The birth and growth of an information agency

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Abstract

This paper concerns a public relations organisation that a major industry created in 1951 and then funded. Twenty-five years later, it transferred the organisation’s functions to a new body.

Key words: Australian petroleum industry

Introduction

During the Second World War (1939–45) and the decade that followed, public relations in Australia took off. A wide range of organisations including large corporations, government departments and agencies, employer and employee bodies, welfare agencies and special interest groupshad, pre-war, paid little if any attention to deliberate, planned and professionally-conducted communication with their various publics and with the community at large. Now they were beginning to do so.

The Australian oil industry 1942–1951

Commonwealth Government control and direction of key industries was a wortime necessity. There was a Department of War Organisation of Industry. More than almost all other industries, the oil industry had to be geared to the war effort. In 1942 the identities of the various petrol marketing companies were legislatively submerged ‘for the duration.’ All petroleum products carried the one (grey) brand — Pool. The company set up to rationalise and administer imports and distribution of those products was Pool Petroleum Pty Ltd. Its managing director was Murray Lloyd, normally chief executive of The Commonwealth Oil Refineries Ltd (COR), predecessor of BP Australia.

Fast-forward to 1951. Murray Lloyd has a new job. He heads the new public relations agency the oil marketing and refining companies have decided to establish. Modelled on Britain’s Petroleum Information Bureau, it’s named, inevitably perhaps, the Petroleum Information Bureau (Australia). It’s based in Melbourne because the three largest oil refiner marketers, Shell, Vacuum (now
Mobil) and COR, were Melbourne headquartered, as was a fourth marketer, Golden Fleece.

In 1951 radical restructuring of the world oil industry was imminent, if not already under way. Australia was certain to be affected. Traditionally, refineries had been built near major oilfields, and refined products reached markets by tanker or by long-distance pipeline. The new pattern, adopted for both security and economic reasons, would see refineries built near markets, and crude oil would be either piped to them or delivered in giant, ocean-going supertankers. Correspondingly, shipments of refined products would diminish substantially. At the retail end of the industry, single-brand service stations were appearing. They would replace sites where motorists could choose from discordantly-coloured pumps offering as many as eight different brands of petrol.

As well, restructuring and post-war upsurge in oil demand would generate massive growth in exploration for petroleum in both its liquid and gaseous forms—not least in Australia and Papua New Guinea despite their lack, till then, of commercially exploitable discoveries.

Among other factors in the background when the Bureau—the PIB(A)—began operating in 1951 was the peremptory nationalisation of the Iranian oil industry by Iran’s new prime minister Mossadeq, and the consequent closure of the huge Abadan oil refinery, causing international supply disruption. In the Far East the Korean War continued; no end to it was in sight. In Australia, six years after the end of WW11 and the disbandment of Pool Petroleum, state governments controlled prices of petrol, and the Commonwealth Government had only recently stopped rationing it.

The establishment of the PIB(A)

The Bureau saw its role as ‘to disseminate in Australia accurate and authoritative information about oil.’ Back in the 1950s print was the dominant communication medium. The Bureau’s first staff members included former newspaper journalists. They focused on writing and supplying stories to metropolitan and country newspapers, to the various press agencies, to motorists’ organisations and to relevant magazines. Soon the Bureau began publishing in its own right. The above quotation comes from the first issue of its magazine Petroleum Gazette which appeared in June 1952.

From the Bureau’s modest premises in narrow, insignificant Hardware Street in the Melbourne CBD, Murray Lloyd and his team developed a range of activities aimed at gaining public approval, or at least public understanding, of how Australia stood to benefit from oil industry operations. First, there was the imminent, massive oil refinery construction program in three states. Second, there was every likelihood of a resurgence and expansion of the exciting and challenging search for the indigenous oil. As well, petroleum products already underpinned so many activities of modern life beyond fuelling road vehicles—from garment manufacturing to gardening, from surgery to forestry.
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It was far from easy to judge whether the climate of public opinion would be favourable, neutral or unfavourable to those and similar messages. True, by the early 1950s motorists’ preferences for particular brands of petrol had begun to come back after the Pool Petroleum hiatus, but that hardly facilitated making the oil industry better understood and respected—when did buying petrol ever give anyone a good feeling?

