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Chapter 11

Council: The local authority's struggle for survival.

Any attempt to understand the critical position of Local Government in the economic progress of a town such as Cooktown must entail an appreciation of the history of Local Government in Queensland. Such an examination will reveal that while higher levels of Government had recourse to legislation and taxation to influence the economy of their respective domains, Local Government was restricted in the actions it could initiate to influence its own income base. Without control over its own finances, it was unable to provide the infrastructure so desperately needed by the town. Nevertheless, Councils were the most effective lobby group in small towns. Cooktown Council put considerable effort into trying to get Government funding for roads, wharves and services, but this aspect is being treated separately in the relevant chapters. It also attempted in some instances to replace services that were withdrawn by commercial interests, or Government, as the town declined. As noted in Chapter Nine, it operated the Cooktown to Laura Railway in the period 1903-1904. This was a successful operation, and ended only when the State Government resumed control of the line. Chapter Seven also gives an instance of a failed attempt by the Council to get Government approval to own and run a shipping service in 1947.

There is little doubt that the decline of many towns was due in part to the failure of commercial interests to identify and exploit alternative

sources of income. However, the Queensland Government, both as Colony and State, contributed significantly to their decline. This was particularly so in Cooktown's case. In contrast to most other towns of the era, which were started by private citizens, Cooktown could be regarded as a "Government Town", established by the Government to service the Palmer River gold field. As such, the economy of the area was initially enhanced by the construction of Government infrastructure.¹⁰⁰⁶

Following the introduction of local authority areas, and subsequent changes to the Acts under which they operated, the Government gradually divested itself of the responsibility to provide and maintain much of the infrastructure. Consequently, after Cooktown was declared a municipality in 1876,¹⁰⁰⁷ the Council became responsible for services previously supplied by the Government. After the town went into decline, provisions in the Act regulating local authorities compounded the area's problems. This chapter provides an analysis of how Local Government legislation could fail a town in decline, and how indeed it sometimes acted to stop a local authority's attempts to arrest or reverse that decline.

Ramifications of the Local Government Acts.

In 1876, the Colonial Government introduced The Local Government Act, which formed the basis for subsequent Local Government

¹⁰⁰⁶ The Colonial Government initially provided all roads, bridges and wharf infrastructure in the area.

¹⁰⁰⁷ Cooktown was declared a Municipality on 3 April 1876. R.H. Robinson, 1957. For My Country: a factual and historical outline of local government in Queensland, W.R. Smith & Paterson Pty. Ltd., p. 295. the first meeting of the Municipal Council was held in July 1876. Cooktown Courier, 27 July 1876.

legislation.¹⁰⁰⁸ Most Local Governments in Queensland were instituted under the Acts of 1876 and 1878. These outlined the responsibilities of Local Government for providing transport infrastructure and public health services, and established the financial basis of rates supplemented by Government endowments.

The income of local authorities was greatly enhanced under the endowment provisions in the 1878 Local Government legislation. They would receive endowment equal to twice their annual rates for five years, after which they would receive equivalent to their annual rates. However, the new Act also restricted local authorities to borrowing only from the Treasury, although they could arrange a temporary overdraft from a bank, provided the overdraft did not exceed the previous year's income.¹⁰⁰⁹

The improved endowment provisions enabled newly established local authority areas to provide infrastructure, but they placed an onerous burden on the Government. It could not maintain the payments, and endowments to local authorities were phased out from the 1880s, until they were withdrawn entirely by 1903.¹⁰¹⁰ This change was accompanied by an overhaul of the land valuation system for rating purposes. Before 1890, valuations for rate assessment was determined by the "annual rateable value", which was determined by the annual rent the property could be expected to bring. This system was regarded as a tax on assets, as the rent value increased with property improvements. Following protests from land owners, the Government amended the Act in 1890, introducing the concept of "unimproved

¹⁰⁰⁸ Bernays, Queensland Politics During Sixty Years, p. 394.

¹⁰⁰⁹ Endowment payments applied only for the first fifteen years to help a local authority become established. Harris, Local Government and Regionalism, p. 33.

¹⁰¹⁰ Ibid., p. 35.

value" of the land.¹⁰¹¹ This method of assessment has since formed the basis of local authority rating in Australia. Unfortunately, it prevents the local authority from tapping into the wealth produced by business. For instance, adjoining blocks of land would probably pay similar rates, even though one might be occupied by a worker's cottage, and its neighbour by a successful hotel.

Following the introduction of local authority areas, and subsequent changes to the Acts regulating their actions, the Government gradually divested itself of the responsibility to provide and maintain much of the infrastructure.¹⁰¹² It also arbitrarily deprived Local Governments of some sources of revenue, such as vehicle registration and electricity undertakings, and equally arbitrarily, imposed new liabilities such as hospital maintenance. No means were provided to make up for lost rates endowments and until Commonwealth grants became available in the 1930s, local authority finances were in a parlous state. This aggravated the problems experienced by towns in decline such as Cooktown.

Local interference.

Other factors contributed to the Council's problems. Although the Act empowered Councils to impose various taxes and charges to help recover some of their infrastructure expenses, ratepayers sometimes prevented them from taking advantage of these provisions. While the Cooktown Municipal Council was responsible for the maintenance of much of the infrastructure that supported the economy of the district, it

¹⁰¹¹ The new "unimproved value" was determined by actual value of the land as assessed by similar property prices in the neighbourhood. *Ibid.*, p. 37.

¹⁰¹² Janice Helen Wegner, 1984. Hinchinbrook: The Hinchinbrook Shire Council, 1879-1979, Master of Arts Thesis, James Cook University, Townsville, pp. 9-12.

was unable to levy rates on all who used the facilities. A significant proportion of the population of the immediate district lived outside the town boundary. Although it was the commercial and financial centre for the surrounding district, Cooktown had a relatively small town area, with little grazing land available. To recoup some of the costs of providing the infrastructure, the Municipal Council in 1881 attempted to impose a tax on carriers working in the town, an action that was entirely justified. It is probable, given the amount of space necessary to stable and feed the horses used by carriers, that many would have had their homes and business premises outside the town boundary. While these people would derive the majority of their income from the use of Cooktown infrastructure, not being Cooktown ratepayers, they would contribute nothing to its provision and maintenance.¹⁰¹³ However, the move was severely criticised, especially by local business interests. Opponents of the tax took up a petition against its imposition. As the petition was signed by "a large number of influential people", the Council withdrew the proposal. Despite its conviction that the tax was justified on the grounds that these businesses "should pay their due proportion of local expenditure", the Council was forced to succumb to pressure.¹⁰¹⁴ This type of situation illustrated one of the anomalies of the system, and the disadvantage suffered by some small rural towns.

Effects of decline.

By the late 1890s the Council was in financial trouble. Its income from

¹⁰¹³ At this time the Municipal Council was responsible for the provision and maintenance of the wharves, roads, street lighting and public stock watering facilities in the town. These facilities were critical to the carriers for the prosecution of their business.

