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SOCIAL POLICY AND THE  
PERMANENT POOR

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**Policies on Poverty**

THE PROCESS OF demystifying Australian capitalism involves more than providing the necessary proofs of a ruling class (or indeed any other class) in Australia. Showing that the national economy is geared to private property and revealing the Janus face of international capitalism is not beyond us. The record of working-class opposition and status-group protest, is inevitably under continuous scrutiny. But the social face of capitalism is usually bypassed, being tedious, transparent and distressing to look upon (unless viewed in its psychological rather than structural contours).<sup>1</sup> In addition, it is often thought that to attend to social policy, social security and social welfare is either naive or dangerous—a collaborator's act. And generations of 'my ladies bountiful' have done little to counteract this idea.

The convention is that social welfare systems exist to disarm the working class: social security, *via* income maintenance and environmental services, adds up to a confidence trick. The major development in this area—the shift from private to public provision, from charitable to governmental support—might be expected to reinforce socialist enthusiasm for state intervention. But even that is not easily countenanced by latter-day liberals (of many hues and formal persuasions) who note new threats to individual liberty in the trend. Basically, it is often said, the development was necessitated by recurrent fears of capitalism breaking down, thereby inhibiting consumption and then profits. Post-1945 social policies represent an increasingly bureaucratized but still capitalist manoeuvre.<sup>2</sup>

In passing, it may be said that the provision of social services is decreasingly likely to prevent 'the system' from breaking down. More importantly the essential ambiguity of the above view cannot forever be disguised.<sup>3</sup> In theory it is a kind of ideological fundamentalism. In practice it is more than political primitivism; it may also constitute an insidious collaboration, underpinned by plain bourgeois self-interest

(and indifference on the part of the organised labour movement). The history of social policy-making as it has developed in the twentieth century, stripped of its nationalist interpretation, reveals this ambiguity. It also helps to explain for instance why 'social policy' is a rather inflated term for the subsistence-level social assistance schemes and selfhelp insurance programs, which constitute the public responsibility for need and inequality in operation here over the last seventy years. In fact the changing pattern and extent of bourgeois self-interest proves to be crucial in the whole 'poverty debate'.

So far, in this as in many other advanced capitalist societies, social policy has been a residual operation.<sup>4</sup> The possessing classes prefer 'economic policy' which promises well-being from an efficiently functioning system of free enterprise where social needs will be met by the market. The reversal of priorities possible in the notion of social policy, whereby the well-being of the people will generate new forms of productivity,<sup>5</sup> has always been the opportunity of the non-possessing classes: manifest in measures directed towards the egalitarian distribution of income and resources, above and against the market. The extent to which priorities have been really reversed is a good indicator of the magnitude and sort of struggle there has been in Australia.

In the near future, the struggle may well take new forms, but social policy-making in general and the social services in particular are likely to remain central; of both symbolic and instrumental importance.<sup>6</sup> The artificial scarcities, like fuel shortages, now being created to prop up present antisocial modes of production and distribution will create new threats and new victims. New forms of coercion are already predicted by WASPS (male).<sup>7</sup> But old as well as new patterns of inequality will underpin them (a development interestingly fore-shadowed in present-day Britain). The social face of capitalism may be ugly and getting uglier, but so is the question of collaboration.

Today, guilty defensive and evasive attitudes prevail, especially apropos 'the poor'. The social divisions of welfare (for example what you get from the tax system, or on fringe benefits, as compared with what you get 'on social services') have become very marked.<sup>8</sup> Euphemisms like 'the underprivileged' have of necessity been replaced by 'the blacks', and 'the lower socio-economic groups' by 'the poor'. We are witnessing an enormous paper-chase, as the *élite* of the so-called 'welfare state' pick up the contradictions of previous social and fiscal policies: not only the operation of the tax structure but also the coverage of voluntary health insurance, the 'costs' of free education, the impact of expressways and urban redevelopment, and above all the extent of poverty. As well, a long phase in Australian security provision appears to be over—the means test on old-age pensions abolished—but simultaneously the problem of special provision for the needy has re-emerged. The new forms of self-help, health insurance and national superannuation have encountered powerful constitutional and institutional obstacles.

In the confusion, while it is now respectable to speak of rich and poor, no-one knows how many of either there actually are, and the voice of the latter is barely audible.<sup>9</sup>

Behind the uncertainty, there may well be little more than a bourgeois consolidation program, before the next crisis. The hardy perennials of social policy—what level of social security expenditure can the community afford, by whom should services be financed and to whom should they be available—are controversial again? Minor reforms of tax schedules, compulsory rather than voluntary health insurance, and more subsidies to home owners need not redistribute resources downwards anyway. Rather they may simply disproportionately reassure and assist those already in possession of the larger weekly income—and the swinging vote.

In this context it is not so surprising that evasive and ambiguous attitudes prevail, and the debate about precisely how many poor there are proceeds unabated. But the underlying disabilities are not so new as people would like to think. The newly discovered 'poor' suffer from long-term class and sex inequality, living on the edge or outside of, market rewards; as standard rate pensioners (old and/or sick, and by a slight majority female) female breadwinners and low-wage male unskilled workers, unlucky migrants, rebellious young people, children in large families, Aboriginal, Anglo-saxon and European. Certainly, the disabilities have emerged with changing demographic and occupational patterns, and are partly the result of unmonitored economic growth and immigration in the post-war period. But the disabilities are long-term ones, and however counted and categorised by race, colour, sex or age, they are produced because the people involved could not, would not or were not allowed to compete in the wages battle. The wage battle always depends upon 'the pool of unemployed', and stabilises at the level where the market is still profitable. Since that itself is not stable, and the system is geared to scarcity not abundance, the victims may change, but victims there always will be. The victims—the poor—represent always a primitive threat, to be overcome by the many and forborne by the unfortunate (or 'lazy' and 'undeserving') few. Thus 'poverty' is the end-product of a (by now highly structured) system of inequality of rewards, a recurrent threat given individual's changing needs and situations over a lifetime, and a dynamic force in industrial capitalism.

Serious redistributive attempts would endanger the whole system of relative rewards and punishments. In the early twentieth century, the male working class was near enough to the bottom to fear the whole process. The historic transformation of its position, itself always fearfully precarious, has involved the labour movement along with the victorious bourgeoisie, in collaboration against the permanent poor, and reinforced the ambiguous evasive and defensive attitudes so characteristic of the colonial bourgeoisie since the late nineteenth century. These

attitudes, not egalitarianism, prove to be the motif of any study of social policy since Federation. Crudely, the powerless poor got left behind, as dependent as ever, but decreasingly with political muscle, especially as sex barriers become entwined with class barriers in issues of redistribution.

Thus in the late nineteenth century there were mutterings about pauperism. Today we acknowledge 'poverty', dismissing the lucky country myth with a shrug. Bruce Petty has neatly up-dated such attitudes in a cartoon entitled, 'Guilt Edge'; subtitled '10 per cent poverty is high but when you think of India's 82 per cent you don't feel so bad'. Simple-minded cross-national comparisons are easy to dismiss of course; but what if the same 10 per cent could be identified seventy years ago?

