



1912

(Foster, B. J., 2009d)



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POLITICAL PARTIES

LIBERAL PARTY

The Rise of the Liberal Party

After Sir George Grey's defeat in 1879, his party split into several ill-defined groups. The more conservative section saw a solution to New Zealand's problems in an intensified public works programme and in financial reform. This group followed Vogel and Stout and were later led by Ballance. A second group derived more directly from Grey. These were the "Labour sympathisers" who included many members of the "Young New Zealand Party". They represented mining interests (Seddon and MacGowan), small farmers (John McKenzie), as well as small-business men (Ward and Hall-Jones). Montgomery was their leader in the House. In addition, a few intellectual radicals, like Stout and W. P. Reeves, were receptive to the ideas of the English Fabians. This group possessed no party organisation in the accepted sense, but appeared to cut across the other opposition groups.

Following upon Stout's defeat in 1887 a committee of management was set up to coordinate the various opposition groups in the House. In July 1889 Ballance was elected Leader of the Opposition and assumed all the functions formerly exercised by the committee. Seddon became his unofficial lieutenant, while Perceval and Fitchett, of the "Young New Zealand Party", were appointed whips. The new leader insisted upon a certain amount of discipline among his supporters and cooperated with Atkinson in arranging and expediting debates. In 1890 a temporary alliance between the Opposition and a section of Atkinson's supporters secured the Government's defeat in the House; however, they were unable to force the Ministry to resign.

The 1890 Election

During the 1890 election campaign the Opposition showed little of that crusading spirit which was to become the keynote of later Liberalism. It did appear, however, that members had benefited by their reunification, because they offered a uniform series of criticisms of ministerial policies. At first there appeared to be little unity among the policies they advocated themselves, but, as the campaign wore on, Liberal candidates committed themselves to two clear-cut proposals. First, they offered a graduated land and income tax in place of the property tax; and, secondly, they promised to end the unrestricted sale of Crown lands. In addition, most Opposition candidates were vaguely committed to some form of industrial conciliation and arbitration.

3rd generations in the electoral system favoured the Opposition in 1890. During the election, plural voting was abolished and manhood suffrage conceded. This enfranchisement belonged to social classes unlikely to favour Conservatism. Also, as part of Atkinson's general

retrenchment programme, the number of European constituencies was reduced from 95 to 74. As a result many sitting members had to contest seats with others. The unofficial returns were interesting and their significance became apparent when it was realised that most of those beaten had been Atkinson supporters. Atkinson summoned Parliament in January 1891. The day before the House met, the Opposition caucus took the unprecedented course of confirming Ballance as party leader. Although this was done only to find out whether the party could expect a majority in Parliament, it established that a party leader is elected by his parliamentary caucus and all parties since have followed the precedent. Three years later, when Ballance died, the Liberal caucus confirmed Seddon as his successor; and, in this case, saw fit to set aside Sir Robert Stout's claim to the position.

<i>Old House</i>	95	<i>New House</i>	74
Retired	22	Members of old House	46
Died	2	New members	27
Defeated	25	Vacancy	1
Returned	46		
Total	95	Total	74

The Party's Unity

Two developments marked New Zealand political life in the nineties. These were the growth of an identity of political interest between the ministry and the constituencies, and the emergence of a strong *esprit de corps* among ministerial supporters in the House. During Ballance's premiership Cabinet ministers began moving about the country, meeting the people and studying local problems at first hand. In this way the Ministers were able to explain their views to the public directly, could hear local grievances, and could assess local requirements for public works. Thus they were freed from their former dependence upon the often doubtful good will of the private member. The Ministers found themselves able to speak authoritatively on many local matters and it is little wonder that some of them quickly became national figures. By dint of their readiness to grapple with important problems affecting the constituencies, Ministers convinced their parliamentary supporters that they shared, and could benefit by, ministerial policies. The logical consequence was to limit the private member's independence to the extent that he must support the Government in the House and on the hustings. Because the broad outlines – the principles – of party policy had been agreed upon in caucus, it came to be accepted that the private member, to some extent, shared in ministerial responsibility. Conversely, should any member disagree publicly with the ministerial policy, he might find himself disowned by the parliamentary party as a whole. In any event, this supposed loss of independence by Liberal members of Parliament, which the Opposition naturally played upon to the full, was much more apparent than real.