¹⁰¹⁴ Cooktown Municipal Council Meeting, September 1881. (Reported in Cooktown Courier, 14 September 1881).

taxes and rates declined as businesses closed following the decline in gold production from the Palmer River. Although it had previously been able to maintain its loan repayments to the Government, in 1897 it was forced to request a four year extension. It said the problem was caused by the reduction of endowment payments and a fall in rates since the loan had been incurred. For a few years the repayment schedule had been maintained by restricting expenditure on public works, but infrastructure had deteriorated and needed urgent repairs. The balance of the loan was £13,790, with annual repayments amounting to £1,201. However, it had been able to collect only £1,453 in rates in 1895.¹⁰¹⁵ The declining local economy had resulted in landowners refusing to pay rates, despite the Council threatening legal action to recover debts for the past six years.¹⁰¹⁶

Legal action to recover rates in arrears was, however, a difficult process, and one which the Council found impossible to use successfully while ever the town was in decline. This is not surprising, given the restricted options under the various Acts. For instance, under the new Local Authorities Act in 1902, Councils could recoup debts by selling all timber on vacant land on which rates were sufficiently in arrears.¹⁰¹⁷ Obviously this provision was useful only when the land in question contained saleable timber, and when a market existed for the timber. Cooktown itself had neither. Councils could also take possession of land when the owners were in arrears for rates, and lease the land to recover debts.¹⁰¹⁸ However, this was of little use, as

¹⁰¹⁵ John B. Martin, Mayor, Council Chambers, Cooktown, to The Honourable, The Colonial Treasurer, Brisbane, 10 October 1897, COL/021, Q.S.A.

¹⁰¹⁶ Cooktown Courier, 15 October 1889.

¹⁰¹⁷ Local Authorities Act 1902, Part XII, Subdivision IV.

¹⁰¹⁸ Ibid., Subdivision V.

the economy of the town had declined and the land in question had no leasing value.

The *Power of Sale* provisions of the Act provided the most effective method of removing valueless land from the Council's books, and of possibly recovering some of the rates owing. The architects of the Act attempted to make rates retrieval easier by empowering a local authority to take possession of land when the rates were unpaid for seven years. However, the Act required that the notice of intention be delivered to the land owner. Unfortunately for the Town Council of Cooktown, the whereabouts of the majority of its debtors was unknown.

Cooktown's economic problems continued, and in 1910 the Town Council was again unable to meet its redemption payments on Loans, and requested a three-year extension from Treasury. Executive Council had suspended payments following a destructive cyclone in 1907, and the concession could be extended only by a special Act of Parliament. The local Member of Parliament, H. Douglas, promised to support the Council's request.¹⁰¹⁹ However, despite his best endeavours, Treasury refused to grant the extension.¹⁰²⁰

The town faced another problem, but this time it was resolved amicably. The number of Councillors had not changed since Cooktown's heyday, despite the decline in population from 4,000 to less than 1,000. Morale was affected by the lack of work and the town's depressed economy, and people were apathetic about standing for

¹⁰¹⁹ H.A.C. Douglas, Brisbane, to The Clerk, Cooktown Town Council, Cooktown, 4 January 1910. Cook Shire Council Archives, Cooktown.

¹⁰²⁰ H.A.C. Douglas, Brisbane, to The Town Clerk, Cooktown, 14 January 1910. Cook Shire Council Archives, Cooktown.

office. The Town Clerk asked the Home Secretary to reduce the number of Councillors from nine to seven, and this was granted in 1912.¹⁰²¹

Council's contributions to the problem.

Despite the Council being given a three-year suspension of interest and redemption repayments from 1907 to 1910, its debt was still too high. The Council blamed external influences for its financial problems, but the Auditor General thought otherwise. In his audit report for 1911 he described the Council's system of bookkeeping and fee collection as "very loose". He drew the Council's attention to problems in the assessment of sanitary charges, and suggested that Council should consider applying a separate sanitary rate. The Auditor also expressed concern at the high level of arrears of rates and charges.¹⁰²² 1912 saw the Council still unable to repay its loans, which remained high at £1,156. Treasury warned that unless the Council levied a Special Rate, the Government would act to recover the funds.¹⁰²³ The Council was aware of its responsibility to repay the loan, but its falling rate base generated less income each year. For instance, the valuation of all rateable properties fell by £1,800 in 1913 to only £57,844, causing a fall of £45 in rates.¹⁰²⁴

¹⁰²¹ Under Secretary, Home Secretary's Department, Brisbane, to Charles Patching, Town Clerk, Town Council of Cooktown, 2 January 1912, COL/O 21, Q.S.A.

¹⁰²² M.A. Robertson, for Auditor General, Audit Department, Queensland, Brisbane, to His Worship the Mayor, Cooktown, 12 July 1911. Cook Shire Council Archives, Cooktown.

¹⁰²³ W.L. Fowles, Under Secretary, The Treasury, Brisbane, to The Town Clerk, Cooktown, 16 October 1912. Cook Shire Council Archives, Cooktown.

¹⁰²⁴ Charles Patching, Town Clerk, The Town Council of Cooktown, to His Worship The Mayor And Aldermen, Town Council Of Cooktown, Cooktown, 5 December 1912. Cook Shire Council Archives, Cooktown.

The Auditor continued his criticism in 1913, questioning the writing off of rates, and the failure to collect arrears. The Council rejected the Auditor's opinion that legal action should be taken to recover arrears, as the costs could exceed the amount collected. It also feared that legal action could force some residents into bankruptcy. The Council believed the area would recover within two years, and all arrears would then be paid.¹⁰²⁵ This excuse was obviously an "opt-out" to avoid messy legal action, but given the circumstances, it is understandable. Council members in a small town like Cooktown were restricted in the action they could take against debtors. In many cases they were related to, or were friends of many ratepayers. They were usually privy to their financial situation, and were reluctant to take action that would hurt their neighbours.

Eventually the Council's decision-making process was influenced by the Government's insistence that it make every endeavour to meet its repayments, and the constant criticism by Government officers. This reached the ludicrous situation in 1914 where the Council felt compelled to seek the approval of the Treasury to paint the wharf stores and office, and to effect minor repairs to these buildings.¹⁰²⁶ It feared criticism of wasting money if it acted unilaterally. On another occasion, when the Annan River Company asked Council to waive or reduce the rent due on a wharf building, it felt obliged to ask the Home Secretary's advice before considering the proposal.¹⁰²⁷ Council

¹⁰²⁵ Charles Patching, Town Clerk, The Town Council Of Cooktown, to The Auditor-General, Brisbane, 24 December 1913. Cook Shire Council Archives, Cooktown.

¹⁰²⁶ Charles Patching, Town Clerk, The Town Council of Cooktown, Cooktown, to The Under-Secretary, The Treasury, Brisbane, 9 December 1914. Cook Shire Council Archives, Cooktown.

¹⁰²⁷ Charles Patching, Town Clerk, Town Council of Cooktown, Cooktown, to The Under-Secretary, Home Secretary's office, Brisbane, 9 December 1914. Cook Shire Council Archives, Cooktown.

Members were inclined to help the ailing Company to overcome the effects of low tin prices, and hopefully to continue providing jobs in the area. They were aware that any loss of commercial activity in the area would have a detrimental impact on Council finances, but they feared the Auditor would regard any voluntary loss of income as irresponsible. Treasury's response in both cases is unknown, but the incidents illustrate the detrimental effects on the decision making process when a town is in severe decline.

The "no-win" situation.

Despite evidence that Cooktown was financially bent, if not broken, Treasury continued to demand that it clear its debt during World War I. In its defence, the Council said the "present circumstances of war crisis", and depressed tin prices were having a detrimental effect on the area's economy. Treasury was assured that the debt would be cleared, but it would be impossible to allocate more than £700 per annum towards redemption and interest. Ratepayers were already overburdened with excessive valuations. The Council had levied a Special Loan Rate, but this did not bring about the desired reduction as it was unable to collect rates on much of the land. It told Treasury that it was trying to secure £250 or £300 towards the debt, and asked for an extension of ten or twelve years. It offered to pay up to £700 per year, with an interest rate of one percent, claiming this would allow it to liquidate the debt without imposing an unwarranted burden on the community.¹⁰²⁸

¹⁰²⁸ Charles Patching, Town Clerk, The Town Council Of Cooktown, Cooktown, to The Under-Secretary, The Treasury, Brisbane, 16 December 1914. Cook Shire Council Archives, Cooktown.