The terminology has changed. To some extent so has the composition of the 10 per cent. But the absolute size has increased, while the proportion has remained stable. Late nineteenth-century statistics were collected to show progress and productivity not social pathologies, and so far no relevant and reliable co-ordinated estimates across the six separate colonies have been attempted. Figures based on the unemployment of white, male, trade unionists are little guide (and it is on such figures that statements about the condition of the people are usually based). But if to them were added the impoverished itinerants, resourceless blacks, dependent women and children, and all were added to the numbers counted formally in census and statistical registers as living in charitable institutions, it would be amazing if they did not constitute at least 10 per cent of the total population.<sup>10</sup>

Estimates of the extent of poverty today vary greatly according to the criteria employed and the units measured. All estimates are debatable; and, significantly, undermined by the absence of basic statistical series and official information either withheld or not collected in the first place. The failure to establish Family Expenditure Surveys (operating in Britain since the mid-fifties, here begun in 1974), and the removal of income questions in the 1971 census, not to mention the pigeonholing of the Vernon Report in 1965, all show the fearful refusal by conservative governments and the bourgeois constituency to enquire. The effect has been to localise and render more subjective all estimates of the extent of poverty in Australia. Scrupulous Melbourne economists, anxious to be useful and avoid controversy, estimated that in 1966-7 about 8 per cent of the population (one-twelfth) of that city should be classified as poor, and about 4 per cent (one-eighteenth) in dire need.<sup>11</sup> Experienced social workers, less than convinced by the late nineteenth-century notions of subsistence employed in the inquiry, doubled the economists' estimate to 17 per cent.<sup>12</sup> As yet there is no official estimate; but estimates from other cities like Brisbane<sup>13</sup> and Sydney<sup>14</sup> certainly go higher than the Henderson inquiry.

The vagaries of both late nineteenth and mid twentieth-century measurers suggest that 10 per cent is a rough but uncontroversial average for both periods. It makes nonsense of the conventional view which, observing that few people actually starve or die in the streets (they didn't in the late nineteenth century either), continues to see poverty as a temporary phenomenon, classified as comparative, and easily eliminated by pension lifts.<sup>15</sup>

It is not simply that in a society where rewards and resources are unequally distributed there is an identifiable bottom 10 per cent (although locating a 'band' rather than drawing a 'line' may be a step forward, and the relative shares of the bottom 10 per cent may be the best guide yet<sup>16</sup>). It is rather that over a half-century of state intervention and social service provision has not effected much change in the incidence of need, or the societal balance of dependence: independence. After all, the most dramatic finding of the Melbourne survey was that the 'rediscovered' poor were the very people, to use that classic Australianism, 'on social services'.<sup>17</sup> A similar sized, if not identical group over seventy years has not achieved or been allocated the relative increase of shares to get it out of the nursing home (read benevolent asylum), overnight jail or ghetto despite vastly augmented national wealth and a transformed pattern of income distribution. Nor has the increased momentum of the post-war 'welfare state' acted to lift them to the even modest independence which is supposedly the social norm and historic national aspiration. If the pattern of deprivation has become harder to detect (except by the NSW Police whose job must be immeasurably eased by the iniquitous provisions against vagrancy in the 1970 Summary Offences Act); if the sighs of helplessness are smothered by an ever-increasing welfare bureaucracy (as envisaged by the Australian Assistance Plan, for example); nevertheless the resourceless proportion of the Australian population has been stable enough, and the methods employed to assess and keep it so likewise.<sup>18</sup> It is amazing and ironic therefore to read:

the main causes of material poverty existing in Australia today are largely uncontrollable, irrespective of government policy, because people will continue to grow old, or become sick, and husbands to die or defect their families.<sup>19</sup>

Presumably low pensions, low wages, racism and sexism are indeed beyond government policy since they have remained at the centre of Australian poverty for so long. What does the history of social policy-making have to say, to put this in perspective?

### Poverty and Labour 1870-1914

In the late nineteenth century, the poor were more than a reproach to society's statistical skills. Being less distinguishable from the respectable labouring populace, their existence constituted a threat. It was not easy

to walk through city streets without noticing urchins playing truant, larrikins who should have been gainfully employed, drunks ever ready to bludge on their betters and fallen women not yet ripe for the Magdalen Asylum. Every colonial city had a corner of 'low life': Little Bourke Street in Melbourne, Light Square Adelaide, the still forbidding Sydney Rocks. In Hobart, fear was more diffused by the lingering threat of a permanent convict taint, and no-one knew if the strangely apathetic lower orders were malevolent or not, though no-one doubted the dangers of the port. (In the 1870s, the Commander of the Royal Navy Pacific Squadron caused a stir by ruling Hobart too dangerous a port to call at, mainly because of the threat of VD.)

The Australian city was not yet so sprawling and decentralised as to render the poor invisible as they are today, even though the profligate use of urban land had already promoted suburban segregation by wealth; and no-one was obliged to drive a carriage through Waterloo, Footscray or Bowden. Each city had its magnetic centre, attracting the deprived and the depraved along with the prosperous. Indeed although poverty is normally (and partly inappropriately) associated with the city, in the late nineteenth century the urban reality could be variously interpreted: as for instance signs of a desirable cosmopolitan maturity or at least an inevitable phase in colonial progress. And smart or envious bourgeois elements had not yet adopted the instruments of urban community destruction: colonisation and 'planning'.

Despite the visual proof, the youthful and self-confident establishments of Australia hoped and believed that here the hoary Christian injunction 'the poor always ye have with you' would prove redundant. The very idea of pauperism was peculiarly appalling and undermining. Even while the degrading word 'pauper' was freely and officially used, it was an article of faith to the colonial bourgeoisie that Australia had no need of conventional nineteenth-century methods of coping with pauperism; and that prosperity, charity (and always the Government) would provide for the passing needs of people settling in to the land of opportunity.

It was an evasive and useful belief. On the one hand, it protected the propertied classes from the poor rate, the local tax which in Britain was levied to provide the maintenance which Britons had by right. On the other hand, it hid the shadow of the hated British workhouse which lay, convincingly enough to the eye of posterity, over the colonial Benevolent Asylums and charitable hospitals which served as institutions of the last resort for the destitute and the sick.

Despite the often impressive and always reassuringly solid walls of the innumerable asylums, which bespoke the concern of a benevolent society, only the totally destitute were incarcerated in them. Only in South Australia was there a right to relief and public assistance<sup>20</sup> (and there the centralised administration appears to have been not only vigorous but stringent enough to have room for philanthropic and

religious activity).<sup>21</sup> Elsewhere the pre-requisite for support was to be down and out, and discovered.<sup>22</sup> Occasionally muckraking journalists like 'The Vagabond' perturbed—and titillated—respectable breakfast tables with reports of low life (need and crime being indistinguishable). Regularly the same citizenry contributed to good causes—much more regularly in Victoria than elsewhere it seems—until 'overlapping' charities seemed a problem in Australia as they did in Britain.

Determined attempts to catch 'imposters', investigated by the newly formed Charity Organisation Societies (COS), did not reduce the burden or the guilts of the very visible poor in the late nineteenth century. (Standardised clothing had not yet merged the wearers into a misleading uniformity, and whereas today it is hard to tell if people wear sandshoes without socks in winter from choice or necessity, then it could be hard to tell a 'pauper' from an unskilled labourer, or a criminal, a jobless young widow from a prostitute.) The established moral distinction between 'deserving' and 'undeserving' was meant to sort out the poor from the criminal poor. Col. Goldstein, secretary to the COS, claimed that only 200 of a supposed 5,000 unemployed claiming government relief in Victoria in 1890 were deserving—'every young community has two deadly serpents to encounter . . . ignorance and pauperism'<sup>23</sup>—and in 1898, the Victorian COS found 60 per cent of cases referred unworthy of assistance.<sup>24</sup> The historically significant distinction, between the labouring population and the powerless poor, had yet to be made; but the successful emergence of an organised labour movement made an enormous difference to the 'threat' posed in the late nineteenth century.