The Liberals: Electorate Organisation (1890–99)

The Liberal Party inherited a traditional system of political organisation within the constituencies. During the early years of the new ministry the plethora of local factions, which had complicated New Zealand politics for so long, continued to exist. Organisation centred around the local candidates, but were generally independent of these. Political loyalties seldom transcended provincial frontiers. Most political associations made efforts to straddle the field and only lent their support to candidates ready to accept their platforms or special fads. At first the new Ministers endeavoured to establish local Liberal organisations of the traditional type. The National Liberal Association, inaugurated by Seddon in Dunedin in May 1890, was the first. Similar groups followed in other centres. The Liberal Electoral League (Wellington), the Hawke's Bay Liberal Association (Napier), and many others were all founded before 1893. Canterbury, which was noted for its political factions, had its Industrial Political Union and its Labour Association; and both supported the Liberal Government. Besides these, various economic groups – such as the Trades and Labour Councils, the Knights of Labour – and special bodies like the Greyite "Auckland Anti-poverty

League" supported the Government. Such organisations continued to draw up and submit their political platforms to local Liberal candidates. This system was not without its embarrassments; especially when the body added extraneous planks like prohibition or the elective executive to an otherwise acceptable platform. Government candidates might be returned committed to these.

From the outset, Liberal Ministers insisted that because they were responsible for the government of the country, they alone should be allowed to decide policies affecting the whole of New Zealand. They pressed their point and won its acceptance in 1893 when Seddon publicly repudiated the Auckland Liberal Association's platform and candidates.

The Ministry moved equally decisively to solve the vexed question of insuring that only approved Liberal candidates would receive their support at elections. Prior to 1893 local political groups had controlled nominations and had either selected by public meeting, or requisitioned by public petition, prominent local men to stand for Parliament. The candidates, thus nominated, would then outline their views, making clear their relationship to the current ministry. The system's grave weakness lay in that while aspiring candidates might claim to support a popular ministry, there was no guarantee that they would continue to do so if elected. By extending the powers of caucus and by allowing his Ministers to establish more direct relations with the constituencies, Seddon solved this dilemma so far as sitting members were concerned; however, there were still no means of ensuring that suitable new candidates would be forthcoming. In 1893 Seddon therefore created the Liberal "hallmark". In the course of his pre-election tour the Premier very pointedly indicated the various "Liberal" candidates who could claim to be ministerial supporters. The experiment was successful and the Government returned with a slender but stable majority. In 1896 he similarly eliminated a small group who called themselves "Independent Liberals".

Development of the Party's Central Organisation

The necessity for some more centralised form of national, extra-parliamentary, political organisation became apparent in the years following the 1896 election. Among the many local Liberal associations there remained vestiges of their desire to formulate independent policies on national issues. What central organisation existed centred in the Cabinet; and thus the responsibility for the public relations aspect of politics tended to fall upon the Premier and his senior Ministers. There remained, also, two Liberal "splinter groups" within the House. One of these, led by Sir Robert Stout, was opposed to Seddon personally on grounds that derived from the 1893 leadership controversy; the other consisted of a few members who, like Hall-Jones, thought that some ministerial policies were not sufficiently progressive. In the country, there were also signs that some trade union leaders were becoming restive because they felt the Ministry had slowed progress on many matters affecting working-class interests.

In July 1899, to circumvent these threats, Seddon engaged an "organiser", who formally dissolved each of the local Liberal associations and merged them in a new national body – the Liberal and Labour Federation. For this, which became the first New Zealand political party in the modern sense, Seddon drew up a formal written constitution which he based on the well-known and successful "Birmingham System". This system, which had been inaugurated by Joseph Chamberlain in the 1880s in Birmingham, became the pattern on which all succeeding political parties in New Zealand have based their organisations.

The Liberal and Labour Federation of New Zealand

Unlike most of its successors the federation was not, in its initiation, a popular or spontaneous political movement. It was organised downwards pyramidally and the initiative for forming its hierarchy came from the Premier, who also became the party leader.

The precise nature of the relationship between the parliamentary and extra-parliamentary parties was never clearly defined. Cabinet retained its right to be the ultimate arbiter over all matters of

policy, although even these, in so far as they arose out of the party platform, were adopted only after consultations between the Cabinet, caucus, and the advisory committee of the party. The platform was drawn up by the Ministers after similar consultations and was adopted, after prolonged discussion, by the Council. More and more, however, the party came to concentrate on its propaganda and fund-raising functions while policymaking remained with the Ministers. Wherever there was close cooperation between members of Parliament and their local branches, Cabinet was given a useful means for keeping in touch with popular reactions to its measures. Seddon was the main unifying factor in the edifice and, as long as he lived, there was little chance of any split becoming permanent. For New Zealand, the Liberal and Labour Federation was important, because, for the first time, it enabled Ministers and members of Parliament to rely upon organised support in their constituencies.