The plan was rejected, and Treasury told the Council that if repayments were not made on time it would appoint a receiver to put the Council's affairs in order. The Council had no option but to comply with the Act, but it maintained that it had done its utmost to repay the debt, despite the increasing poverty of the area.¹⁰²⁹ The parlous state of the town's economy was illustrated by the Clerk's reply to an inquiry from a person who had inherited land in Cooktown. The new owner was told that he had no chance of selling the land, as there was no market. Despite the land having no value, rates of £9/13/7 were owing, based on the minimum valuation for rating purposes.¹⁰³⁰

*In spite of the increasing poverty of the area, with local authority rates already beyond the economic capacity of many residents, they were soon faced with a further increase in rates. The Council resolved in April 1915 to adopt a stringent rescue plan to free the town of debt. In return for an extension of the Treasury loan, Council agreed to levy a new Special Rate to meet interest and redemption payments. It committed the people of Cooktown to total annual payments to Treasury of £811/18/10.*¹⁰³¹

The fight to retain control.

Rumours started to reach Cooktown that the Government was considering the abolition of the Town Council. The plan made economic sense, but the Town Council saw it as the last nail in the

¹⁰²⁹ Charles Patching, Town Clerk, The Town Council of Cooktown, to The Under-Secretary, The Treasury, Brisbane, 19 January 1915. Cook Shire Council Archives, Cooktown.

¹⁰³⁰ Charles Patching, Town Clerk, The Town Council of Cooktown, to Wm. McCarthy, Townsville, 24 March 1915. Cook Shire Council Archives, Cooktown.

¹⁰³¹ Resolution Of The Town Council Of Cooktown, passed on 8 April 1915 and confirmed 22 April 1915. Cook Shire Council Archives, Cooktown.

town's coffin. Obviously the "big toads in little ponds" wished to protect their own tenuous place in the decaying social structure, and drastic measures were suggested. Charles Patching, the Town Clerk, proposed that he be given the jobs of Town Clerk, Council Valuer, Wharfinger and Town Solicitor, at a total salary of £8 per week. This would save the Council a significant amount in weekly wages.

Patching, who was also the only solicitor in Cooktown, said that the plan would demonstrate to the Government the Council's commitment to reducing its loan. He proposed that the positions of Town Clerk and Council Valuer be paid £4 per week, £1/10 of which would be debited against the Special Loan Rate, and a further £1/10 be debited against the Cleansing rate. The Wharfinger's position would be paid at £3 per week. Patching would also act as Council Solicitor for an extra £1 per week.

To convince the Council of the modesty of his proposed salary, Patching contrasted it with the clerical expenses of other local establishments. He cited the Court House, with an annual salary account of £900, and the two banks, with clerical expenses of over £700 each per year.¹⁰³² The Council accepted Patching's proposal, and employed him to perform all but the manual labouring work, saving itself £50 per annum.¹⁰³³ Patching's employment in multiple jobs led to the ridiculous position where he reported to the Council as Wharfinger, Town Solicitor, Town Inspector, and Town Clerk. In all these instances, as Town Clerk he presented the reports to the Council, and replied to himself in his various capacities. As the only solicitor in Cooktown he

¹⁰³² Charles Patching, Town Clerk, Town Council of Cooktown, Cooktown, to His Worship The Mayor And Aldermen Of The Town Council Of Cooktown, 17 February 1921. Cook Shire Council Archives, Cooktown.

¹⁰³³ Report to The Town Council of Cooktown, 18 August 1921. Cook Shire Council Archives, Cooktown.

also acted for private citizens in their contacts with the Council, writing letters addressed to himself as the Town Clerk.

Despite these changes, the subsequent Audit Inspector's report was not encouraging. The Council had total receipts of only £900 for the financial year 1920-21.¹⁰³⁴ This barely covered the costs of even the restricted services offered by the Council. Despite Patching taking over all non-manual jobs, salary and wages still came to £831, which was 92% of receipts. Although the wharves had earned £575 for the year, almost half this was taken for expenses. The remainder went on road repairs.¹⁰³⁵ This was criticised by the Inspector, who said that all surplus wharf revenue should be used for wharf maintenance.

Cooktown's dire economic position clearly demonstrated the weaknesses of the Local Government Act, and the provisions that prevented Councils in areas of economic decline from improving their situation. This was illustrated when the Audit Inspector demurred about arrears of rates being listed as assets, even though it was clear that they were not recoverable. Of £6,015 shown as arrears in rates, at least 95% should be written off, requiring the permission of the Auditor-General. He also criticised the system that dictated the rate of depreciation of assets, instead of accepting their real value. This had the ludicrous result that the Council had to value the wharves at £6,967, while one of them had been condemned, and the others had

¹⁰³⁴ Report by Jas. F. Halligan, Audit Inspector, 7 June 1921. Cook Shire Council Archives, Cooktown.

¹⁰³⁵ Report to The Town Council of Cooktown, 18 August 1921. Cook Shire Council Archives, Cooktown.

little real value.¹⁰³⁶

Attempt to abolish Town Council.

The crisis in Council finances continued, and in July 1921 the Government announced that it would abolish the Cooktown Town Council and alter the boundaries of the Cook Shire to include the Town Council area. It intended to section the expanded Cook Shire Council into divisions to represent the larger area more democratically.¹⁰³⁷ The Government justified the change because Cooktown continued to decline, and there was no chance of reversing the trend.¹⁰³⁸ However, it recognised the traumatic effects the change would have on the small community, and offered to postpone a final decision to allow the Council to comment.

Cooktown was not about to accept the abolition of their Town Council without a fight. The Town Clerk lodged a protest, and asked the Home Secretary who would be responsible for the Council's liabilities if it was abolished. The Town Council admitted that its economic problems had not been resolved satisfactorily, but pleaded that the changes it had made were beginning to work. It also claimed that the Audit Inspector's report was misleading, in that it did not include all the Council's revenue. For instance, while the Audit Inspector reported total income of £900, the Council's books showed total revenue as £1,983.¹⁰³⁹ It is

¹⁰³⁶ Report by Jas. F. Halligan, Audit Inspector, 7 June 1921. Cook Shire Council Archives, Cooktown.

¹⁰³⁷ Under Secretary, Home Secretary's Office, Brisbane, to The Town Clerk, Cooktown, 30 July 1921. Cook Shire Council Archives, Cooktown.

¹⁰³⁸ Under Secretary, Home Secretary's Office, Brisbane, to The Town Clerk, Cooktown, 2 August 1921. Cook Shire Council Archives, Cooktown.

¹⁰³⁹ The Council contended that the Audit Inspector omitted to show revenue of £421 from Special loans Rates and £613 from wharf revenue. Miscellaneous revenue of almost £50 was also absent from the report. Charles Patching, Town Clerk, Town

difficult to determine if the Council's claims were based on a genuine mistake by the Auditor, or if there was a difference in interpretation.