That emergence was neither as easy nor as unambiguous as the old Whig historiography had it. However, it produced a new crop of defensive attitudes, which became more pronounced during the economic crises of the 1890s. That story is familiar enough: precipitated by steady falls in world commodity prices, the end of 'the long boom' came with the giant strikes of the early nineties, the spectacular bank crashes in Victoria in 1893, and the long drought from 1896 onwards. Industrial then political militancy from a newly organised working class meant that evasion was no longer either possible or desirable. In Victoria in particular, company directors and building society speculators joined the ranks of the poor, while that 20 per cent which had not enjoyed the benefits of the building boom was augmented by ruined shopkeepers, tradespeople and those who once had small fixed incomes.<sup>25</sup> In all the colonies except South Australia, which had experienced setbacks in the eighties, the optimism which enabled evasion disappeared. There was a flurry of good works—soup kitchens and village settlements—and the Salvation Army came into its own respectability.

The recently defeated but still coherent labour movement turned to political pressure, or as a recent study of the NSW Labor Party has it,

to 'civilising capitalism'. Caucus and coalition power led, in the words of Brian Fitzpatrick, to 'the shortlived effort of Liberal and Labor politics to temper the wind of capitalism to the shorn lamb—the wage earner who fared grievously in the years of industrial conflict and the years of drought which dragged through the rest of the nineties'.<sup>26</sup>

The many legends of the federation era include the social laboratory legend and the enthusiastic *cliché*, socialism without doctrines. The precise substance of that *cliché* is being examined elsewhere; here it need only be reiterated that the statutory provision of basic measures of social security—old age and invalid pensions—in NSW (and Victoria) prior to Federation and Australia-wide by 1910 were historic innovations. They were to be paid by the state, from general revenue, at a statutory fixed rate and could not be varied at charitable or official discretion. They were non-contributory. In principle the social assistance thus proffered was a direct development of ancient notions of poor relief, a progression which proved easier to make in Australasia than elsewhere (but was already much debated or even superseded; as in Germany, by social insurance). Furthermore, the imposition of a means test undercut the provisions 'as of right not charity'; and apart from initiating a long-lived bone of contention, made possible the extension of that weird anomaly, state charity.

State charity, in NSW at least, took the form of subsidy to voluntary organisations, especially hospitals and the NSW Benevolent Society, where it supported 'the charitable principle in a young country', footed most of the bill, had the power of inspection; but not management. It took actual responsibility for the destitute aged, the insane and children.<sup>27</sup> Charities still flourished, especially providing 'outdoor' relief, and taking care of women ('what were you doing at the time of seduction?'). In fact, unabashed dependence on the state in the founding years carried over to the years of independent government, however this was disguised and evaded if possible,<sup>29</sup> and had its own momentum. It produced dissatisfied treasurers as well as ambitious philanthropists who hoped to cut institutional costs. It was increasingly felt to be cheaper to support the old outside the asylums. (Thus in Queensland in the 1890s they were given an allowance to stay at home, if in return they willed their property to the State.<sup>30</sup>) Changing attitudes, expressed by the NSW Labor Party, allied with the aims of a forward-looking bourgeois administration, easily overcame doctrinaire liberal objections to old-age pensions, especially when the provisions preserved a distinction between needy and non-needy, and only partly eliminated the distinction between deserving and undeserving.<sup>31</sup>

Provision for long-term sickness, via invalid pensions, was a rather more obscure innovation in NSW. As T. H. Kewley says with a touch of proud parochialism, 'NSW was in fact the first country to establish a non-contributory pension scheme'.<sup>32</sup> Its principles and payment were similar to the old-age pension—originally equally stringent too, since

the applicant had to show permanent incapacity for 'any kind of work'—so that it too was probably an extension of state charity, another way of dealing with the much criticised barrack-style asylums. The measure originated in a non-Labor election platform in 1907, and was probably an electoral ploy, dependent on the increasing popularity of the age pension.

When these innovations were adopted in the Federal sphere by 1910—and the power to provide pensions had been taken by the federalists as a device to popularise Federation, the other benefits of which were not immediately obvious to all branches of the labour movement—the triumph was traditionally (and justifiably) given to Labor. It had had the strength to push for a dramatic extension of social provision, and in a form still unusual in capitalist countries: social assistance not social insurance. The point of Labor strength is best seen in the 1913 Federal maternity allowances, which were universal as well as non-contributory, a real innovation. As a woman's assistance issue,<sup>33</sup> it was difficult for opponents to defeat this extension of state largesse, especially since it was not unconstitutional and, being universalist, criticisms of class greed could not apply. As the Prime Minister, Andrew Fisher, said at the time:

[old-age and invalid pensions] have assisted in promoting the prosperity of the country. Far be it from me to say that we have reached a point where we can put an end to social legislation of this kind . . . As the matter of public health has come up in the course of discussion on this subject, I may be allowed to say that I think the time is not far distant when the Commonwealth will have to require power . . .

And he went on, 'we all thought that the Constitution was a very different document from what it has been interpreted to be, or our enthusiasm would have been dampened a little more than it was'.<sup>34</sup> In other areas, Laborites could be more easily disarmed, by vested interests or interests vested in the constitution.

The Labor Party was not, nor could it be, merely sectional. To further its class interests it had then to be the agent of social justice, towards which its earlier alliance with the reforming bourgeoisie had given it assistance. In the context these social policies, taken together with the enabling provisions of the same period (the conciliation and arbitration system and the basic wage) and the protective tariffs, all constituted positive defences. They are best understood as the outward and operative arrangements between classes, a visible truce in calmer times. To quote Brian Fitzpatrick again, in a justly celebrated passage:

I take the view that the history of the Australian people is amongst other things the struggle between the organised rich and the organised poor, and that the usual aim of the belligerents has been to keep or win political or economic power in order to use it in what they have considered to be their own interests . . . I take the view that the effort of the organised working class has been—perhaps could not

but have been—beyond its class ends an effort to achieve social justice, whereas the possessing classes that have opposed Labor have not, according to my reading, attempted to reform society, or to redistribute wealth in the interests of social justice. Not that I blame them. My belief is simply that the Labor effort, impelled by motives similar in kind to those of the owning classes, happens to coincide with an effort towards social justice, whereas the effort against Labor . . . has been in opposition to the advancement of society.<sup>35</sup>

Just such a 'coincidence of effort' characterised the Edwardian years. It produced the basic and unusual set of social services which, because of their apparently innovatory aspects, have had an unwarranted effect thereafter insofar as Australian social service and welfare provision has tended to be judged from this 'advanced' headland: it is ahead or behind, leading or catching up with, the rest of the world. But it should also be a measure of the state of struggle at any point of capitalist time; and at that point, evasion was inappropriate. Subsistence provisions for old age, invalidity and maternal need were appropriately defensive attitudes from one point of view. It coincided with the interests of Labor. Such coincidences were not to occur often, nor was Labor always able to formulate new strategies.

It is important to note the limitations on the legends. Of all the innovatory provisions, only the maternity allowances could be described as socialistic. State involvement, as has already been suggested, was well established in this as in other fields, by the constituent States of the Federation. (Those same States have been remarkably loth to part with the services, as distinct from income maintenance, which are essential to any welfare state: education, housing and health provision.) Colonial treasurers, prototypical welfare professionals (like Sir Arthur Renwick in NSW or Catherine Spence in SA), and reforming churchmen anxious to illustrate Christian relevance, all contributed to the extension of State involvement.

