

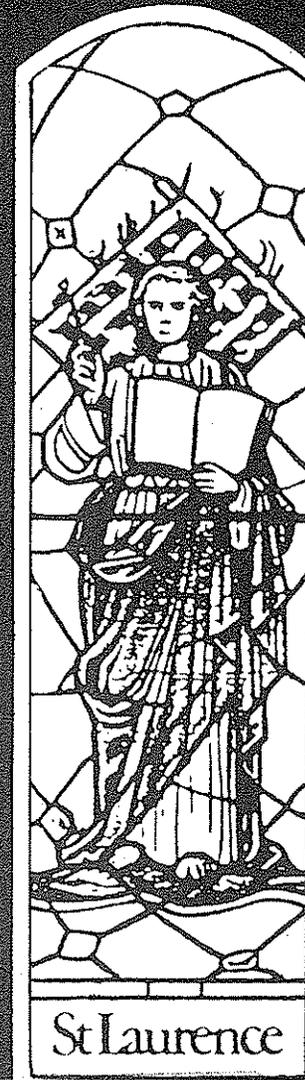
The Hon Brian Howe MP, Minister for Community Services and Health, was first elected to Parliament in 1977 as the Australian Labor Party's representative for the seat of Batman.

Born the son of a tramway worker in 1936, Mr Howe was educated at Melbourne High School and graduated from the University of Melbourne with a Bachelor of Arts Degree and Diploma of Criminology. He travelled to North America where he undertook and completed a Master of Arts from McCormick Theological Seminary located in Chicago.

In 1968, he returned to Australia as a Minister of the Methodist Church. He worked in the inner Melbourne suburb of Fitzroy and contributed to the establishment of the Centre for Urban Research and Action. Prior to his election to Parliament, Mr Howe was a Senior Lecturer in Sociology at Swinburne Institute of Technology from 1970 to 1977.

In 1984, Mr Howe was appointed Minister for Social Security. During his five years in this portfolio, he implemented many reforms and initiatives, playing an integral role in the formulation and implementation of the Labor Party's Social Justice Strategy.

Mr Howe is a member of Cabinet's Expenditure Review Committee, Structural Adjustment Committee and Deputy Chairman of the Social and Family Policy Committee. He is currently Minister assisting the Prime Minister for social justice in addition to his ministerial responsibilities relating to the Community Services and Health portfolio.



“Renewing the
Commonwealth”

The Hon Brian Howe

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Program Paper – Companions of St Laurence – 1990

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RENEWING THE COMMONWEALTH

The Tenth Sambell Memorial Oration
delivered by

The Hon Brian Howe MP
Minister for Community Services and Health
and
Minister assisting the Prime Minister for Social Justice

on
2 December 1990

at the
60th Foundation Festival

of the
Brotherhood of St Laurence

G.T. Sambell Memorial Trust

Renewing the Commonwealth : the tenth
Sambell Memorial Oration.



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FOREWORD

In honour of Geoffrey Tremayne Sambell

Geoffrey Tremayne Sambell was born in Broadford, Victoria in 1914 and later attended Melbourne Boys' High School. His leadership qualities were recognised when he was selected for the Lord Somers Camp, after which he played rugby with Powerhouse. This fostered his interest in young people and led him into a leadership role in the Church of England Boys' Society.

During a short but promising business career he was involved with St Mark's Social Settlement during the 1930s. He was then called to the ministry and he entered Ridley College and was ordained in 1940. After serving a curacy at St John's East Malvern he served with great distinction as a Chaplain with the Australian Military Forces, both in the 57/60 and 2/11 battalions in New Guinea where he was mentioned in dispatches. After the war he completed his Bachelor of Arts at Melbourne University.

In 1947 he was appointed Director of the Melbourne Diocesan Centre, a co-ordinated multi-parish and chaplaincy venture based in the inner city. While in that position he was appointed as Archdeacon of Melbourne in 1961 when he became for a time the Director of Home Missions. In the midst of his Diocesan responsibilities and his leadership of the Brotherhood of St Laurence, he was also Warden of the Mission to Streets and Lanes, and involved in other welfare activities including the Victorian Council of Social Service. He was consecrated Bishop in St Paul's Cathedral Melbourne on 24 February 1962 and subsequently enthroned Archbishop of Perth in 1969. He died in December 1980 after an outstanding Episcopate in Western Australia and throughout the national church.