Following the temporary reprieve, the Council used all means at its disposal to become solvent. Final Notices were issued to all land owners who owed rates and who could be contacted. The Council was adamant that the debts must be paid, but offered to let them pay by instalments. This had some success, but by 1922 at least thirty-eight debtors, owing the Council approximately £568, had failed to respond.¹⁰⁴⁰ The Town Clerk told the Council that he could not estimate the cost of taking legal action to recover all debts, and suggested a test case against one debtor who owed £47. He thought that as the debtor owned adjacent land he would be inclined to settle the debt to retain possession of the land on which rates were owing.¹⁰⁴¹ Hopefully, a victory in a test case would influence other recalcitrants to settle their debts. It is not known if the test case eventuated, but the Council had some success in recouping debts.

The first financial statement following the threat to abolish the Council showed a considerable improvement, thanks no doubt to the Council's stringent economic policy, coupled with the threat of legal action. Much of the improvement was also due to an increase in the General and Special rates of one penny (1d) in the pound, taking each rate to six pence (6d) in the pound. Total receipts for the year amounted to £2,101. However, not all land owners responded to the threat of legal

Council of Cooktown, to His Worship The Mayor And Aldermen Of The Council Of The Town Of Cooktown, 18 August 1921. Cook Shire Council Archives, Cooktown.

¹⁰⁴⁰ List Of Debtors with rates owing, who have been given Final Notice, and who failed to pay in whole or in part. 1922. Cook Shire Council Archives, Cooktown.

¹⁰⁴¹ Charles Patching, Town Clerk, Town Council of Cooktown, to His Worship The Mayor And Aldermen Of The Council Of The Town Of Cooktown, 15 February 1923. Cook Shire Council Archives, Cooktown.

action, and defaulters failed to pay a further £230 in rates.¹⁰⁴² The Council also achieved some small success in recovering arrears through accepting promissory notes. The Acting Town Clerk reported that he had received three notes from one land owner, totalling £32, for varying periods from six to eighteen months.¹⁰⁴³ The records are silent as to whether he honoured them. The Council was successful in meeting its commitments on redemption and interest payments to the Government, but the high rates it was forced to impose were a further deterrent to progress. By 1925 the General rate had been reduced to five pence (5d) in the pound, but the Special Loan Rate was increased to seven pence (7d) in the pound.

The State Government worsened the situation by its policy of arbitrarily imposing new obligations on Local Governments without their consent. The hospital system was shifted from control by local Boards raising voluntary subscriptions to State and Local Government funding. It imposed an additional Hospital Tax of one penny (1d) in the pound, which the Council argued placed an unnecessary burden on the local population, especially as it did not raise even half the operating expenses of the facility. In view of the threat that some people would leave the area rather than pay such a high rates and tax burden, the Council sought the support of H.J. Ryan, M.L.A. to have the Commissioner of Public Health waive the Hospital Tax.¹⁰⁴⁴ The request was not granted.

¹⁰⁴² Receipts and Expenditure During Year 1921. Cook Shire Council Archives, Cooktown.

¹⁰⁴³ P.C. Fuller gave three promissory notes: £10/5/10 falling due 17 May 1924, £10/12/4 falling due 17 September 1923, and £10/9/2 falling due 17 September 1924. F. Geo Schipke, Acting Town Clerk, Cooktown, to The Town Council of Cooktown, 31 May 1923. Cook Shire Council Archives, Cooktown.

¹⁰⁴⁴ Charles Patching, Town Clerk, Town Council of Cooktown, to H.J. Ryan, M.L. A., Parliament House, Brisbane, 12 December 1925. Cook Shire Council Archives, Cooktown.

Hospital precepts.

Cooktown was particularly disadvantaged by hospital precepts because its hospital provided for patients from outside the local authority area. Although the Shire Council contributed towards the hospital, the bulk of precept payments came from the Town Council. The inequity of this situation was demonstrated in 1931 when the staff and facilities at the hospital were increased in response to a higher patient intake. These measures were expected to add a further £500 to the annual budget of the hospital. When the Council protested against the increases, it was told they were necessary, particularly as Cooktown was so isolated. Because of its isolation, the hospital should be self contained, and better equipped than would be usual in such a small hospital. The Home Secretary showed total ignorance of the poor financial situation of the area when he said the total increase would be "only £120".¹⁰⁴⁵ Following an increase in precept payments from £439 to £732 in 1938, the Council suggested that the State Treasurer pay 75% of Cooktown hospital precepts, and the Council pay 25%. Under the circumstances, this was a reasonable request. The general rate for the year was only £2,300, and the full precept payment would place too high a burden on the Shire.¹⁰⁴⁶ Rather than offering any relief from the precept payment, the Government imposed a further increase the following year, and

¹⁰⁴⁵ Assistant Under Secretary, Home Secretary's Office, Brisbane, to The Town Clerk, Cooktown, 23 April 1931. Cook Shire Council Archives, Cooktown.

¹⁰⁴⁶ Shire Clerk, Cook Shire Council, Cooktown, to The Under Secretary, Dept. of Health & Home Affairs, Brisbane, 13 August 1937. Cook Shire Council Archives, Cooktown.

refused a grant of £500 to reduce the onerous burden.¹⁰⁴⁷

The Local Authorities Association, supposedly the champion of small Councils like the Cook Shire, offered no support. The president of the Association, Alderman J.D. Annand of Toowoomba, said that "No hospital precept system better than the present one can be found, no amendment of it is likely to be sought". He agreed with the Government's view that the precept represented "a fraction of a penny on rates", and was not a burden on ratepayers.¹⁰⁴⁸ By this time the precept payment of the Cook Shire Council was over £1,000, compared with a rate revenue of £2,513.¹⁰⁴⁹ One would have to assume that Toowoomba was an unusually prosperous Council, and unaffected by the precept. Other small Councils, however, shared the Cook Shire Council's view that hospital costs should not be borne by local authorities. The Beenleigh Shire Council suggested that health should be funded by Commonwealth. Nothing came of the idea, and hospital precepts remained a drain on Council budgets for many years.¹⁰⁵⁰

The Council had always been liable for extra payments for the treatment of infectious diseases. This situation developed because the Government made Councils responsible for public health, and it saw an outbreak of such disease as the result of Council neglect, and expected

¹⁰⁴⁷ Shire Council, Cook Shire Council, Cooktown, to The Under-Secretary, Dept. of Health & Home Affairs, Brisbane, 17 July 1939. Cook Shire Council Archives, Cooktown.

¹⁰⁴⁸ *Courier Mail*, 22 July 1939.

¹⁰⁴⁹ Shire Clerk, Cook Shire Council, Cooktown, to H.H. Collins, M.L.A., Parliament House, Brisbane, 24 October 1939. Cook Shire Council Archives, Cooktown.

¹⁰⁵⁰ For instance, the Shire Clerk reported in 1941 that the precept for that year was £1,004, or one fifth of the Council's revenue. Shire Clerk, Cook Shire Council, Cooktown, to The Under-Secretary, Dept. of Health and Home Affairs, Brisbane, 24 July 1941. Cook Shire Council Archives, Cooktown.

the local authority to pay for the treatment.¹⁰⁵¹ Cooktown could not afford to provide the facilities necessary to maintain a clean tidy town, such as a water supply and sewerage system. Even the provision of garbage removal and rudimentary sanitation services stretched the Council's economic resources. The precept system caused friction between the Council and the Hospital Board. For instance, in 1942 the Board asked for reimbursement for treating patients with infectious diseases. The Shire Clerk said that if full payment was demanded it would cause undue hardship to ratepayers, and requested the board to accept a reduction. He reminded the Board that the Council already faced additional expense caused by the war. These included constructing an air raid shelter for the hospital, and providing sand for sandbagging.¹⁰⁵² Unfortunately, the Board was in a similar position to the Council, with limited access to funds, and commitments to meet.