Furthermore, proposals for State intervention were respectable enough by this time, and their application in remote Australia depended firstly on their arrival here and secondly their dissemination. One has only to glance at the accompanying papers attached to the three State Royal Commissions on old-age pensions in the late 1890s to see the extent of available imported ideas. For all the emphasis placed on Morris, Bellamy and Lane in the radical tradition, their importance lies with the vision they provided rather than the pattern of social services established. Defensive attitudes were world-wide in the eighteenth and nineteenth centuries. It was simply easier in Australia to utilise them.<sup>36</sup> But the path-breaking was little more than formal; even unspeakable Britain had non-contributory old-age pensions in 1908, at the same time therefore as all Australia. Three years later unemployment and health provisions (admittedly of limited application and contributory) were introduced, provisions unknown to most Australian people until 1944.

It was apparent everywhere that the savageries of industrial capitalism were intrinsic whereas prosperity was not—as Beveridge titled it in 1909, *Unemployment—a Problem of Industry*.

In this environment, the striking thing is how limited, derivative and *ad hoc* social policy really was; and how confined and dependent Labor proved to be. It is not the case, for instance, that employment bureaux or unemployment provision joined the basic wage and factory legislation of the 1890s to protect the industrial worker. Nor that health and educational provision could be much advanced, much less housing.<sup>37</sup>

Although some observers have thought that before 1900 the social services in Australia meant public education and public health,<sup>38</sup> early twentieth-century attempts to strip the medical services of the taint of charity failed. Improvements came in roundabout administrative extensions of environmental services, and ever-increasing financial aid to the private hospitals (which were called general and public, but were determined to remain independent in the service of the sick poor). The larger issues of who was to be entitled to hospital services, who was to provide and who was to pay, became more insistent with the improvement of hospital care; and also because the increasing numbers of middle-range people who could afford to pay some fees, disliked the charitable principles maintained by hospital boards and the honorary staff<sup>39</sup> (concerned about their external fee levels), and wanted access.<sup>40</sup> When a Labor Government in NSW proposed reforms in 1910, it encountered firm opposition from doctors, friendly societies and chemists. In Queensland, the only State to establish free public hospitals (free public wards in statutory not voluntary hospitals), long-established Labor initiatives only succeeded after the abolition of the Queensland Upper House, which had opposed payment of a proportion of the costs from rates, in 1923; and the reform was not carried through fully until 1944.<sup>41</sup> If constitutional barriers impeded the Australian Government, initiatives in the States, which faced no such formal barriers, have been ineffectual anyway. Button days and Golden Caskets, and free public wards in Queensland, cannot disguise the nineteenth-century realities of health services, where the idea of self-help is still advanced to protect problematic professional interests. Labor has never been able to win that wing of the bourgeoisie nor, it might be suggested, to educate the petit-bourgeoisie away from voluntary insurance provision.

Overall then, it would be more appropriate to say that basic issues of social policy emerged in the halcyon years. In only one instance—maternity allowances—were they dealt with in an *avant-garde* manner. If the primary push for social security succeeded, pensions were not necessarily redistributive, and their establishment suggested how both struggle and alliance was involved. The push for health services did not succeed; and the struggle involved there, both class and sectional, clarified the existing 'social divisions of welfare', and reveals the *ad hoc*

nature of provision. Defensive attitudes can work both ways, depending on the strength of pressure applied to them, and the forces involved. It was as true then as it is today to say, as has a recent student of voluntary agencies:

no consistent social policy program has ever been adopted . . . measures are introduced when sufficient pressure can be mounted by interested groups to force the government to act.<sup>42</sup>

### The interwar Years

The great 'catching up/left behind' debate is deceptively simple apropos the interwar years. It is unanimously agreed that Australia was left behind, and exposed as such by its incapacity to generate policies to cope with mass unemployment in the traumatic 'thirties. No provisions existed at any level of government except in Queensland which had established an insurance scheme in 1923 (and earned the title, 'the loafer's paradise'). Indeed, the Australian Government in the 'twenties had deliberately pigeon-holed proposals for national insurance, partly on the grounds that unemployment was decreasing. The States, responsible for relief, failed to get beyond *ad hoc* provision—the controversial 'sustenance' and inadequate public works. In Victoria, the Melbourne Ladies Benevolent Society became very busy; co-ordination in the charitable field was promoted; the first social workers arrived; and army surplus greatcoats, dyed black, appeared in the streets. But the Federal Government neither co-ordinated nor initiated programs of assistance, much less promoted protective plans for the future.

If personal insecurity grew alarmingly in the first four decades of the century,<sup>43</sup> the experience of the fourth might have been expected to promote new social security provision, at least the long discussed and in Britain long established labour bureaux. At best the conservative coalition of the time hastened slowly, *via* British advisors, towards social insurance and the contributory principle, culminating in the dead letter Health and Pensions Bill of 1938, which did not even deal with unemployment.

It is even difficult to locate significant Federal extensions in other social services. In fact cuts to established benefits and new services like the new Commonwealth Department of Health were the order of the day. Even the RSL, despite vigorous representations, failed to stop cuts in the service pension. Universalist maternity allowances were means-tested; and the old-age pension was cut by twelve and a half per cent, along with ten per cent cuts in real wages imposed by the Commonwealth Arbitration Court. The vigorous economies of conservative governments, far from extending protection and support, seemed to be undermining existing provisions and new ones were not in sight. In a bleak field, State innovations like family allowances and widows' pensions stand out, giving some substance to the view that these were

years of endeavour and aspiration rather than achievement,<sup>44</sup> but in general it is usually covered by the clichés 'barren' and 'disappointing'.<sup>45</sup>

Probably neither the period chosen (1919-1939) nor the conventional nationalist frame of judgement are very illuminating. What preserved the *status quo*? On the one hand, what forces operated to prevent the much desired introduction of social insurance? On the other hand, what pre-empted pressure for non-contributory benefits as of right? Furthermore, what issues were at stake outside the relatively narrow field of Federal legislation and 'pensions'? Four main instances can be advanced to show that from 1914 onwards, social service provision was merely the visible tip of the social policy iceberg, and that the real struggles which preserved the *status quo* involved some damaging new alliances for the working class and the much divided Labor Party.

In the first case, that of the insurance schemes so favoured by conservative governments because they ensured thrift and self-help and in theory prevented redistribution, the conservative governments of the day were opposed by existing insurance interests, and unexpectedly, in 1938 by the medical profession which objected to the modes of remuneration proposed for it under the health insurance legislation. The labour movement did not welcome social insurance either; and for all its weakness in the interwar years, the Labor Party in the main opposed the contributory principle. Of the opposition, that of the existing professionals was no doubt the most important. The role of the big friendly societies, with their large working class markets, has yet to be explored, but their very existence and opposition suggests that a complicated alliance prevented the introduction of 'national insurance'.

Taking a second case, the pre-emption of pressure for a radical extension of social security, the perspective must go back to 1914, to the first War Pension Bill. If the British experience is any guide, the ruling classes of Australia were both far-seeing in the methods employed to attract men into the army, and fortunate that the returned soldiery took their promises seriously enough to form a pressure group powerful enough to ensure their permanent welfare.<sup>46</sup> It is suggested that without the Repatriation Department, and Australian Soldiers' Repatriation Act, the Conservative governments would not have survived the depression. What those years would have been like without the generous and separate provisions made for ex-servicemen and policed by the RSL is of course impossible to say.