The G.T. Sambell Memorial Oration has been established by the Brotherhood of St Laurence to commemorate his work. His connection with the Brotherhood was longstanding and arose out of his deep social concern which had been the chief among the several

forces which led him into full-time service of the church. He had great organising ability, recognised by Fr Tucker who invited him to join the Brotherhood in 1949. He was firstly involved as a member of the Board of Directors, then as Bursar, Director of Social Services and in 1956 Director and Deputy Chairman of the Board; later in the 1960s he became Chairman of the Board, a post he retained until he moved to Perth.

Geoffrey Sambell was a big man, in body, mind and spirit. Long before he died (at the age of 66) his influence had been felt far and wide in the Anglican Communion and in the ecumenical movement beyond. He twice represented the Australian Church at the East Asia Christian Conference, and was the representative of South-East Asia on the Executive Officer's Advisory Committee of the Lambeth Consultative Body. In Australia he was the dynamic Chairman of the General Synod Social Responsibilities Commission, which under his leadership spoke out for the national church on social questions. He was respected and listened to by Government at both State and Federal levels, and in 1978 he was appointed Chairman of the Federal Government's Social Welfare Advisory Committee.

He was a forceful character who could, and sometimes did, ride roughshod over opposition, backing his judgment and knowing that he was right. But behind the bluff exterior he had the heart of a pastor who never spared himself for anyone—clergyman or layman—who needed his help. He had vision, but it was a very "down to earth" vision; he was a loyal Anglican, but at the same time a wholehearted ecumenic; he was a missionary missionary, but spurned paternalism or ecclesiastical triumphalism; he was an ordained priest, but no one welcomed the rediscovered "priesthood" of the laity more than he did or had more friends amongst them.

Leader, pastor, organiser, financier—he was all these, but much more, a man of God.

G.T. SAMBELL ORATIONS

- 1981 Why Care? The Basis for Christian Social Action; Frank Woods.
- 1982 God, People and Resources: A Christian Comment on the Values of Australian Society; Oliver Heyward.
- 1983 Educating for Justice: A Conversation with the Church about its Life and Gospel; Denham Grierson.
- 1984 Giving and Receiving: The Framework of Social Support for Individuals and Families; Jean McCaughey.
- 1985 Ancient Laws and Modern Dilemmas; David Scott.
- 1986 Parish Piety and Public Pragmatism; Michael Challen.
- 1987 "Be It Ever So Humble... There's No Place Like Home"; Peter Hollingworth.
- 1988 Leadership and Vision in Social Action: When the Dream Expires. Can the Vision Revive?; Robert Dann.
- 1989 "Lucky St George" or "Knowing What It is": Christianity and the Current Crisis; Veronica Brady.

RENEWING THE COMMONWEALTH

This is the 60th Anniversary of the Brotherhood of St Laurence and I am honoured to be invited to present the 10th Sambell Oration.

I would like to begin by paying tribute to the Brotherhood of St Laurence and the important work those associated with it have done throughout its 60 years of existence. The Brotherhood has carried the Christian values of love and justice into the public world of social activism and social policy debates. It has dealt with the pressures of immediate need but has always recognised that poverty and disadvantage have causes which are embedded in the way our society is structured. This is evidenced by the Brotherhood's continuing commitment to high quality research and analysis of the social and structural causes of disadvantage.

In the time I have known of the Brotherhood, their research is what has had the most impact on me. When I got back from America in 1968, fired up about poverty, virtually the only published research on poverty in Australia was published by the Brotherhood of St Laurence. It was that research which drove the McMahon Government to institute the Poverty Inquiry, which for the first time documented the extent of poverty in Australia. It is very important to understand the significance of research in driving policy in this country. The Brotherhood was undertaking research at a time when few were doing it. Its link with the Melbourne University Economics Faculty nurtured social researchers and analysts who developed public policy in the Chifley Government. Governments need sophisticated arguments developed by social researchers because otherwise they are dominated by Treasury men.

The Brotherhood's founder, Kennedy Tucker, was part of a generation of ground breaking social reforms who worked in Melbourne in the 1930s. Kennedy Tucker was something of a loner. He began working at reform in the Depression, a time when the churches were very concerned about poverty and unemployment.