Rates a high proportion of land value.

Cooktown ratepayers resented being forced to pay high rates, and their feelings were justified. While a few of the better commercial sites were valued at a reasonable sum, over 80% of lots were rated on the minimum land valuation of £30. However, the few people who managed to sell allotments received much less than this. In 1928 the local real estate agent told the Council that one lot had been sold for five pounds ten shillings (£5-10), while two others realised a total of

¹⁰⁵¹ In reality most infectious diseases reported at Cooktown had little to do with sanitation. Initially Cooktown was faced by a threat from diseases brought in by shipping. Later the threat came from diphtheria, whooping cough and tetanus, which were finally controlled by vaccination.

¹⁰⁵² Shire Clerk, Cook Shire Council, Cooktown, to Secretary, Hospital Board, Cooktown, 13 January 1942. Cook Shire Council Archives, Cooktown.

£13.¹⁰⁵³ This meant that many people paid annual rates and taxes equivalent to 25% of the resale value of their land. Land prices remained low until the district was provided with a good road, electricity and water.¹⁰⁵⁴

The town's economy continued to deteriorate, placing a greater burden on the Council. Statistics on rates, income, and land valuations paint a picture of the grinding poverty of the local inhabitants. However, the most telling illustration of the real situation is a memo from the Town Clerk to the Council's sanitary employee. Funds were so scarce that in 1930 he was told to stop feeding one of the Council's horses, and to supply feed only to the horse being worked.¹⁰⁵⁵ Until that time, although the Council had made workers redundant to cut costs, it had never stinted on feed for its animals.

Amalgamation with Shire.

Eventually residents came to the conclusion that amalgamation with the Cook Shire was necessary. In 1932 the Cook Shire Council moved unanimously to request that the Home Secretary amalgamate the two local authorities into an enlarged Shire Council.¹⁰⁵⁶ This time, the Town Council did not resist the change.

¹⁰⁵³ C.C. Olive, Cooktown, to The Town Clerk, Cooktown, 12 December 1928. Cook Shire Council Archives, Cooktown.

¹⁰⁵⁴ For instance in 1947 the Shire Council offered four allotments in Adelaide Street to V.R. Warren & Co. for £20. J.H. Landy, Shire Clerk, Cook Shire Council, Cooktown, to V.R. Warren & Co., Enfield, N.S.W., 17 July 1947. Cook Shire Council Archives, Cooktown.

¹⁰⁵⁵ Charles Patching, Town Clerk, Town Council of Cooktown, to Pendrich, Sanitary Employee, Cooktown, 1 May 1930. Cook Shire Council Archives, Cooktown.

Council vulnerable to outside pressure.

In spite of the amalgamation, the financial situation did not improve significantly. The new Council's vulnerable position prevented it taking full advantage of some situations that arose. For instance, in 1933 the Forestry Department told the Council that it proposed selling thirty-two million super feet of timber, which would be exported through the port at Cooktown, and wanted to know what conditions the Council would impose.¹⁰⁵⁷ This caused a dilemma for the Council. It could demand that the successful timber contractors contribute a fair sum towards the maintenance of infrastructure such as roads and wharves, and take the chance that this would not price Cooktown out of contention. Alternatively, the Council could charge inadequate rates in the hope that the extra employment generated would compensate.

Although the cartage of such a huge amount of timber would inevitably damage the public roads, the Council said it would impose no conditions on their use. It even decided against a wheel tax on the vehicles hauling the timber. A similar view was taken when the decision was made on storage charges and wharfage. The Council decided to charge only £1 per year for storage, and 6 pence per 100 super feet in wharfage.¹⁰⁵⁸ Obviously, if the Council had been in a better financial position it could have taken the chance to achieve a better result. There is little doubt that in such situations a local authority in financial difficulty will use its scarce funds to subsidise any project offering the prospect of increased employment and economic recovery.

¹⁰⁵⁶ Cook Shire Council Minutes, 4 January 1932.

¹⁰⁵⁷ Cook Shire Council Minutes, 20 February 1933.

¹⁰⁵⁸ Ibid.

Rates in arrears.

The Council still faced problems collecting rates. Many properties were in arrears of rates to the extent of five times their valuation. Some rates had been owing for over twenty years, and the Shire Clerk asked the Local Authorities Association if the Statute of Limitations applied to arrears of rates, and if interest on unpaid rates was limited to twenty years prior to the date of the sale of the land.¹⁰⁵⁹ The Association thought that the twenty-year limit extended to both rates and interest.¹⁰⁶⁰

The recovery of rates was further complicated because many premises were occupied "unofficially", either without the permission of the owners, or with the owners' collusion, but without any official sanction. Rents were paid in cash and not acknowledged. A typical example was the attempt to recover rates from a property owned by Long Kee, and occupied by J. Lantry. Arrears on the property amounted to £36/5/0, and the occupier was responsible for rates under the Local Authorities Act. The Council demanded that Lantry reveal the terms of his occupancy. However, Lantry said that he had lived on the premises for ten months, but did not rent the building, rather paying board.¹⁰⁶¹ Lantry could not be charged rates, and as the owner refused to pay, the Council's only recourse was to take legal action which was unlikely to recoup costs.

¹⁰⁵⁹ C Done, Shire Clerk, Cook Shire Council, Cooktown, to Secretary, Local Authorities Association, Brisbane, 20 November 1933. Cook Shire Council Archives, Cooktown.

¹⁰⁶⁰ The Secretary, The Local Authorities Association of Queensland, Brisbane, to The Clerk, Cook Shire Council, Cooktown, 4 December 1933. Cook Shire Council Archives, Cooktown.

¹⁰⁶¹ Shire Clerk, Cook Shire Council, Cooktown, to Mr. J. Lantry, Cooktown, 26 June 1934. Cook Shire Council Archives, Cooktown.

The problem was caused by having too much valueless land, and until it was removed, the books would continue to give a false view of the Council's assets.¹⁰⁶² The Government tried to address the problems with rates in arrears and valueless land when it introduced a new Local Government Bill in 1936.¹⁰⁶³ The new Act promised a simple mechanism to allow local authorities to take possession of land for arrears of rates. Owners could be given notice by registered mail, or by advertisement through the Government Gazette, after which the land could be transferred to the Council.¹⁰⁶⁴ Under the previous Act, the Shire Council had been unable to remove the valueless land from its "assets", so it took advantage of the new Local Government Act to rectify the position. It served notice in the Government Gazette in November 1939 that it intended to resume certain land for arrears of rates, and after waiting the statutory six-month period after the advertisement, asked the Titles Office to transfer the land to its name.¹⁰⁶⁵

The Council expected no problems, as the Act stated that the Registrar of Titles should transfer the land to Local Authorities free of cost. However, the Registrar demanded £11/1/8 for the deeds. He conceded that the registration of transfer was free, but that the actual title certificates were an additional cost. The Council felt it had no alternative, and paid for the deeds, only to learn that the Deputy

¹⁰⁶² Chairman's Report on the Financial Statement for the year 1934. Cook Shire Council Archives, Cooktown.

¹⁰⁶³ Section (vii.) (a) of Part X of the Local Government Act of 1936 gives Local Authorities the power to take possession of "Worthless Rateable Land" for arrears in rates or other Council charges.

¹⁰⁶⁴ *Department of Health and Home Affairs, Brisbane, to The Shire Clerk, Cook Shire Council, Cooktown, 16 October 1936.* Cook Shire Council Archives, Cooktown.

¹⁰⁶⁵ Valueless Land Report by A. Standfield Sampson (ND). Cook Shire Council Archives, Cooktown.