The wider effects of the self-contained social service state administered by the Repatriation Department require sustained research. If the social services have been the sacred cow of Australian historiography, ex-service provision has been the fatted calf, a product of unique forces which cannot be explored here. An ironical insight into one of the main agencies, the RSL, was provided by a former Repatriation Minister:

'if there were no RSL to take care of the bereaved and disabled, one would have to be created'.

It is significant that there was constant pressure to improve the ex-serviceman's lot in the post-war decades, and that the department's workload went up in the early 'thirties. It is even more significant that in those years, it established the largest hospital system in the country, with accompanying subsidiary medical services, access to specialist medical service and accompanied by outpatient care and rehabilitation programs right at a time when the fortunes of the larger civilian hospitals were at their lowest. Furthermore, it paid separate pensions, and especially to dependents, at a more generous rate than to civilians. Most remarkably, from 1928, responsibility for giving the benefit of the doubt in claims was left with the determining authority, even though that authority was itself composed of ex-servicemen, and claimants could appeal to an independent tribunal. These features, still being sought in the civilian system, have acted to protect the scheme from the public criticism of claimants (cf. old-age pensioners) if not of medical personnel whose area of professional jurisdiction in later eras of expanded medical knowledge has been overlain by wider considerations.<sup>47</sup> In addition, the policy of preferment for ex-servicemen in public service jobs which governments waived at their peril, gratuities, and war settlement schemes prepared while the war was still on, stabilised and depoliticise people who in other countries became angry and embittered. In all probability it has been a high price to pay for a voluntary army, and the success of the RSL as a pressure group has kept alive the self-help and voluntarist ethic in this country. It is also created an intangible division between those who served overseas and those who did not (or never served at all), disrupting the class solidarity which would have been necessary to promote radical initiatives in social security and social service provision in the interwar years. Even if the creative anger of the unemployed has been underestimated,<sup>48</sup> there were other drags on innovation beyond vested interest.

Thirdly—and this is to go far beyond the usual list of political factors proffered to explain 'inactivity', and also to speculate further—there were other issues of social welfare at stake. When the full story is told it will be seen that conservative politicians were not entirely preoccupied withstanding the threat of unemployed ma'ees, but were also greatly concerned with reluctant wives and mothers. A falling birthrate (and divorce rate incidentally) and drops in immigration, coupled with historic fears for the future, produced the 'Populate or Perish' slogan. The pressure of depression as it fell on women was ferocious, both materially and psychically. A generation later, it is women who constitute the clear majority of the identifiable poor: the drive back into the home and the bed began here. At the time, pressure from Labor women was important in gaining child endowment in NSW: and widows' pensions in NSW and Victoria were instituted. But probably formal

and informal sexism reached its peak in these volatile decades; women were not won over to the labour movement or new interpretations of social justice.

Indeed, and this is the fourth and final example of operative issues in social policy in the 1914-1939 period, Labor was forging new alliances with enormous and long-lasting implications for social welfare. Housing became an issue; and in the 1940s both State and Commonwealth commissions were formed. It seems amazingly belated. Discussing the reform movement which began in the 1930s, M. A. Jones (*Housing and Poverty in Australia*, p. 4) has outlined the existing conception of responsibility in the following revealing sentences:

Up to the depression . . . all governments accepted the principle that some assistance had to be given to enable the worker to obtain adequate housing. But partly out of a desire to help the deserving poor who could afford some deposit and regular payments, and to avoid the large losses that would result from housing those on the lowest incomes, these schemes were limited to those who could afford home ownership or high rental.

The idea that housing is a social service has not been established in Australia, and as the above suggests has been entangled with petit bourgeois self-help notions from the outset. These latter notions were given a powerful push by the bourgeois slum clearance lobby of the thirties whose arguments appealed to Laborites as a way of ending landlordism and acquiring bourgeois status *via* suburbia. The reformers believed that housing reform was the cure-all of social disorders and they created a conventional wisdom, particularly in the Labor Party, which bypassed the fundamental issues of redistribution of income.<sup>49</sup> As has been proved by the more substantial efforts of the post-war housing commissions, it also made the poor pay the costs of change in remote and disabled communities like 'Newtown', the thinly disguised Green Valley of a recent study (*New Community*, Sydney, 1973). It was left to firebrands like Eddy Ward to oppose this early form of Laborite capitalist aspiration and to defend the inner residential wings of Sydney; and to charitable organisations to point up the poor, rather than 'the slums'. The newly founded Brotherhood of St Lawrence in Fitzroy in Melbourne, acting in its now familiar role as spokesman for the poor, reported in the late thirties on:

those thousands of decent Australians sleeping in parks and under bridges and walking the slum streets during the day in order to seek help from overworked and understaffed charitable organisations.<sup>50</sup>

Shelter and support, not slum clearance, sounded like the urgent need there.

If these larger tensions are taken into account, it will be seen that the 'barren' and 'disappointing' years were really just as important as the halcyon Federation years. Some redistribution of resources did

occur after all, sectionally. The possessing classes survived it all with remarkable ease however; and the labour movement, although helping to hold the line against a heavy contributory push in the social services field, was deeply involved in extensions of social policy which survive today: extensions which disadvantaged civilians as against ex-service people, women as against men and children, and inner-city dwellers as against suburbanites. The silent adaptations of the Labor Party, barely detectable at the time, were to prove crucial and revealing in the subsequent period, and especially the poverty debate emerging in the sixties.

### From World War II

Political scientists have looked in vain for a 'depression mentality', but the ways in which it affected the architects of post-war economic growth are beginning to emerge.<sup>51</sup> If the main preoccupation after World War I was 'back to normal', the second total war of the century reinforced a 'never again' directive. During the war, and remembering the battles after 1918 and the bitter 'thirties, the political *élite* achieved sufficient consensus and, after 1943, sufficient Labor Party strength, to recover Australia's reputation for social security provision. If not exactly ahead—as revealed by the reports of the long-standing Joint Committee which produced nine reports between 1941 and 1946 on the whole field—neither was the nation exactly behind. As early as 1942, the committee stated that 'it is now clearly understood that the nation has a large measure of responsibility for maintaining the level of employment'.<sup>52</sup> Quite properly, the new doctrine of full employment was espoused, to underpin all post-war planning. Under the long-lived Labor administration (1941-49), determined to win both the war and the peace, and guided by the enthusiasm of Chifley at the Department of Postwar Reconstruction, the Commonwealth took the initiative in this, as in other fields. In 1947 the Social Services Consolidation Act systematised the gap-filling legislation of the war years and established the framework of today's 'welfare state': widows' pensions, unemployment and sickness benefits, in addition to old-age and invalid pensions and the child endowment introduced by Menzies in 1941. Financed by a social services tax levy and administered through a theoretically separate National Welfare Fund, social provision not social insurance appeared to have triumphed under Labor; and the Commonwealth, initiating services like employment services and housing subsidies, appeared to be in command.

However, failure to establish a national health and medical service showed that when the Commonwealth extended its interests to services rather than income supports and when it had to deal with public rather than individual needs, it was not so powerful as it seemed. Even to institute the new cash benefits for individual Australians required a constitutional amendment, and the successful referendum of 1946 represented the last expression of war consensus. In new services, like the

tuberculosis campaign, the Commonwealth might be successful: but in trying to co-ordinate old ones, like hospital and pharmaceutical benefits, new constitutional pitfalls and State-based and/or professional pressure groups proved too much.<sup>53</sup> Thus the 1948 National Health Service was like its predecessor of 1938, practically a dead letter: doctors would not co-operate with Labor. If Australia has a national health service—if voluntary subsidized insurance schemes may be seen as adding up to a comprehensive health service—its architects are the Liberal-Country Party coalition and especially Menzies and Earle Page, who in the early 'fifties were able to prop up private enterprise health with the medical and hospital benefits scheme, subsidies for special care and hospital programs, a pensioner medical service and scheduled drugs ('life-saving').