Kennedy Tucker broke with the Charity Organisation Society to build an innovative organisation. This organisation contained the seeds of the structural approach to social welfare adopted by the modern Brotherhood of St Laurence.

The issues were basic: housing, employment, poverty and social isolation. Basic questions of social justice that required building a broad base of support to address and therefore the need to document and persuade by reasonable argument.

He was also committed to getting rid of poverty and inequality wherever it was found, whether in Australia, India, Africa or elsewhere. As well as founding the Brotherhood, he founded an overseas aid organisation called FOOD FOR PEACE. I, of course, have known and admired his nephew, David Scott, who built on Tucker's innovative FOOD FOR PEACE organisation, transforming it into Community Aid Abroad. Scott sought to persuade, and through research, to demonstrate the reality of poverty in India and elsewhere. He also sought to build on community attitudes, such as the importance of self reliance. there was no paternalism, rather a community development approach which meant that Australians adopted villages in India in a partnership to defeat poverty and build economic viability.

Geoffrey Sambell provided the conditions for continuity of the Brotherhood's work by placing the Brotherhood's extensive community activities on a sound financial footing. He also provided the conditions for the Brotherhood to continue to grow.

Peter Hollingworth continued these traditions over the 25 years of his association with the Brotherhood. He made a distinguished contribution to social policy debates over the last decade, most notably through his Chairmanship of the Non-Government Organisations' Advisory Council set up as part of the International Year of Shelter for the Homeless. He has successfully communicated the pressing needs of people in poverty to a diverse audience. And he has continued to support the Brotherhood's excellent research which is essential to its capacity to contribute to the public debate.

Michael Challen, who will succeed Peter next year as Director of the Brotherhood, gave the Sambell Oration in 1986. In that address, Challen presented a challenging and provocative analysis of the nature of parish work. His analysis was that parish work is largely taken up with the public manifestations of the private and personal events of birth, adolescence, marriage and death. This orientation, he argued, ignored the way power works in our society. He argued that this approach ignores the important corporate and public relationships that the majority of people have to negotiate throughout their working lives.

The problem with this is that it can make the work of the church residual to the lives of those people. He argued that the church also is impoverished by its unwillingness to face and work through the difficult choices and decisions people must make in their working lives. The Brotherhood has asserted throughout its existence that it is critically important for the church to engage fully in public debates that have implications for the way power is distributed and used in our society, as well as those which are directly related to the well-being of the poor, the disadvantaged and the disenfranchised. It is only through this full engagement that the Church can influence the way we define social justice.

Those who engage in the public debates about the importance of social justice are inevitably involved in what Reich calls the clash of civic and business cultures. In Reich's analysis, civic culture is preoccupied with the issues of participation, equality of opportunity, public provision of income security, health and education and issues of environmental protection. Business culture is preoccupied with issues of productivity, economic growth and the factors that affect them. At particular periods in the past, business and civic culture have co-existed so that a balanced realisation of both social justice and economic growth could be achieved. However, we are now experiencing the dangers for public debate when both spheres clash, defining themselves in opposition to each other.

Reich's analysis relates to America, but there are clear similarities with the way Australia has developed since the Second World War. There was general agreement with the policy prescriptions through the three decades of the Long Boom. Since the mid-70s, however, growing economic pressure has sometimes led to the polarisation of business and civic cultures.

The public debate in Australia is defined in terms of equity versus efficiency. We can see this in the way that debates take place in the media about the role of government and what that means for the amount of money that government should be spending. If we accept the terms of this debate, we find ourselves being forced into making choices between social justice and prosperity; government and the free market.

Those from the business culture always make the same demands. Get government out of the way so that the private sector can expand. Slash social security and services expenditure. Let the market take over and everything will be fine. Against this, adherents of civic culture protest about the inadequacy of the market in protecting the vulnerable or in achieving broader social justice aims.

Both positions are flawed. Both positions are incomplete. In this coming decade we must recreate the consensus that social justice is essential to achieving economic growth and prosperity. It can't be left out of the equation until the end and then tacked on to make us all feel good and it can't be left to the operation of the market alone.

The coming decade will be just as challenging as the 80s ever were. But the problems will be different. We need to develop a *new* analysis of the problems we face.

I want to explore the ethical implications of these issues in the wider context of large scale and fundamental social and political change in Australia and internationally.