Commissioner of Stamp Duties wanted Stamp Duty of 10/- for every £50 of rates owing.¹⁰⁶⁶

The valueless land had already cost the Council significantly in loss of rates and the processing of deeds, and it was not prepared to pay duty on land on which it was owed considerable debt. The Stamps Office relented, and said that it would accept 10/- for each parcel of land if the Council furnished a declaration that it was valueless. Even with this concession, the Council would be faced with payments of £264/10/- for Stamp Duty, and £11/1/8 for titles and postage. If the Council finally found a buyer for the land, the purchaser would incur further payment for new titles.¹⁰⁶⁷

However, the Council's problems were not over. It learned that land tax was owing on some of the land. Writs of *fi fa* had been issued in the Tax Office, and if the Council resumed this land it would be liable for the debt. Council again claimed that the land was valueless and it was not prepared to pay. Eventually the Tax Office agreed to forego the Land Tax if Council promised not to dispose of the properties. However, if it did sell, the Council must pay tax, which could amount to 35/- for each block. With its limited funds, the Council could not pay these fees.¹⁰⁶⁸

While the new Act had attempted to address the anomalies in the former Act, clearly, little concrete benefit had been achieved. Some problems had been removed, but the Cooktown experience showed that restrictions imposed by other Government departments subverted

¹⁰⁶⁶ ibid.

¹⁰⁶⁷ ibid.

¹⁰⁶⁸ ibid.



Cooktown at its low point. The streets are a series of overgrown tracks infested by goats, c. 1930s. (May Rootsey).

the good intentions of the Act. Eventually the Council decided to cut its losses. Despite having written off several thousand pounds in rates, and spending a considerable amount of money for advertising and titles, it was still unable to obtain the properties. As an alternative, it would have preferred the Crown to acquire the land and remove it from the Council's books, but the Act prevented this solution. Consequently, the Council was forced to wait for another change in legislation, or an improvement in the local economy.¹⁰⁶⁹

In early 1937 the Council again tried to solve its problem with valueless land. The Chairman and Clerk were authorised to acquire all land on which the amount owing in rates would exceed the purchase price if it were offered for sale.¹⁰⁷⁰ They thought the Council's poor financial position should warrant concessions, and asked the Government for permission to shortcut the process. Under the Act, the Council was required to advertise three times in the Government Gazette and in an appropriate newspaper, serving "Notice of intention to take Possession without submitting to Sale". The Council's costs in advertising the 630 properties it wished to acquire would be prohibitive, and it asked for permission to advertise its intentions only once.¹⁰⁷¹ Despite Cooktown's poor financial position, the Department of Health and Home Affairs said it had no power to make concessions.¹⁰⁷²

The Council then sought legal advice from the Local Authorities Association. It had written off £24,000 in arrears of rates, and couldn't

¹⁰⁶⁹ Ibid.

¹⁰⁷⁰ Cook Shire Council Minutes, 5 March 1937. (Confirmed 2 April 1937).

¹⁰⁷¹ Shire Clerk, Cook Shire Council, Cooktown, to The Under Secretary, Department of Health and Home Affairs, Brisbane, 8 October 1937. Cook Shire Council Archives, Cooktown.

¹⁰⁷² Under Secretary, Department of Health and Home Affairs, to Shire Clerk, 22 October 1937. Cook Shire Council Archives, Cooktown.

afford to spend more to gain title to the land. The owners of 630 blocks were either "address unknown", or deceased, and the Council questioned the necessity to advertise three times.¹⁰⁷³ The Association's advice was even worse than the Council had expected. It said the legislation placed the burden of discovering the addresses of the owners on the Council. In effect, the Act prevented the Council from acquiring the land, as in most cases it could not deliver notice.¹⁰⁷⁴

Where the land owners were available, the Council had more success. In some instances, they agreed to hand over their land, and to pay all transfer costs.¹⁰⁷⁵ Such transactions were to the benefit of both parties. The previous owner was relieved of the burden of paying rates on land that was virtually worthless, and the Council could remove the land from its rate book. In some cases, the Council could then rent the land for a nominal fee to recoup at least some of the debt.

In June 1937 the Council asked the Government for a loan to fund its overdraft, rather than impose even higher rates on an already impoverished community.¹⁰⁷⁶ Treasury said that loans could not be taken out to liquidate a Council overdraft. However, it offered an alternative. The Council could make equal annual provision in the budget for any particular undertaking, including overdraft reduction. The Council would have fifteen years to repay the debt, and must keep

¹⁰⁷³ Shire Clerk, Cook Shire Council, Cooktown, to The Secretary, Local Authorities Association, Brisbane, 29 November 1937. Cook Shire Council Archives, Cooktown.

¹⁰⁷⁴ Secretary, The Local Authorities Association of Queensland, Brisbane, to The Shire Clerk, Cook Shire Council, Cooktown, 8 December 1937. Cook Shire Council Archives, Cooktown.

¹⁰⁷⁵ Local Deputy Public Curator, Public Curator Office, Cairns, to The Shire Clerk, Cook Shire Council, Cooktown, 20 September 1938. Cook Shire Council Archives, Cooktown.

¹⁰⁷⁶ By the end of 1936 the Council's overdraft was £618/18/2. Shire Clerk, Cook Shire Council, Cooktown, to H.H. Collins, M.L.A., Parliament House, Brisbane, 8 June 1937. Cook Shire Council Archives, Cooktown.

the records in a special Ledger Account termed "Old Bank Overdraft".¹⁰⁷⁷ This at least provided some relief.

Some winners.

While the general financial situation placed a burden on the Council, it meant that people who would otherwise not be able to rent or purchase land could now do so. For instance, in 1937 Donald MacLean offered to pay the rates on a block of land owned by the Council if it would allow him to construct a house.¹⁰⁷⁸ The Council saw an opportunity to gain a return from land that had been useless, and MacLean was told that he could rent the allotment for one shilling a week. He could erect a house on the land on the proviso that if the land was relinquished, all improvements would belong to the Council.¹⁰⁷⁹

By 1941 the Cook Shire Council was at its lowest ebb, defaulting on loans because of its lack of revenue. It once again tackled the problem by appealing to the Government about the irrationalities built into the rating system. For example, the salaries of Council Officers were determined in part by the rates levied by the Council, and not the rates collected. The inability to claim land for rates in arrears was detrimental to the economy of both the State Government and the Shire Council. Once the land was vested in the Council it could be made available to the public at nominal cost. This would provide rates for the Council,

¹⁰⁷⁷ Thomas Hope, Acting Under Secretary, The Treasury, Brisbane, to H.H. Collins, M.L.A., Parliament House, Brisbane, 7 July 1937. Cook Shire Council Archives, Cooktown.

¹⁰⁷⁸ Donald MacLean, Endeavour Bridge, Marton Siding, to The Shire Clerk, Cook Shire Council, Cooktown, 20 July 1937. Cook Shire Council Archives, Cooktown.

¹⁰⁷⁹ Shire Clerk, Cook Shire Council to Donald MacLean, Cooktown, 14 September 1937. Cook Shire Council Archives, Cooktown.

while any transfers of title would provide stamp tax and transfer fees to the State.¹⁰⁸⁰

The Council also complained that the Act made it harder to collect sanitary rates, as it stipulated that while land rates could be levied on the occupier, irrationally, sanitary rates were a levy on the owner of the land. It was common practice in Cooktown for land to change hands without the sale being registered in the Titles Office.¹⁰⁸¹ While the "sale" was often communicated to the Council, in many instances the new "owner" refused to pay the charges. If the Council threatened legal action to recover the debt, the "owner" merely disclaimed legal ownership. A search of the Titles Office would often reveal that the legal owner had been dead for many years. The problem was compounded by the inability of Councils to levy interest on overdue charges as they could on general rates.¹⁰⁸²

Pressure from Treasury.