When confronted by professional opposition, the powers of the Commonwealth, even as constitutionally amended, proved inadequate (as the second Pharmaceutical Benefits Case clearly established). Taking its stand on the line 'but not . . . to authorise any form of civil conscription' the medical profession refused to fill in Commonwealth forms which authorised free drugs and thereby undercut the proposal for free medicines. Given the rising cost and increasing complexity of health service in the post-war world, the medical profession's obdurate opposition to what it sees as socialised medicine ['is a health hazard'] has been anachronistic, and state intervention of one sort or another is a social and political necessity.<sup>54</sup> From the late nineteenth century onwards, it has been the middle classes who have sought improved access to health services, and it is the middle class who have been satisfied by the present inequitable insurance system<sup>55</sup> and have been convinced by the claims of a supposedly threatened medical profession. In a period of sustained if not spectacular economic growth, the changing demands of the middle class have dictated the scope and substance of social policy. In accordance with the doctrines of the free market economy, Commonwealth initiatives and wealth have gone in the direction of support to bourgeois self-help—health insurance, home ownership and tertiary scholarships with fiscal welfare measures attached. Having abandoned the contributory principle in income maintenance services (the social services), the conservative governments of the Menzies era promoted it elsewhere. In a very marked way in Australia, 'the welfare state' became, as elsewhere, a support system for the middle class.

### The Permanency of Poverty

So far in this survey there has been less emphasis on present-day issues than on the broader (historical) perspectives. At the outset it was argued that 'poverty' is a dynamic component of industrial capitalism, and that the poor have indeed always been with us. The people involved have never been simply the derelict, the criminal and otherwise incompetent and undeserving people of many past and present pieties; they

have been the people incapacitated in the market system, rejected and unrewarded by it, a fact which accounts for the changes in the composition of the poverty band. 'Poverty' was seen, not merely as 'comparative' or relative, but structural; and its continuing existence to have a positive disciplining effect on the rest of the population, who aim to avoid the final humiliation and outcome of inequality.

Clearly, this perspective suggests radically new conclusions from those currently drawn; and the history of social policy-making since Federation offered some clues. Three main phases were discussed. Firstly, came *ad hoc* extension of what was often seen as 'state charity'; secondly, after 1914, vigorous and paralysing conflicts of interests emerged; and thirdly, came the 'never again' war consensus, which while filling conspicuous social service gaps for maintaining income and entering new fields of social welfare in the traditional States' sphere, also was quickly undermined by private enterprise, in conflict with constitutionally supported interests, and smothered by the hope of an automatic dissemination of prosperity through economic growth.

Neither the market nor the state, however, operated to improve the share of the poor. At its most optimistic it was thought that 'a new poor' emerged, despite full employment. By the late sixties the poverty debate was on.<sup>56</sup> Many unlucky Australian were discovered: not only the Aboriginal people and conscripts, but disaffected women, migrants, pensioners and the whole hidden population of what the Americans call 'poor whites': the people who could not afford medical benefits, who filled the waiting lists of the Housing Commissions, who sent their children to 'slum' schools, who sought abortions and so on. The success of 'It's time for a change' suggested that these things were inconveniencing a larger proportion than the debatable poor: the middle class were also increasingly threatened by high health costs, pressure on private school intakes, remote and expensive suburban housing. On the one hand, contemporary urban and industrial society, particularly one which had in twenty years 'absorbed' millions of migrants, posed problems which the simplicities of private enterprise left untouched. On the other, 'the poor' became politically useful for the first time in twenty years.

It has been said that guilty, defensive and evasive attitudes have predominated; it has been implied that the locus of those attitudes has changed. Originally emanating from the colonial bourgeoisie, today they characterise the majority of the population. In both cases, a 'leave it to the government' response is also characteristic. Leaving it to the government is, however, both evasive and defensive of sectional gain and is a highly ambiguous response to new kinds of threat. As Roy Aldridge put it, 'How many votes in social reform?' The answer is: 'Not many'.<sup>57</sup> Why not?

One answer is to be found in long-term changes in the social structure. Australia has always boasted of having one of the most egalitarian

wealth distributions in the world.<sup>58</sup> In 1973, research revealed an apparently even pattern of wealth distribution, showing that only 2.4 per cent of Australian households had less than \$1,000 assets, and only 8 per cent more than \$26,000 worth.<sup>59</sup> Leaving aside the question of 'households', of 'assets' (housing), and the extent to which mere private property constitutes an asset today, the creation of an even pattern of inequality is neither surprising nor impressive, especially since the bulk of households fall in the bottom half of the frame.

It does, however, clarify a fundamental problem of 'poverty', when compared with the distribution of wealth in 1915.<sup>60</sup> The bottom category of the 1915 War Census, with less than £10 wealth, constituted 18 per cent of the population; the bottom two categories 57 per cent. Whereas in 1915 86 per cent fell below the median category (£750), today (according to Podder) approximately 57.4 per cent fall below the median (under \$10,000). By the same rough comparison, whereas in 1915 the top three categories constituted 3 per cent, disposing of half of all wealth, today the top two categories constitute 14 per cent (disposing of who knows how much of the wealth). Most significantly of all, the proportion in the middle has changed. Excluding the bottom three, and top two categories of both, in 1915 it contained 21 per cent, in 1972, 39 per cent of the total.<sup>61</sup> Regardless of how the categories are manipulated, and given that they are the only reliable ones we have, it is clear that 'embourgeoisement' is no myth, that there has been an upward shift and spread of wealth patterns, and that the relationship between bottom and top has been dramatically altered in two generations. Inequality is much more highly structured today, to the point where property patterns even disguise the extent of poverty almost from statistical view (in the notional 2.4 per cent of households).

Besides the welfare system, the tax structure is the most important transfer system today. It has been shown to favour the now enlarged upper middle class, to bear heavily on the lower, and to have no redistributive effect on the lowest income groups. It is formally and actually regressive—not, as is often asserted, progressive.

The implication for 'the poor' are ominous. The old 'natural' allies are upward borne, hard-pressed and deeply committed to consolidation. The widening middle income band is too politically sensitive to be more than an ally of temporary expedience. As for the rich, they too are invisible. The relationship between rich and poor has changed. The poor might be as various and worthy a cross-section of humanity as you are likely to find in Melbourne,<sup>62</sup> but the rich are protected from their claims by that now vast volatile buffer of middle-income earners. Therein the guilt, carried around as some historical legacy, the necessary evasion, and the quite appropriate defensive attitudes: to be in the middle of 'the most egalitarian wealth patterns in the world' is not so reassuring after all. Tax concessions for home purchasers' interest rates? Certainly. Rent subsidies? Certainly not.

The ambiguities have been increasing all the time, and reveal an achieving capitalism making most of the running. Charity and the social workers may pick up the pieces. Collaboration becomes a different question from the one usually aimed at social workers. And 'poverty' is not some separate measurable phenomenon, but a complex working relationship between rich and poor. 'The poor' are still threatening to someone, and must continue to be seen as undeserving if the system is to function. Attention paid to getting the sums right is in itself a merely subsidiary ideological battle about the 'acceptable' degree of inequality. The discipline of the special idea of poverty still commands allegiance and obedience in a political economy which is based more vigorously than ever on a structural inequality of rewards, and the distinction between the deserving and the undeserving.