Archbishop Penman wrote in his Manila study notes:

... the dichotomy between gospel and the community is a false one. The dichotomy between the sacred and the secular is a travesty of the truth ... the dichotomy between salvation and life can be described as a heresy from which the new testament, when faithfully and carefully read can rescue us.

Archbishop Penman was reflecting against the background of an intersection of Hindi, Islamic and Western Christian cultures. He was aware of the incredible challenge of modernisation and secularism to all three religions. How are we to do theology in the modern world? Who can speak with authority against such a background of rapid change? To what extent is ethics a real possibility, grounded as it is and should be, in issues of fundamental belief? How can we cope with change? How do we develop a cultural context for interpreting change? How do we separate out the ephemeral from the substantive? These tasks are all the more difficult given the pressures to provide simplistic if not basic answers.

The issues of religious and cultural authority are a source of fundamental problems to government in an environment of increasing cultural complexity. It is impossible now to believe in the existence of a homogeneous community as a basis for generally shared values.

Colin Williams puts forward four propositions in his essay on *Ethics, Religion and Governance*:

- The erosion of consensus in our society is a major underlying factor in the present crisis of legitimacy facing all governments.
- This erosion is at root both ethical (the loss of agreement on basic values) and religious (the loss of a shared sense of meaning or purpose) and affects all aspects of our common life, including, for example, politics and economics.

- The perceived loss of shared values and purpose lies behind the resurgence of fundamentalism: an attempt to re-establish the authority of the original religious roots of our cultures.
- The twin forces of modernisation and pluralism make the fundamentalist restoration not only impossible but dangerous. A rediscovery of tradition is needed, not in the form of restoration but of restatement.

Behind the resurgence of fundamentalism is the sense that we have been left floundering and directionless as a result of the modernising process. According to Williams, fundamentalists assert:

... in our pride we have forgotten that when God put his world in our hands, he also issued a warning that if we turn our backs on his ways and seek to run the world on our own, we will inevitably misuse it and bring ourselves to destruction. The truth of that warning should be evident in our eroded values and misused earth. Now, only one response is appropriate: repent and return to the parental house of the old religion.

We need to recognise the importance of reworking tradition to provide responses to the particular problems of the modern world. That is the need to find common ground as between faith and rational solutions to political and economic problems. As Colin Williams says of Iran, "a return to the early structures of religious authority may carry the promise of restored values and invigorated purpose but only at the terrible price of repressive dogmatism" (compare with Penman). (A fictional realisation of this dystopian vision is Margaret Atwood's *The Handmaid's Tale*.)

Essentially, religious fundamentalism is based on a sense of nostalgia and unwillingness to face problems of change. Increasingly in the political realm, a mistaken appeal to the past is used to avoid the need to analyse present problems and to implement real structural reform. However, notwithstanding these difficulties, it is increasingly necessary for governments to address complex issues while struggling to maintain popular support and legitimacy. This is illustrated by every economic class or social

group wanting government to spend more and more money to satisfy the needs of its particular constituency but being unwilling to pay new or higher taxes.

Nostalgia is illustrated by appeals to a sense of responsibility for family formations that no longer exist, or to romanticised images of society as it used to be. Often they bear little or no relation to the realities of modern life and the way it has developed historically.

We must accept the constancy of change. Radical change will be with us for the foreseeable future. There is nothing we can do to stop it. What we must do is develop a reasonable analysis of what it means, a coherent ethical approach to dealing with it and build coalitions and develop strategies for action.

We hear a lot about the triumph of capitalism as a result of the changes in Eastern Europe. Those changes are often taken to mean recognition by the governments of Eastern Europe that the unfettered operation of the market is the best possible arrangement for human affairs. There has been a view widely put about that a market economy necessarily entails democracy. But is this really true? It may be true that the command economies of Eastern Europe and the Soviet Union relied on a capacity to coerce their workers. The reverse of that proposition is not necessarily true. We have only to think of countries such as Singapore and South Korea, which are thriving free market economies under undemocratic regimes, to see that there is no necessary connection between market economies and democracy. We must be careful of how we characterise change because it will fundamentally effect where we look for how to deal with it.