The Bureau’s governing body was its Council, comprising the chief executives of its member companies. Responsible to the Council was a Public Relations Committee whose members were directors or senior executives of their respective companies. At its inception, the Bureau necessarily had to rely heavily on technical experts in this member companies to provide guidance and to help it acquire, from overseas as well as local sources, the wide range of reference material it would need for its role—material on economic matters, public affairs, other energy supply sources, and about the petroleum industry itself, its entrepreneurs, scientists, engineers and many other specialists.

So began what was to become a library matched in Australia by few in any other industry bodies (as distinct from professional societies and research institutions). As well, the Bureau soon commissioned outside experts for publication design, industrial photography, bulk mailing of publications, and the conception, design and fabrication of educational displays.

Direct advertising, however, was never in the Bureau’s armoury. But having a ground-floor office gave the Bureau the chance, as pedestrians reached its window, to stop them in their tracks with its latest eye-catching exhibit, and encourage them to enquire within. For such a different kind of ‘shop’ to appear in Melbourne’s CBD was a novelty—it sold nothing, but offered plenty, including free publications.

For the quarterly magazine Petroleum Gazette, which was issued free, the Bureau developed an extensive mailing list. It included all Australian parliamentarians, secondary schools, newspapers, radio stations, public libraries and all relevant state and federal departments and agencies, trade associations, magazines, university faculties, trade unions, embassies, research bodies and interested individuals. Of course, copies were supplied also to all the offices of the Bureau’s member companies and to relevant organisations overseas including oil industry journals.

After three years at the helm, Murray Lloyd retired and returned to Britain. The Bureau’s Council chose as the next Director (CEO) a widely experienced journalist then six years into his second term as financial editor of The Argus, the former Melbourne morning daily established in 1846. Dudley Pilcher also has been Canberra correspondent of The Age (Melbourne) 1944–46, senior editor, UN Publications, New York 1947 and Australian correspondent of The Economist (London) 1948–54.

Pilcher quickly immersed himself in oil industry affairs, paying particular attention to the industry’s history, to its significant and multi-faceted
contribution to Australia's economic development, and to petroleum exploration. In November 1953, only a few months before he took up his appointment, Pilcher—and, surely, every other finance journalist in Australia—would have been extolling the discovery of oil at Rough Range, WA. The discovery was non-commercial but, by proving that Australia could generate oil, it greatly stimulated exploration of other prospective areas in and beyond WA.

National expansion of PIB(A)

Australia-wide distribution of the Petroleum Gazette and of the Bureau’s media statements and notes for motorists was fine as far as it went, but it didn’t enable direct contact, by an authoritative oil industry body free from commercial objectives, with people and organisations outside Melbourne. So branch offices of the Bureau were established in other capitals—in Sydney in 1954, in Brisbane in 1956, and in Perth in 1958.

For the first years the Sydney office might just as well have been in Alice Springs—it was anything but an eye-stopper. Located in the seventh floor sepulchral Scottish House in Bridge Street, its near neighbours were mostly lawyers, accountants and shipping companies. By contrast, in Brisbane the Bureau opened in busy Piccadilly Arcade, and the secured a better, ground-floor office in Edward Street, with plenty of space for window displays. Similarly, the CML Building in St. George’s Terrace proved a good venue for the Bureau’s office in Perth.

The Deputy Directors in charge of the branch offices were keen students of the industry in general and kept a close watch on oil industry operations in their respective states. They visited exploration sites, refineries, laboratories, pipeline construction projects, petrochemical plants, bulk storage installations and, where possible, oil and/or gas production facilities. Formerly journalists or in public relations, they wrote articles for the Petroleum Gazette and other Bureau publications. They maintained contact with state managers of the Bureau’s member companies. Their role included liaison with local media, and with relevant government departments, educational bodies and professional societies. They welcomed opportunities to give talks about oil and how the oil industry works, often supplemented by dramatic photography enlargements or screenings of 16mm films.

During its first twenty years of operation, the Bureau put much effort into devising and exhibiting displays of various kinds. In the southern pylon of the Sydney Harbour Bridge a series of dioramas explained to visitors the characteristics of petroleum, how oil produced, transported, refined and distributed, and the extensive range of its end-products. Displays relevant to the themes of motor shows, industrial R&D and agriculture/farming (the Sydney Royal Easter Show, for example) were individually designed, built, installed and staffed as opportunities arose. Staff from member companies would give
visitors to these shows free copies of relevant PIB(A) publications such as, for example, Man versus insects.