The Council's position was illustrated in a reply the Chairman made to a firm of solicitors representing a client who owed the Council rates in arrears. The Chairman said that the Council had been severely criticised by the Treasury for three years for being too lenient with "embarrassed ratepayers". Council's Notices, Requests and Demands were treated by recalcitrant ratepayers as a joke. The problem was

¹⁰⁸⁰ Shire Clerk, Cook Shire Council, Cooktown, to Mr. H.H. Collins, Parliament House, Brisbane, 23 October 1941. Cook Shire Council Archives, Cooktown.

¹⁰⁸¹ Myrtle Jenkins, interview. Myrtle worked as a clerk in the office of the Cook Shire Council from 1943 to 1949. She claimed that many people took possession of vacant land or houses and that these properties were often "sold" to others without legal papers. The author witnessed the sale of properties in Cooktown as late as 1976 where no deeds were available. This custom was known as "Obverse Title"

¹⁰⁸² Shire Clerk, Cook Shire Council, Cooktown, to The Editor, Local Government, Brisbane, 30 October 1941. Cook Shire Council Archives, Cooktown.

compounded by the family relationships in the area, where most councillors and ratepayers were related. An exasperated Treasury had threatened that unless the Council was more rigorous about recovering the debts owed by land owners, it would be replaced with a Treasury collector.¹⁰⁸³

Post war reconstruction.

The Second World War had a marked effect on all local authorities in Australia. The deployment of civilian labour on defence works and essential services deprived many Councils of the labour necessary to maintain their infrastructure. In Cooktown's case, it even lost its Shire Clerk. To make matters worse, the diversion of building materials to defence works brought almost all civilian building to a standstill.¹⁰⁸⁴ In these circumstances, a Committee of Inquiry was set up with the aim of allowing Local Authorities to set aside funds for a Post War Reconstruction Programme. The intention might have been honourable, but the truth was that many small towns like Cooktown could not participate because they had no funds. The Federal Government also realised that the return to a civilian economy after the war would need a financial boost, and set aside a substantial sum for reconstruction.¹⁰⁸⁵ Some of these funds were to be used to provide infrastructure in areas that hosted defence personnel during the conflict.

¹⁰⁸³ A. Standfield Sampson, Chairman, Cook Shire Council, Cooktown, to H. Eric Dann, Solicitor, Cairns, 21 December 1941. Cook Shire Council Archives, Cooktown.

¹⁰⁸⁴ In 1942 councils were informed that all building work over the value of £25 would need the approval of the Government. This approval would only be given for purposes directly aiding the war effort. Colin Clark, Deputy Director, Department Of War Organisation Of Industry, Brisbane, Circular To Town Clerks And Shire Clerks, Queensland, 24 June 1942. Cook Shire Council Archives, Cooktown.

Although no great number of defence personnel were stationed at Cooktown, they outnumbered the civilians, and their impact was greater than their numbers would suggest. Many buildings in the town were occupied by members of the armed forces, and some were in worse repair when they were returned to civilian use.¹⁰⁸⁶ The few roads in the area also suffered significantly. In the period prior to the war, Cooktown could boast very few motor vehicles, and their impact on the roads was negligible. However, the influx of armed forces personnel, equipped with a variety of vehicles, placed a strain on the area's roads, some of which were eventually reduced to the base rocks.¹⁰⁸⁷ It is understandable that the Council thought that Cooktown should benefit from any reconstruction project. The district was in such poor shape that when Rollo Gallop visited Cooktown in 1946 as the District Main Roads Engineer, he said the Shire was the "most deserving of any shire visited". He said it had "no machinery, no men, no money and no guidance".¹⁰⁸⁸ The first priority was the erection of new Council offices and sheds, as the existing buildings needed to be replaced as soon as possible. The Council also wanted a road link between Daintree and Cooktown, the provision of a viable water supply, and the installation of an electricity supply.¹⁰⁸⁹ However, despite the obvious disadvantages of the district, and the disruption of the community during the period of the war, Cooktown received very little from the Reconstruction Commission.

¹⁰⁸⁵ Robinson, *For My Country*, pp. 158-159.

¹⁰⁸⁶ For instance the Australian army took over the Great Northern Hotel to use for quarters, and the United States army occupied St Mary's Convent.

¹⁰⁸⁷ L. Buhmann, interview.

¹⁰⁸⁸ Rollo Gallop, interviewed by Duncan Jackson, 1983. Transcript in Cook Shire Council Library.

¹⁰⁸⁹ Shire Clerk, Cook Shire Council, Cooktown, to the Secretary, Coordinator General of Public Works, Brisbane, 13 November 1944. Cook Shire Council Archives, Cooktown.

Shire hall.

The Council was placed further in debt in 1950 when it purchased the only hall in the town capable of hosting community social gatherings. The owner of the hall had threatened to close it because returns did not cover operating expenses. Rather than allow the town to be deprived of the hall, the Council asked for a Government loan of £800 to buy the hall and fittings.¹⁰⁹⁰ The loan was approved at an interest rate of £3/10/0 per annum over ten years.¹⁰⁹¹ The hall placed another economic burden on the Council, but it allowed Cooktown to retain its picture theatre, and provided a venue for dances and travelling entertainers.¹⁰⁹²

Accusations of questionable activities.

The informality prevailing in small country towns landed the Council in hot water between June 1952 and July 1953, when high staff turnover resulted in four Shire Clerks and three acting Shire Clerks in rapid succession. The influx of newcomers meant that some of the Council's more lackadaisical practices were coming under scrutiny. In 1952, J.T. Williams, who had been Shire Clerk for just over four months, complained to the Director of Local Government that recent audited financial statements of the Council did not reflect its true position. He cited irregularities in which the Council failed to retrieve full payment for

¹⁰⁹⁰ Shire Clerk, Cook Shire Council, Cooktown, to C.F. Wordsworth, M.L.A., Cairns, 15 December 1950. Cook Shire Council Archives, Cooktown.

¹⁰⁹¹ V.C Gair, Treasurer, The Treasury, Brisbane, to C.F. Wordsworth, M.L.A., Parliament House, Brisbane, 6 February 1951. Cook Shire Council Archives, Cooktown.

¹⁰⁹² Rent of £1 per week helped to defray expenses but it also had to pay 7/- per hour for electric lighting when using the Hall for its own functions. Shire Clerk, Cook Shire Council, Cooktown, to H.E. Chatfield, Cooktown, 15 May 1951. Cook Shire Council Archives, Cooktown.

land it had sold, in one case to a sitting Councillor. He also complained that the Council failed to accept that the law had been broken in these transactions.¹⁰⁹³ L.A. Downey, who was appointed Shire Clerk in late June 1953, even asked the Auditor General for a special investigation of its administration. He claimed that the Council had acted improperly in at least four areas: the disposal of Council land, the non-payment for work performed by Council for private individuals, the Council's purchase of a motor vehicle from a Councillor, and the misappropriation of Commonwealth Aid Roads Funds.¹⁰⁹⁴ After investigating the matters, the Auditor confirmed that there were irregularities concerning the first two matters.¹⁰⁹⁵ However, the more serious charges, of fraud in a vehicle purchase and misappropriation of Commonwealth Aid Roads Funds, were not proven.¹⁰⁹⁶

End of Council and appointment of an Administrator.