The governments of Eastern Europe have had the difficult task of setting up an orderly retreat from political positions and structures they had been clinging to for at least 50 years, and in the case of the Soviet Union, the best part of a century. Particular people in those governments have made democracy possible by dismantling the political structures and the monolithic ideology that nurtured and promoted them. They have wrought rapid and fundamental change through the force of their ideas and by building coalitions across

politicians, intellectuals and the churches. I am thinking of people like General Jaruzelski in Poland, Janos Kadar in Hungary and, pre-eminently, Mikhail Gorbachev. The extraordinary aspect is that this fundamental and revolutionary change has been accomplished largely peacefully.

There are some important lessons for us to learn from the radical changes that have come about so quickly in Eastern Europe. They are lessons about the importance of realistic reassessment and the importance of democratising our society and institutions. We cannot afford to be complacent. We need to look at the contribution we are making to resolving the critical issues facing all countries. The issues of global debt, ecological crisis, gross inequality in life chances and widespread abuse of human rights demand a positive response from us.

These very broad, very big issues have to be grappled with in a concrete way. To some extent that in turn will depend on particular traditions, ways of thinking and speaking about our society. One of the things that makes this difficult in Australia is the fact that we tend to hide our values rather than expose them to public scrutiny. We tend to avoid debate about the underlying values which drive our society. That means that in difficult and complex times we leave the field open to those whose values are most conservative, least interested in change or in preserving equity.

What I am arguing for is a public ethic that makes much more explicit what we as a nation are about. There could not be a more appropriate time—we have just celebrated the bicentennial of European settlement—and in a few years we will celebrate our centenary of Federation. The formation of our Commonwealth not only bound the States together, it bound each of us together as citizens in our mutual interests and obligations.

It is surely time then to expose our fundamental values and pick up the best of Australian traditions—it is time to renew our Commonwealth as being more than making a fast buck in the

shortest possible time—more than the symbols of American popular culture which often typify the worst and not the best of that complex society.

Indeed, in renewing our Commonwealth we might recall that America was founded as a commonwealth, based on Christian faith and a covenant between the people to share a common commitment to “the outward provision and the outward justice”. I take that to mean a covenant among the citizens of that commonwealth to care for each other and their environment. They built a democratic community based on that covenant. It became the foundation of the rights which define the boundaries of American citizenship.

There are traditions in this country not often publicly recognised but nevertheless they are part of our civic culture. I believe they should form the basis of our drive into the 21st century.

I want to remind you of some concerns which I believe reflect widely held values and concerns in the community. In one way or another, they are all about our participation as citizens in the Australian Commonwealth—our sharing in common traditions and in wealth which is both our collective responsibility to gather and shape and our heritage which is not just the past but what we create in the present.

These concerns are:

- creating a fairer society based on social and economic justice and democratic participation in building wealth—an economic accountability which is sustainable into the long-term and which preserves our Commonwealth, our heritage;
- the rights we have as citizens; and
- our need to care for our environment, to protect what needs to be protected and to repair the damage that has been done.

In other words, we need to build a public ethic, objectives which have an ethical basis which will be appropriate to the needs of Australians into the next century. These objectives need to be capable of dealing with change, to develop and incorporate further and deeper understandings on the way.

We are after all not simply receiving the Commonwealth. We are involved in building the Commonwealth, preserving but also renewing, and always including people as fellow authors of the task.

These important objectives were built into Community Aid Abroad by David Scott and into the Families Project by Connie Benn. People were empowered to take control of their futures, not patronised. These ideas have the power to become a living force.

The Brotherhood's concern with poverty led to the Poverty Inquiry which led to the Family Project, which led to an interest in a Guaranteed Minimum Income which in its own way, laid some of the foundations for the Family Allowance Supplement. These connections have made it possible to talk about social justice as a concrete reality.

I have spoken about these four values or pillars of the Commonwealth, of our citizenship. However, they all belong together in the sense that they are part of one structure, each is an essential part of the whole. We cannot build a better society, better communities, if we do not recognise where people are not being treated fairly, where there is not the basis of economic power, where people's rights are not respected, where the community is not sustainable into the long-term.

Let me illustrate with a reference to an Aboriginal community I visited. Port Keats' people are on their land. They have land rights. However, they do not have economic self-sufficiency and participation. There is no economy in their community. They cannot go back to their traditional life. They can't go forward without that issue being addressed. Without economic

empowerment, their environment is degraded, people's lives are degraded. They are robbed of their dignity and their rights are not respected. There is no sense of the future. People are not recognised. They are not valued. There is no basis for the future.