Displays to be mounted in the Bureau's own windows were designed accordingly and transported interstate as necessary. As already mentioned, they often stopped passers-by in their tracks; a good example was one dominated by the headline: Madam! You need an oil change! It told the story of how finely-refined derivatives of oil are integral to the manufacture of cosmetics.

Further developing its greatest strength, the Bureau inaugurated two publications which, like the Petroleum Gazette, won wide approval for their comprehensiveness and their value as historical records. Oil and Australia: the figures behind the facts was an annual compendium of statistics on petroleum products production and consumption, imports and exports, world crude oil output and reserves, international trade and a host of other topics. The other regular publication was of much larger format because it included a man showing all Australian permits for petroleum exploration (and production, once it started), with extensive text on current and recent exploration activity as well as technological and legislative aspects. Petroleum search in Australia earned a value place as a reference document for everyone with an interest in the subject, especially journalists writing about energy and mineral resources.

PIB(A) moves into the 1960s

By 1959 other major projects were afoot. The world was about to celebrate the centenary of the establishment of the oil industry. The Bureau would seek, and acquire, better premises for both its official and its Sydney office. Already it had developed a plan to publish a history of the oil industry in Australia. And it would move to give itself formal legal status.

There was a serious problem with the Bureau's office in Hardware Street, Melbourne: it was now far too small. But right there in the retail hub of the city, in Swanston Street near the corner of Bourke Street, was the solution: a single-fronted three-storey building. After adaptation to the Bureau's needs, it looked smart and stylish but not opulent or garish. In Sydney, too, the new location was a big improvement: a spacious office on the ground floor of the MLC Building on the corner of Martin Place and Castlereagh Street. A few years later the Bureau seized the chance for a further improvement: to move next door into a brand new building facing Martin Place. It was possible there (but not in the MLC Building) to display the Bureau's name prominently and to mount interesting exhibits in the window.

A major event for the Bureau in 1960 was the launch of this history of the oil industry in Australia—a handsome, generously illustrated volume of the 200 pages entitled This age of oil. The author was distinguished historian Clive Turnbull who earlier had earned the highest respect and repute as a journalist. Brilliantly researched, the book traces the story of oil's contribution to life in Australia from a mere few months after Edwin L. Drake, in August 1859, struck
oil in the first well he drilled at Titusville, Pennsylvania. Primitive refineries in USA produced very few products, but an export trade quickly sprang up.

In Australia, as in America, the product then in greatest demand was kerosene, the preferred new illuminant to replace whale oil and vegetable oils in the lamps of the day. In succeeding chapters the book traced the impact of the motor car, the tractor, the aeroplane, the diesel engine and other developments during the century to 1960. The histories of the major oil marketing companies and the establishment and expansion of local oil refining were covered in the remaining chapters. Today, more then forty years after its publication, This age of oil remains a fascinating read for anyone interested in its subject.

In view of the way the Bureau began life, and given the rapid expansion of both its workload and its geographic spread, it is perhaps not surprising that for several years its status was that of an unincorporated association. This was remedied in 1959 when a constitution was drawn up, and in February 1960 the Bureau was incorporated as a company limited by guarantee. Soon the new 'company' decided that is should have an office in Adelaide—in recognition not only of the construction, then under way, of the oil refinery at Port Noarlunga but also of exploration targets in the far north-east corner of South Australia which would soon be tested. By October 1960 the Bureau had established its office in Murray House, Grenfell Street, Adelaide.

During the Bureau's early years there was always more than a mere trickle of stories to tell about developments in the oil industry’s Australian activities. But from 1959–60 onward there was nothing less than a torrent. Oil exploration surged. The first commercial discovery was made at Moonie in south-west Queensland at the end of 1961—before Brisbane had a refinery suitable for processing it. Later in the decade oil and/or gas finds were made in Western Australia, central Australia and Queensland, followed in the late '60s by the fabulously bountiful discoveries off south-east Victoria in the waters of Bass Strait.

At or near the oil refineries built or expanded in the '50s in Victoria (at Altona and Geelong) and New South Wales (at Kurnell, Matraville and Clyde) Australia's first petrochemical plants were built. They produced plastics, adhesives, carbon black, synthetic rubber and solvents—as either finished products or raw materials for other manufacturers. As well, new oil refineries began to take shape near Brisbane, Adelaide and Hastings (Victoria).