## NOTES

- 1 A view of J. Playford & D. Kirsner (edd.), *Australian Capitalism* (Pelican, 1972) which does however contain discussion of consumerism and the traditional Laborite concern, education.
- 2 A Shonfield, *Modern Capitalism* (London, 1965), chapter IV. Liberals are particularly disillusioned as in L. Ross, 'The Myth that Things are Getting Better', *New York Review of Books*, 12 August 1971, a disillusionment which needs to be viewed in the US context first.
- 3 Cf. K. Woodroffe, *The Making of the Welfare State in England* (History Teachers Association of NSW, 1968), p. 26: the pill-seller during the eighteenth-century Lisbon earthquake silencing his critics with 'what would you put in their place?'
- 4 'It is unsatisfactory to define social policy as that about which economists do not talk, but unfortunately this does reflect a certain reality in discourse', K. Boulding, 'The Boundaries of Social Policy', *Social Work* 12, 1 (1967), where he attempts to distinguish social and economic policy inside domestic as compared with foreign policy.
- 5 R. M. Titmuss, *The Gift Relationship* (London, 1970), p. 238: 'detailed concrete programs of political change—undramatic and untheatrical as they may often appear to be—can facilitate the expression of man's moral sense. Thus it [the blood donor system studied] serves as an illustration of how social policy, in one of its potential roles, can actualize social and moral potentialities.' See also J. H. Goldthorpe, 'Political Consensus, Social Inequality and Pay Policy', *New Society*, 10 January 1974, pp. 55-8.
- 6 Cf. D. Wedderburn, 'Facts and Theories of the Welfare State', in R. Miliband & J. Saville (edd.), *The Socialist Register* (London, 1965).
- 7 ABC *Lateline*, 14 March 1974: Henry Mayer and Jill Roe.
- 8 T. H. Kewley, *Social Security in Australia* (2nd ed., Sydney, 1973), p. 564. Updating this study of pensions to take into account Titmuss's long-established 'social divisions of welfare', Kewley notes that 'the main income taxation concessions of a welfare nature were estimated [during 1970-71] at . . . an amount equivalent to more than half the expenditure . . . from the National Welfare Fund during that year'. P. Bentley *et al.*, 'An Estimate of the Incidence of the Australian Tax Structure', Third Conference of Economists, Adelaide, May 1973, shows that across all three tiers of taxation, tax was regressive on household incomes below \$3,999 p.a.
- 9 Witness the belated inclusion of 'consumer groups' (sic) under the auspices of the Australian Council of Social Services in the national poverty enquiry (1973). Despite the uncertainties of some social workers as to their double agent role ('Perspective', *Nation Review*, 25 September 1971), manifestations of client power in Australia seem to be confined to pensioner groups as in the Pensions Reform Campaign 1971, and 'An open letter to our politicians', *Australian Social Work* 25, 1 (March 1972).

- 10 For example, in relation to—(1) unemployment: E. C. Fry, in *The Condition of the Wage Earning Class in Australia in the 1880s* (unpublished Ph.D. thesis, A.N.U., 1956), p. 37, states that in 1891 unemployment among breadwinners varied from 2.7 per cent in Tasmania to 4.9 per cent in NSW. (2) itinerants ('domain loafers'): B. Dickey, in 'Charity in NSW 1850-1914. Outdoor Relief of the Aged and Destitute', *J.R.A.H.S.* 52, part 1 (March 1966) notes that the Kent Street Refuge was providing 60,000 meals in 1887. (3) charity: D. Peyser, in 'A Study of the History of Welfare Work in Sydney from 1788 till about 1900', *J.R.A.H.S.* 25, part 2 (1939), p. 207, cites 4 per cent of the population as recipients. (4) women: S. L. Hateley, in 'The Queen's Fund Melbourne 1887-1900', *Melb. Hist. Journal* 11 (1972) (a case study in voluntary work), shows how the fund uncovered female need, the pattern of which is also shown to change with statutory provision in the early twentieth century. See also *Victorian Year Book* (1902), pp. 145-150. The daily average number of all inmates of institutions was 16,574; 17,855 people were also relieved by 80 benevolent societies; plus 13,570 people at Dr Singleton's night shelter. Also, 5,745 children were wards of the state. Estimated population of Victoria, December 1902: 1,205,513.
- 11 R. F. Henderson *et al.*, *People in Poverty: A Melbourne Survey* (Melbourne, 1970), p. 41.
- 12 P. J. Hollingworth, *The Powerless Poor* (Melbourne, 1972), pp. 39-45, on a 'headcount' suggests that approximately 2,215,962 Australians or over 17 per cent of the population are either in 'primary poverty or financially vulnerable circumstances'.
- 13 C. P. Harris, 'A Survey of Some Aspects of Poverty in Queensland and Brisbane', *The Australian Journal of Social Issues* 5 (1970), in an enquiry of 1965-66 confined to the actual 'social security poverty group', confirmed that the lower levels of personal income and wealth in Queensland, plus the higher proportion of people of pensionable age, produced a 1:9 ratio as compared with Henderson's 1:12 ratio in Victoria. There was also a markedly higher concentration in Brisbane as compared with the rest of Queensland.
- 14 A. Halladay, 'The Extent of Poverty among Large Families in the Heart of Sydney', *Economic Record* 48 (December 1972), p. 46, argues that whereas by the Henderson criteria 18.4 per cent of large families surveyed would be poor, by three other measures (the Gallup Poll line, a needs-based line, and an average weekly earnings line) the percentage would be between 40.3 per cent and 44.6 per cent of the group.
- 15 This view seems to emanate from the Melbourne research, e.g. S. Shaver, 'Poverty: The Australian Pattern' in H. Mayer & H. Nelson (edd.), *Australian Politics, A Third Reader* (Melbourne, 1973) reiterates the *People in Poverty* material. N.B. 20 per cent in Halladay's survey (*loc. cit.*), p. 492, had experienced serious shortage of food.
- 16 D. Stanton, 'Determining the Poverty Line', *Social Security* (Spring 1973), p. 28; in 1968-69 the bottom 20 per cent of Australians received only 6.8 per cent of national aggregate income, whereas Stanton suggests that 10 per cent would be 'fair'. The tax system had a negligible downward redistributive effect (.02 per cent).
- 17 Halladay's emphasis on the policy implications of the various criteria of need and the results which flow from them do not seem to have been important in Stanton's survey of the literature. Stanton implicitly disagrees by omitting all but income deficiency because it 'facilitates both the measurement of poverty and the development of programs to eliminate it' (p. 18). Stanton says that all known poverty lines are 'subjective and arbitrary' (p. 31), as if to dismiss Halladay's concluding words 'the concept of poverty . . . is not just a technical decision to be left to the social scientist. It is a value-based decision.' (p. 497).
- 18 A. B. Atkinson, 'Who are the Poorest?', *New Society*, 1 March 1973, pp. 466-68, suggests that methods of assessing need haven't changed much in Britain since the 1890s, and the proportion who were poor through 'exceptional circumstances' hadn't either.
- 19 C. P. Harris, *loc. cit.*, p. 9.
- 20 J. B. Hirst, *Adelaide and the Country 1870-1917* (Melbourne, 1973), pp. 126-7.
- 21 M. French, *Churches and Society in South Australia, 1890-1900* (unpublished M.A. thesis, Flinders University, 1969), chapter IV.