Social justice as the basis of the commonwealth has been an important source of collective values in Australia. The concept of social justice we use was developed at the turn of the century. Conceptually, it is inseparable from economic justice. As a Commonwealth we have been closely concerned with the notion of rights and settling disputes about rights in an orderly way, domestically and internationally. I am thinking particularly about Australia's important role in setting up the United Nations. Democratic participation in the form of suffrage has also been a major issue in our brief history—whether domestically or internationally, for example, in South Africa.

Our concept of social justice is concerned with guiding and, where necessary, constraining the market's operation. Government's role is to ensure that the burdens of policy choices made for the general good are not suffered disproportionately by any one group and to ensure that those who are powerful in our society and economy do not exploit their power to the detriment of the powerless. This is a far remove from those who believe that social justice should be based on a notion of moral desert. The role of government is also to ensure that Australians have the opportunity to develop their capacities and the freedom to make a good life for themselves, without prescribing what a good life might be.

This concept of social justice has provided the basis for many of the major social reforms undertaken for the general good throughout this century. Important liberal reformers such as H.B. Higgins and Alfred Deakin believed in the importance of regulated redistribution through the development of a centralised wages system to govern both wages and working conditions and through public provision of services such as education.

They believed it was important for reasons of social justice. They were both among the founders of the Australian Commonwealth.

Deakin and Higgins took liberal political philosophy from England and adapted it to the peculiar conditions in Australia. Liberal reformers in England campaigned for emancipation from the fetters of the pre-existing order before the development of capitalism. They therefore campaigned to maximise the freedom of the individual and corresponding restrictions on the role of the State.

Conditions in Australia were much different. The Australia of Deakin and Higgins was a new society. There was no pre-existing order to sweep away. Government, of necessity played a central role in economic development from the beginning. They were generally protectionists and had no difficulty in justifying extensive areas of State responsibility on the basis that "What is good for all and not merely for an individual or a class should be undertaken by the State".

Liberals in Australia responded to the economic crisis of the 1890s, following the extended boom of the previous 30 years, by calling on the State to regulate the labour market, to provide public goods and to extend social welfare; because they believed that the social interests of all should take precedence over the unfettered operation of the market and because they believed in positive freedom and distributive justice.

The way our concept of social justice developed can be illustrated by the Anti-Sweating campaign at the turn of the century. Through the 1890s a campaign was run in Victoria to gain regulation of the conditions of work for outworkers. This campaign was orchestrated by the members of the Anti-Sweating League who were brought together by their anger at the appalling conditions of work for outworkers, mainly women and their daughters. The campaign achieved passage of the Factories and Shops Amendment Bill in 1895 which established the Victorian wages boards whose powers were to set minimum rates of pay and regulate conditions for both men and women. The wages boards were the forerunners of our current wages system.

What is important here is the shift from philanthropy to an emphasis on justice. Previous efforts to get rid of sweated labour practices were based on humanitarian concerns for the victims of these practices. The new approach to labour market regulation and social provision emphasised entitlement. "It is justice, but it is not charity". This approach clearly motivated the work of Kennedy Tucker and his successors at the Brotherhood of St Laurence.

The creation of the Commonwealth in 1901 opened up the opportunity for a national approach to social and economic policy. It offered the possibility of applying the concept of social justice developed in Victoria to the nation. The creation of the Commonwealth opened up the possibility of fair access to social provision and economic opportunity across Australia.

In the early 1900s, liberals developed a view on the role of government called New Protection. This view emerged from the debate over tariff policy in the early days of the Commonwealth. The debate was essentially between those who believed in free trade, which would benefit the commodities for export sector and those Australian manufacturers who relied on protection from exports to survive in the local market.

The early liberal reformers broadened the doctrine of protection to include the protection of workers' living standards. They claimed that the doctrine of New Protection was more than a matter of trade preferences or commercial supremacy. They claimed it was an ethical position. New Protection was aimed at protecting both manufacturers and workers from the effects of external competition. It provided a social justice rationale for tariff barriers, to protect the generation of jobs; the White Australia Policy, to protect workers from cheap non-white labour; and pensions and benefits as a safeguard against poverty.