Dissident Groups (1900–12)

While the creation of the federation halted dissensions among the Government's supporters temporarily, it did not eliminate them. In July 1905 a group of Liberal "country" members elected Roderick MacKenzie as their leader and proclaimed their intention to advocate country interests in the Government caucus. In the same month four members of Parliament, T. E. Taylor, F. M. B. Fisher, G. Laurenson, and H. D. Bedford, seceded from the party to form the "New Liberal Party". Almost immediately they involved themselves in the "Voucher Affair" – a rather doubtful attempt to discredit Seddon. They contested the 1905 election, with a purely academic policy, when only Fisher and Laurenson were returned.

A more serious rift had appeared in 1904 when, at the annual conference of the Trades and Labour Councils, delegates decided to found an Independent Labour Party. Seddon had foreseen such a possibility in 1903 and had tried to forestall it by appointing two Labour leaders, John Rigg and J. T. Paul, to the Legislative Council. Nine Labour candidates unsuccessfully contested the 1905 elections. Because this split in Liberal ranks worried Ward, Seddon's successor, he tried to reconcile Labour by appointing J. A. Millar, who had led the maritime strike in 1890, as Minister of Labour. This gesture, however, was nullified in 1908 when Ward declared his "rest from legislation". The effects of the Labour split can be judged from the table which appears at the top of the following page.

Other signs revealed no less clearly that the Liberals were losing touch with the public and with certain sections of their own party. In 1908 McNab's defeat on issues arising from his agricultural policies showed that the small farmers were no longer satisfied. In 1909 A. W. Hogg resigned his portfolios because Cabinet refused to accept his views on land reforms; and, shortly before the 1911 election, G. Fowlds resigned from Cabinet and the party because, as he put it, "the Liberal Party was living on its traditions and had lost many of its earlier principles". The unofficial results for the 1911 election showed a dead heat in the House of Representatives.

Government (and Speaker)	34	Reform	3	7
Independent Liberal	1	Labour	2	
Socialists	2	Speaker	1	
Maori Seats	3			
Total	40	Total	40	

During the first Address-in-Reply Debate in 1912, Ward offered to resign to allow a younger Liberal ministry to take office. The Government retained office on the Speaker's casting vote. Ward honoured his promise and caucus elected T. Mackenzie in his place. Two of Ward's Ministers withdrew their support and several members crossed the floor to defeat the new Ministry. The Mackenzie Ministry fell on 10 July 1912 and Massey's Reform Party came to power.

The Liberal Party (1912–28)

The stagnation of the parliamentary Liberal Party in the years following Seddon's death was matched by similar stagnation in the electorate organisation. Few Liberal candidates mentioned the "federation" in 1911; and, when Mackenzie's Ministry fell, there were no full-time Liberal organisers, no permanent party officials, and little remained of the complex central organisation. Shortly after his defeat Mackenzie went to London as High Commissioner; and, as Ward was overseas, the party leadership became vacant. Ward became acting leader in November 1912 and was elected leader in September 1913. He took immediate steps to improve his party's organisation in the country. The Liberals did not regain power in 1914; and, on 12 August 1915, Liberal leaders joined Massey in a wartime coalition. Both parties agreed to shelve controversies for the duration of the war and Ward took steps to halt his party's organising activities. To this end he gave instructions which stopped partisan selection and announcement of candidates, all political meetings, and the circulation of his party's literature. The party's two unpaid organisers also ceased activities.

In August 1919, as a result of this gesture, when Ward suddenly withdrew from the coalition, his party was ill prepared for the general election his action precipitated. Ward lost his seat on 27 November 1919 and the new Liberal leader, W. D. S. MacDonald, died shortly after his election. His place was taken by T. M. Wilford, but Wilford's position was challenged by a "numerous section" of the party who wished to remain leaderless pending Ward's expected return to the House. Wilford's section of the Opposition contested the 1921 election as "National" candidates; and Ward, who stood as the lone Liberal, failed to win a seat. In February 1922 Wilford effected a reconciliation with the dissidents and became leader of the "United Liberal Party". He retained this post, despite a violent fluctuation in his party's fortunes in 1925 and sundry changes in his party's label, until shortly before the 1928 election, when he yielded place to Ward.