The Shire Council faced another crisis in 1958 when a lack of sufficient funds threatened its works programme. Work could proceed only if the number of field staff was reduced. With only £280 available for each two-week pay period, at least half the employees would have to be retrenched. There would not be enough funds for the hire of heavy machinery, leaving only machines purchased with Commonwealth Aid Funds, including a compressor and cement mixer. The Council decided

¹⁰⁹³ J.T. Williams, Shire Clerk, Cook Shire Council, Cooktown, to The Director of Local Government, Brisbane, 14 November 1952, TR1313/5 Box135 (1284), Q.S.A.

¹⁰⁹⁴ L.A. Downey, Shire Clerk, Cook Shire Council, Cooktown, to The Director of Local Government, Brisbane, 15 July 1953, TR 1313/5 Box35 (1284), Q.S.A.

¹⁰⁹⁵ The Auditor found that at least £1,161 was outstanding for private work done by Council employees, and that some private individuals, including Councillors, owed money for land purchased from the Council at least ten years previously. J.E. Kerr, (Auditor), Cairns, to The Acting Auditor General, Brisbane, 17 July 1953, TR1313/5 Box135 (1284), Q.S.A.

¹⁰⁹⁶ C.L. Harris, Acting Senior Audit Inspector, Brisbane, to The Director of Local Government, Brisbane, 2 November 1953, TR1313/5 Box135 (1284), Q.S.A.

that it had no alternative to cutting the labour force. However, it attempted to minimise the effects on the community by deciding that all employees with accrued leave should take it, and that priority of employment would be given to married men with families.¹⁰⁹⁷

The worsening financial situation resulted in the replacement of the Council by a Government appointed Administrator in 1959. The Chairman at the time the Council was replaced, Leffler Buhmann, said that the Council had little choice but to deliberately bankrupt itself. He said that the area could only be developed if the Council purchased heavy machinery to build roads, and this could only be achieved if it borrowed funds beyond its ability to repay. Despite having spent thirteen years as a member of the Cook Shire Council, some of these as Chairman, Buhmann claimed that the Shire was better off under an Administrator. He argued that as a Government appointee, the Administrator had access to the relevant Ministers, and could borrow more funds than an elected Council.¹⁰⁹⁸ Early Administrators were personally appointed by the Minister, and had better contacts with Government officials. However, in spite of Buhmann's claims to the contrary, all Shire funding was governed by the same rules under which other local authorities operated.

It is evident that the Shire's economic situation improved after the Administrator was appointed. The Minutes of the early Administration reveal a determination to solve the problem of rates in arrears and of valueless land. Within four months of taking charge, the Administrator ordered the Shire Clerk to sell selected allotments of land to the

¹⁰⁹⁷ Special Meeting, Cook Shire Council, Called for Purposes of Federal Aid Finances, 19 March 1958. Cook Shire Council Archives, Cooktown.

¹⁰⁹⁸ L. Buhmann, interview. [The first Administrator, William Hansen, held the office from 15 January 1959 to 30 June 1961].

estimated value of £1,367. He was to try to collect rates of £4,487 from those judged liable to pay, and to summons a number of recalcitrant owners for £2,139. The problem of valueless land on the rates books was solved when £5,695 was written off.¹⁰⁹⁹ The pressure was maintained, and during the next six months a concerted effort was made to clean up the town. Public conveniences were rebuilt, and dangerous buildings and structures, including No1 wharf, were demolished. Private individuals were also given notice to repair or demolish unsafe buildings. Roads were not forgotten, and the Administrator decided to construct a new road to Bloomfield.¹¹⁰⁰ Subsequent Administrators were able to act in a similarly decisive manner without having to defer to local pressure groups, or be hindered by family relationships.

Advisory Committee.

By 1975 Cooktown had changed dramatically, following an influx of new residents, and an improved local economy. The local residents were *agitating for local representation, and the Minister for Local Government met with some residents of the Cook Shire. This resulted in the appointment of an Advisory Committee to advise the Administrator.*¹¹⁰¹ This arrangement did not stem the resentment

¹⁰⁹⁹ Cook Shire Council, Minutes, Administrator, 14 May 1959, Z 2015, Q.S.A.

¹¹⁰⁰ Cook Shire Council, Minutes, Administrator, 19 January 1959 to 30 June 1959, Z 2015, Q.S.A.

¹¹⁰¹ *The author was a resident of Cooktown at this time and was present at the meeting. No public notice was given of the meeting, and the organisers attempted to restrict attendance to members of the National Party and the associations representing graziers. However, news of the meeting "leaked" and some locals were able to attend. The majority of those present wanted an elected Council immediately, which was obviously not the Government's preference. The Minister offered three alternatives: the status quo, an administrator with an advisory committee, an elected council. In a brilliant display of political manipulation, he pointed out that (and he did say that he had no personal opinion on whether it was good or bad) the Shire had a majority of Aborigines and that an election might return an indigenous Chairman.*

against the lack of representation, as the Committee could do little to influence the decisions of the Administrator. Just fourteen months after the appointment of the Advisory Committee, the Government intervened again, giving the Committee limited decision-making capacity, and re-designating it an Executive Committee. The Cook Shire remained under the control of a series of Administrators until 1988, when the State Government decided to allow the people of Cook Shire to again choose their own Council. The last Administrator, Norman Gampe, vacated the office in March 1988.¹¹⁰²

The change to democracy.

Since the Cook Shire returned to democratic representation, the town has continued to grow. The Council is working effectively, and appears to be at least as highly regarded as comparable Councils in North Queensland. Elections are vigorously contested, indicating an active interest in local politics. The elected Councils have given local residents a forum to press for improvements to their services, and this has resulted in better roads and promise of an improved electricity supply.

Conclusion.

There is little doubt that Government legislation in the Local Government sphere accelerated Cooktown's decline. The various Local

After this statement the meeting voted to keep the administrator, with an advisory committee chosen by the Government. The first Advisory Committee was appointed on 1 July 1975.

¹¹⁰² The Administrators of the Cook Shire were: William Hansen, 15 January 1959 to 30 June 1961, Rollo D'Arcy Gallop, 1 July 1961 to 31 March 1969, Graham D'Arcy Gallop, 1 April 1969 to 30 June 1979, and Norman Arthur Gampe, 1 July 1979 to 23 March 1988. Information supplied by Cook Shire Council.

Authority Acts also prevented the Council from taking action to rid itself of valueless land, and to recover arrears in rates. This robbed the Council of much needed income at a time when the area's economy was particularly vulnerable. Ironically, legislation introduced to overcome this problem cost the Council more of its scarce funds, and finally proved futile. The situation was not resolved until the appointment of an Administrator.

The local population was not blameless, however. Internal friction often rendered the Council impotent. At times, when it should have been a rallying point to promote the area, Councillors were so divided they couldn't achieve a quorum to have a meeting. It would be fair to say the people of Cooktown were not entirely responsible for this situation. The continual failure of efforts to stimulate the town's economy, and to rid the Council of valueless land had drained them of hope. The situation was further aggravated by an increasing rate burden as the area's economy declined. Like all districts with small populations, it also faced the problem of a limited number of people to draw on for public office.

The economic experience of Cooktown's Councils accurately reflects Myrdal's theory. Once the town started to decline the Council experienced increasing difficulty in meeting its financial obligations. It was forced to increase rates, but was able to offer fewer services and employ less people. As people left the area the Council's problems were compounded. Recovery was possible only after the Government appointed an administrator and provided the facilities necessary to encourage new settlers to the district.