Yet another major development the Bureau reported, recorded and publicised was the transformation of the Australian gas industry as natural gas, together with refinery-produced liquefied petroleum gas, replaced gas manufactured from coal. The massive resources of natural gas found in Bass Strait, central Australia and both onshore and offshore WA made possible a pipelinennetwork, supplemented where necessary by other methods of transport and by LPG, which over several years brought a cleaner and more reliable product of much higher calorific value to domestic, industrial and commercial consumers nationwide.
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Impact of environtalism

In the late 1960s concern for environmental quality grew rapidly in the community. Governments in Australia, as in the USA, the UK and elsewhere, came under pressure to regulate for cleaner air, cleaner water and the conservation of natural resources, especially forests and endangered species of fauna and flora. The oil industry was among industries cited as offenders. It seemed to senior staff of the Bureau that a new oil industry committee was needed to deal professionally with environmental matters. The Bureau’s initiative led to the establishment of the Petroleum Industry Committee on Environmental Conservation (PICEC), consisting of technical experts who could confer with drafters and monitors of legislation.

It soon proved vital to replace PICEC with a more powerful, policy-making body comprising directors of the Bureau’s member companies. It was called the Petroleum Industry Environmental Conservation Executive (PICECE). A key component of the public education activities that followed was the Bureau’s placement, in 1971, of a 24 page insert, ‘Respect for our environment,’ in the Australian edition of The Reader’s Digest. Reprinted separately, the booklet was widely distributed and well received.

By this time the Bureau was, however, less obvious to city shoppers. In Melbourne it had moved to an upper floor of a bank building on the corner of Collins and Swanston Streets. In Sydney it had moved upstairs in the Martin Place building where previously it had occupied the ground floor. The Perth office had closed as the end of 1968 after (but not because of) the WA Deputy Director’s resignation to become an advisor to the Administrator of the Northern Territory. The Brisbane office had closed in 1969 when the Deputy Director moved to Sydney to replace the former NSW Deputy Director who had moved on. The Adelaide office, to the disappointment of SA managers of member companies, had closed in 1961, the year the Australian economy succumbed to a credit squeeze.

By the early 1970s, twenty-odd years after the birth of the Bureau, the Australian oil industry had changed probably more than even the most sagacious prophet with inside knowledge could have guessed. The vast oil and gas reserves of Bass Strait were being developed, and steel giant BHP had a 50 per cent interest! The first of huge gas fields of the North-West Shelf were awaiting development, even if the timing was unpredictable.

Further change was soon to affect the Bureau as well. To quite a few people in the oil industry, from company directors to tanker drivers, it seemed incongruous that there were committees working for the industry in the fields of marketing, technology/engineering, packaging, public relations, environmental affairs and industrial relations—but they operated independently and had no common office. It would make sense, surely, to bring all or most of them together under the umbrella of a new organisation like the American Petroleum Institute.
Members of the Bureau’s Council thought so, and agreed to have a suitable constitution drafted.

By 1975 the Australian Institute of Petroleum (Ltd) had been registered, and in 1976 it absorbed the PIB(A), PIECE and other committees. Its establishment enabled the creation of other working groups including one on safety, another on occupational health, and one to organise an AIP-sponsored international conference in Sydney in 1980.

As the Petroleum Information Bureau (Australia) now recedes further into the forgotten past, some of the publications it produced in its 25 year history—notably This age of oil and the Petroleum Gazette (which finally folded in December 1999) retain their historical value and remain accessible in public libraries.

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John M Flower, LLB, FPRIA joined the Petroleum Information Bureau (Australia) in 1957 and was acting Deputy Director for NSW in 1958. He established the Bureau’s office in Adelaide in 1960, and in 1961 returned to Sydney as the appointed, NSW Deputy Director. Following the untimely death of Dudley Pilcher late in 1968, John Flower was appointed to succeed him as Director, a position he held until the Bureau was absorbed into the Australian Institute of Petroleum in 1976. John Flower was Honorary Secretary of the Public Relations Institute of Australia (Victoria) 1955–58, NSW president 1965–67, Victorian president 1981–83 and national president 1968–69 and 1982–84. He was made a Fellow of the Institute in 1971 and a Life Fellow in 2003. John was an original subscriber to the APPRJ, a referee for many professional articles. He robustly criticised and commended contributions with editors and sought to gain a prominent role for the Journal within the public relations profession in Australia. He died on the 18 of August 2007.