After 1922 the Labour party gained much stronger representation in Parliament and, in this way, demonstrated the hollowness of the Liberal's claim to be the old "Liberal and Labour Federation". It may now be as well to examine the fluctuating fortunes of the Liberal Party in the House between 1890 and 1928 as shown in the table.

During the heyday of Liberalism (1896–1908), a sufficiency of "others" voted with the Government to ensure large majorities in the House. In crucial divisions in the 1920s Liberal members usually voted to prevent Labour "intransigence" from upsetting the Reform Government.

The Liberal Record

In recent years many New Zealand politicians have spoken with a certain nostalgia of the Liberal Party's record. Today both the National and the Labour Parties claim to be Seddon's successors. In their own eyes, at the time, the Liberals came to power committed to do something about as many social and economic ills as possible. For convenience their achievements between 1890 and 1912 may be summarised under five general headings: land, labour, industry, welfare and Government services, and taxation. As often as not, their legislation in each of these fields stated new social principles; and these, together with Seddon's technique for ascertaining popular feelings about the new legislation, as well as the Government's ceaseless efforts to improve their measures, enabled the Ministers to keep their statutes up to date with current public opinion.

In the field of land legislation Liberals were committed to ending the unrestricted sale of Crown lands and preventing the aggregation of large estates. With these general principles in view they introduced various forms of leasehold, broke up large estates by means of their Lands for Settlement Act, opened hitherto sacrosanct Maori tribal lands for leasehold settlement, and enabled prospective small holders to obtain adequate finance to develop their farms through the facilities offered by the "Advances to Settlers" scheme. All this was the responsibility, primarily, of Sir John McKenzie.

In their approach to labour relations, they stressed the essential harmony of interests between

worker and employer. They extended the well-known conciliation and arbitration principles to the solution of industrial disputes. Their Industrial Conciliation and Arbitration Act established machinery for the peaceful settlement of such disputes. They also legislated to improve factory and apprenticeship conditions, wages, introduced employer's liability and accident assurance. Legislation was introduced to protect vulnerable groups, such as the gumdiggers, miners, shop assistants, shearers, and servants. Much of the Liberal's success in this field was due to the first Minister of Labour, W. P. Reeves, and to the first Secretary of Labour, Edward Tregear. By means of their legislation in the industrial field, the Liberals codified the New Zealand mining laws, laid the foundation of the modern tourist industry, encouraged immigration, and set up the Department of Agriculture. Under the general heading "welfare and Government services" can be found some of their most far-reaching achievements. They originated old age pensions, Government annuities, and the State fire and accident insurance. They legislated to control health facilities, food and drug standards, introduced the technical schools system, and started a free textbook scheme. They also entered the field of housing and originated a scheme whereby persons on low incomes could obtain low-interest State loans to finance their needs in this respect. This "Advances to Workers" scheme was a logical extension of their successful Advances to Settlers Act of some years earlier. In the field of taxation the Government revolutionised the basis for raising revenues. Shortly after they came to power they abolished the inequitable "property tax" and substituted for it the graduated land and income tax, which fell more equitably upon all sections of the community.

Discussions of the Liberal Party's decline become confused by unprofitable comparisons of the personalities of its last leaders – Seddon and Ward. While the decline may be partly understood by such a comparison it is also true that Liberalism, as a political force, had spent itself by 1903 and that it had ceased to count by about 1908. By the 1920s, when the party was torn by internal dissension and faced with the split away of Labour as an accomplished fact, it survived only because of Ward's mystique as the heir of Seddon.

Later Liberal Movements

From time to time, particularly after the fusing of the Liberal and Reform Parties in 1935, attempts have been made to revive Liberalism as a political force. The most extensive of these attempts occurred in 1963 when two groups, the New Zealand Progressive Liberal Party (Auckland) and the New Zealand Liberal Party (Christchurch), combined under the title of the New Zealand United Liberal Party (Inc.) to contest the general election. The new party put up candidates in 23 constituencies and polled 10,339 votes or 0.86 per cent of the total vote. All these candidates forfeited their deposits. From the Liberal point of view the results, which were most disappointing, showed that the electors were wedded to the existing two-party system. Thus a strong Liberal revival in the immediate future is extremely doubtful.

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How to cite this page: 'LIBERAL PARTY', from An Encyclopaedia of New Zealand, edited by A. H. McLintock, originally published in 1966.