- 22 Access to charitable institutions depended, in theory at least, on contributors' tickets, e.g. The Adelaide Hospital Regulations (*The Yearbook of South Australia*, 1903, p. 168): 'Applicants for admission to a treatment at the hospital must make a declaration on a form provided . . . that they are unable to pay for medical attendance elsewhere, and stating whether they are entitled to medical attendance from any benefit society or lodge . . . Indoor patients—contributors of £2 annually may admit 1 indoor patient; of £5, 3 indoor patients; of £10 annually, may have the privilege of having always one patient in the hospital. Outdoor relief—contributors of £2 annually have also the privilege of recommending 6 outdoor patients for relief from the Dispensary; contributors of £5, twelve patients; contributors of £10, fifteen patients. It is to be distinctly understood that these recommendations are only to be issued by the contributors to persons who cannot pay for medical treatment elsewhere.'
- 23 J. Goldstein, 'The Unemployed', *Proceedings*, Second Australasian Conference on Charities, 1891, vol. 2, p. 100.
- 24 S. L. Hateley, *loc. cit.* ('Queen's Fund'), p. 27.
- 25 G. Serle, *The Rush to be Rich* (Melbourne, 1971), p. 93; and M. Cannon, *The Landboomers* (Melbourne, 1966).
- 26 *The British Empire in Australia 1834-1939* (Melbourne, 1969 reissue), p. 241.
- 27 T. H. Kewley, *op. cit.*, chapter 1.
- 28 Regulation Question, cited N. Gash, *A History of the Benevolent Society of New South Wales* (unpublished M.A. thesis, University of Sydney, 1967), p. 76.
- 29 For example, in Tasmania, between 1857 and 1890, there were seven Royal Commissions, four Special Commissions and twelve Select and Joint Committees into aspects of charitable institutions, mainly to cut controversy and costs, J. Brown, *Poverty is not a Crime* (Hobart, 1972), p. 102. The British Government paid for destitute ex-convicts—'imperial paupers'—which tended to set an austere standard and stigma, both in Tasmania and Western Australia (C. W. Collins, 'Matters of Social Conscience: Western Australia 1829-1890', *University Studies in History* V, 2 (1968), p. 18).
- 30 R. Lawson, *Brisbane in the Eighteen-Nineties* (Brisbane, 1973), p. 148.
- 31 Aborigines, Asiatics and aliens were not eligible; neither were drunks, ex-prisoners or wife-deserters. (Kewley, *op. cit.*, pp. 45-6.)
- 32 T. H. Kewley, *op. cit.*, p. 89.
- 33 *Commonwealth Parliamentary Debates* vol. LXVI, September-October 1912, p. 3322(1): 'It is a maternity allowance for the protection and care of the mother, which is tantamount to the protection and care of the unborn child . . . there is no limit to the power of the States to assist and make provision for the prosperity of every child as soon as it is registered in Australia. The Commonwealth is not in that fortunate position. . .'
- 34 *ibid.*, p. 3324.
- 35 *A Short History of the Australian Labour Movement* (Melbourne, 1946), preface.
- 36 I owe this almost entirely to John Hirst's view of South Australia the city state, and the deliberate bypassing of local government in favour of centralization, as in that excellent book, *Adelaide and the Country*.
- 37 Cf. Ben Tillett, writing home from Melbourne in 1907 that here 'the people grovel in the throes of poverty', quoted R. Mendelsohn, 'The Australian Standard of Living and the Development of Social Welfare' in K. Hancock (ed.), *The National Income and Social Welfare* (Melbourne, 1965).
- 38 R. Mendelsohn, *Social Security in the British Commonwealth* (London, 1954), pp. 130-131.
- 39 See K. S. Inglis, *Hospital and Community* (Melbourne, 1956), chapters 7-8.
- 40 'The Hospitals offer advantages that cannot be got even by the wealthy in their private homes', *S.M.H.*, 14 June 1911, quoted B. Dickey, 'The Labour Government and Medical Services in N.S.W. 1910-1914', *Historical Studies* 12, 48 (April 1967).
- 41 J. Bell, 'Queensland's Public Hospital System: Some Aspects of Finance and Control', *Public Administration* XXVII (March 1968).
- 42 J. Nicholson, *Charitable Action*, a comparative study of four voluntary organizations in New South Wales (unpublished M.A. thesis, University of Sydney, 1969), p. 5.
- 43 R. Mendelsohn, *op. cit.*, p. 123.

- 44 T. H. Kewley, *op. cit.*, p. 4.
- 45 P. Westerway, 'Cliches in Australian Politics 1900-1950', *Melb. Hist. Journal* 3 (1963/64) gives a full list.
- 46 This, and subsequent information, from G. L. Kristianson, *The Politics of Patriotism* (Canberra, 1968).
- 47 *Report of the Senate Standing Committee on Health and Welfare: Repatriation* (Canberra, 1973), especially chapter 7.
- 48 N. Wheatley, 'N.S.W. Relief Workers Struggles 1933-36', *Aust. Left Review*, December 1973.
- 49 According to an unpublished article, kindly made available by the author: P. Spearritt, 'Sydney's Slums. Middle Class Reformers and the Labour Response' (1974).
- 50 Quoted R. Lawrence, *Professional Social Work in Australia* (Canberra, 1965), p. 26.
- 51 A. Clark, 'Crawford: a pragmatic approach to success', and G. Gleghorn, 'Jack Egerton: Labor's tough but pragmatic businessman leftist' in *National Times*, 18-23 March 1974.
- 52 Cited in P. Hasluck, *The Government and the People 1942-1945* (Canberra, 1970), p. 512.
- 53 P. D. Phillips, 'Federalism and the Provision of Social Services' in K. Hancock, *The National Income . . .* for a scintillating description.
- 54 For a useful summary of the wider issues see G. R. Palmer, 'Health Care in Australia', *Current Affairs Bulletin* 46, 11 (1970).
- 55 Cf. F. Krupinski and A. Stoller, *The Health of a Metropolis* (Heinemann, 1972): less than half those surveyed in the Prahran (Victoria) area had adequate coverage by health insurance.
- 56 Prompted by the voluntary agencies, I think. The first formal contributors seem to have been R. G. Brown, David Scott and John Stubbs, *The Hidden People* (1966); also intermittently in *Outlook* (Sydney).
- 57 Reprinted, Mayer & Nelson, *op. cit.*, p. 83.
- 58 *The Official Year Book of Australia*, 1908 ('Public Benevolence'), p. 774: 'The distribution of wealth in the Australian Commonwealth and the elasticity, economically, of its general condition as regards the scope for the exercise of natural ability, operate to prevent the development of a permanent pauper class and at the same time lessen in a dual way the burden of charity. It does this latter . . . by increasing the number of people whose prosperity enables them to relieve the indigent and unfortunate, and by reducing on the other, the number who need assistance'.
- 59 Dr N. Podder, econometrician, University of New South Wales, in *The Australian*, 16 June 1973:

\$	No. of Households %
0 - 999	2.4
1,000 - 4,999	29
5,000 - 7,999	15
8,000 - 9,999	11
10,000 - 14,999	19
15,000 - 19,999	9
20,000 - 25,999	6
26,000 -	8

- 60 L. Soltow, 'The Consensus of Wealth of Men in Australia in 1915 and in the United States in 1860 and 1870', *Aust. Ec. Hist. Review* XII, 2 (September 1972), p. 130.
- 61 From Soltow, p. 130, and Podder.
- 62 A ferocious comment on J. O'Neill and R. Nairn, *The Have Nots* (Melbourne, 1972) which also does a useful demythologizing job on 150 low income families.