is still alive in the UK and is thriving in the US. But it died in Australia when the Uniting Church was formed through the union of the Presbyterian, Congregational, and Methodist churches. The Methodist Church which I attended as a boy is now a Chinese Christian church, and I'm delighted to see the church notice board, replete with Chinese characters, when occasionally I drive past it.

You may be thinking what has all this to do with Bert Kelly, his Methodist roots, and his extraordinary contribution to Australian political and economic life. Bert is remembered and

²Fourth Edition 1993 *The Rush That Never Ended* p118

revered for his life-long commitment to his lonely battle against protectionism, but what has religion in general and Methodism in particular got to do with tariffs?

In my view it turns out that the answer is, almost everything. Edmund Burke, universally accepted as the father of conservative and liberal political doctrine in the Anglosphere, tells us that “True politics is morality writ large”; which leaves unanswered the next question “Where does morality come from?” One of Burke’s answers to that question is this:-

“There is but one law for all, namely that law which governs all law, the law of our Creator, the law of humanity, justice, equity - the law of nature and of nations.”

Within Western society, the law of our Creator is the Decalogue - the Ten Commandments, and many, perhaps most, churches had the Decalogue inscribed at least, in shortened form, above the stained glass windows often found in the sanctuary. Since they are rarely cited in today’s world I am going to read them, in summary, as they are sent out in Communion Service in the Book of Common Prayer, to you now.

1. I am the Lord thy God: Thou shalt have none other gods but me.
2. Thou shalt not make to thyself any graven image. Thou shalt not bow to them or worship them.
3. Thou shalt not take the name of the Lord thy God in vain:
4. Remember that thou keep holy the Sabbath-day.
5. Honour thy father and mother.
6. Thou shalt do no murder.
7. Thou shall not commit adultery.
8. Thou shalt not steal.
9. Thou shalt not bear false witness.
10. That shalt not covet thy neighbour’s house . . . nor anything that is his.

The Ten Commandments describe for us the moral world in which Bert Kelly and his contemporaries, grew up, and the moral compass which guided their activities. And so political issues within Australia were framed, debated and resolved, at least at least for the time being, within this framework. Biblical texts were often used in political debates. I remember hearing Bob Menzies announcing state aid for church schools, in the form of commonwealth grants for science blocks which would be distributed to all schools - government and non-government - at the

beginning of the 1963 election campaign, and using John 14:2 “In my Father’s house there are many mansions” as a supporting statement.

The tenth commandment - “thou shalt not covet” - provides the main theme for these comments on Bert Kelly and his fight against Protectionism. But I cannot pass over, without comment, the fifth commandment - “Honour thy father and mother”. It does not say “Honour parent one and parent two.” Much more could be said about the implications of that commandment.

However, back to the tenth commandment - “thou shalt not covet”. Protection was a government-mandated system of rewarding covetousness. The rent-seekers, or as Jack Lang called them “the tariff-touts”, were able to steal huge amounts of money from the rest of the community, transfers which were never scrutinized in the Parliament because they were off-budget. Bert, through unremitting study of the Tariff Board reports, and then through information which came to him on plain, unsigned paper, or from telephone calls at night, was able to give chapter and verse on the huge amounts of money involved. And those numbers, together with the realization that protection was seriously impoverishing Australia, became the weapons which brought down the Protectionist system which had been in place since Deakin established it, soon after the new Commonwealth Parliament began to legislate in 1902.

The measure of Bert’s achievement is best seen in the context of Keith Hancock’s opening sentences to Chapter V of his marvellous book *Australia*. Well after he had retired from the parliament, Bert rang me, with great glee, to read to me these few lines. The book was written in 1930, when Hancock was himself just 32 years old and Bert had only just discovered it. I quote:

“Protection in Australia has been more than a policy: it has been a faith and dogma. Its critics, during the second decade of the twentieth century, dwindled into a despised and detested sect suspected of nursing an anti-national heresy. For Protection is interwoven with almost every strand of Australia's Democratic nationalism. It is a policy of power; it professes to be a policy of plenty”.

Bert lost preselection for Wakefield in 1977 but continued his columns as *The Modest Farmer*. Malcolm Fraser, a supporter of protectionism, won the 1980 election, but then presided ineffectually over rising inflation and increasing trade union militancy. In 1983 the Hawke Government was elected and Hawke and Keating began to implement a policy of phasing out protection. It was, without doubt the most important political development in post-war Australia.

In 1980, Lee Kuan Yew, Prime Minister of Singapore, had visited Australia and commented that we were in danger of becoming the “poor white trash of Asia”. This statement touched a very deep nerve because Australia had, since federation, been sliding down the per capita income ladder. At federation Australia was, with New Zealand, in per capita terms, the wealthiest country in the world. By 1980 we were 22nd or 23rd on the ladder and were accelerating downwards.

There were two primary causes for this slide. The first was protectionism, a policy which rewarded rent-seeking instead of entrepreneurial endeavour, and the second was our much-prized

industrial relations system, under which our legally privileged trade unions made fighting the class war the major focus of their activities. Both of these institutions had been established by Alfred Deakin soon after federation, and together they transformed Australia's economy from one which was internationally highly competitive, to one in which our key export industries, notably the wool industry, were increasingly weighed down with increasing costs and regulations.

If we think about the events which took place in the Commonwealth Parliament a fortnight ago, it is clear that the moral compass which the Ten Commandments provided has been broken. For example, the ninth commandment, **Thou shalt not bear false witness**, would be seen by many of our contemporary political leaders as naive nonsense. Graham Richardson, who was seen by many as the arch cynic of Australian politics; who entitled his memoirs "*Whatever It Takes*"; has, in his recent column of Friday's *Australian* (12 Oct 2012) recanted, at least in part. I quote

“Minority rule is destroying the Labor government. In an attempt to hang on to the gossamer-thin thread of the ALP's majority in the lower house, apparently anything goes. I once wrote a book called *Whatever it Takes*, and that embodied my political style. Never, however, did I believe that the "whatever" would include defending a slime like Slipper.

What I am really wondering is how much of the PM's or the party's reputation will be sacrificed in this pursuit. No one has argued the case for Labor being in government more than I across many, many years, but right now, right at this moment, you really have to wonder if this has all gone too far.”

Coming from Richo these words are a sign that the nation does require that their leaders do have a moral compass which constrains their behaviour, both in public and in private. And it gives us hope that the ancient condemnations of theft, of bearing false witness, of covetousness, will reassert their authority.

The rent-seekers of Bert's day were those who used protectionism as a cloak to disguise their covetousness. The rent-seekers of today use renewable energy targets, or the green virtues of putting ethanol in petrol, for the same purpose. In Europe and the US, palm oil and corn are used to make bio-diesel, with very serious impacts on world food prices. So the rent-seekers are always with us, and every generation needs a Bert Kelly who can use the sword which John Bunyan's Mr Valiant-for Truth bequeathed to Bert Kelly, but also to all “that shall succeed me in my pilgrimage”.

Hal Colebatch's biography provides a permanent record of a man who changed Australia for the better, incalculably so, through his commitment to what he saw as the task to which he was called. He did so through his talents as a writer and a parliamentarian; but above all through his integrity, his courage and his patriotism.

I commend this book to you.