Neither the free traders nor the protectionists won a majority in the Federal Government, so the protectionists relied on the Labor Party's support to govern. The price of that support was the doctrine of New Protection. Social justice was made possible by restricting the class of people who could benefit from it.

The Labor Party was established in 1891. It grew out of the defeats the union movement suffered in the late 1880s. Unionists realised then that they could not protect workers' living standards in times of rising unemployment. They came to the conclusion that they needed to engage with parliamentary politics to achieve the protection they sought. With the formation of the Labor Party, the Labor movement replaced the advanced liberals as the focus and instigators of reform in public policy.

Curtin was determined to create a new social order after the Second World War. He believed it should be based on democracy and the rights of all men and women to enjoy the fruits of their honest toil. The basis of the new social order was to be a high and stable level of employment. Curtin was unequivocally committed to full employment.

The Depression had exposed the vulnerability of the Australian economy to economic conditions in the rest of the world. It also exposed the inadequacy of the State administered sustenance schemes in dealing with those thrown out of work. Entitlement was discretionary and the administration was punitive. Eligibility was based on assumptions about the moral desert of applicants rather than entitlement as a right.

Raymond Williams tells us that *the welfare state* was coined as a term in England at the beginning of the Second World War in contrast to *the warfare state*. In Australia, the welfare state came into being in 1945 when Chifley, then Treasurer in Curtin's Government, introduced a comprehensive social security system guaranteeing a minimum income to people in their emergencies, from the cradle to the grave. The social security system was seen as a necessary but residual safety net for those who could not work

because of accident or for short periods of unemployment. The architects of the social security system believed that their Keynesian economic policies would make sure that full employment was sustainable into the future. They believed that those policies would safeguard living standards and promote a more just social order.

The social security system remained largely unchanged for 40 years. The Long Boom lasted for 25 years until the early 1970s and full employment was realised for that period. But circumstances changed radically in the mid-70s. With the first oil shock in 1973, two related events occurred: full employment gave way to a significant level of unemployment; and the living standards of employed people could no longer inexorably rise. These events, carried through to today, have been the common experience of the industrialised world. Contraction of international trade, growing inflation, and demographic and social change put an enormous amount of pressure on existing prescriptions for achieving a more just distribution.

No longer could the needs of the poor and excluded be met from a marginal slowing in improvements for those in the mainstream. The fact that it had become impossible to achieve sustainable full employment knocked the foundation out from the existing strategy. Large numbers of people at the beginning or in the prime of their working lives were being excluded for very long periods of time from access to the labour market. This phenomenon very clearly illustrated the interdependence of economic and social policy in achieving social justice.

Labor's objective remained achieving just outcomes. We needed a new analysis of ways to achieve them. This was the genesis of the Social Security Review. The Review's mandate was to look at four major areas of disadvantage: low-income families with children, retirement incomes, unemployment and disability. It was important that we had a clear understanding of the situation confronting us so that we could develop responses which had a good chance of achieving our aims.

The issues which emerged from that analysis made it clear to us that the level of social security payments alone would not solve the fundamental problem, which was to find a sustainable route out of poverty for the people who were effectively locked out of participating in the mainstream of social life. They were locked out, not just because of low income but because they were locked out of training opportunities, child-care and employment. We needed to develop an approach which integrated all of these policy areas to deliver an appropriate package of services, to a sole parent living in public housing on the outer edge of the city, to a disabled person living in an institution or to a person who has been unemployed for 12 months.

These changes were one aspect of the agreement for dealing with declining and unfairly distributed employment opportunities. That agreement is the Prices and Incomes Accord which was made in 1983 between the Hawke Government and the trade union movement. That agreement has pledged government and the union movement to work together to restrain wages and restructure industry in the interests of sustainably generating jobs for the future.

Government has played a central role in setting minimum wages and arbitrating industrial conflict since the 1890s when the wages boards I referred to earlier were established in Victoria. The original purpose of setting up the boards was to protect women and girls who were doing outwork under sweated conditions. An amendment proposed by the Labor Party as the Bill was going through Parliament, extended the boards' responsibilities to men as well. The Boards had general responsibility for setting minimum wage rates but the basis of decisions on what they should be was arbitrary. Other States dealt with industrial dispute by setting up Arbitration Courts to provide forums for orderly settlement.

The Commonwealth entered the field when H.B. Higgins, by then President of the Commonwealth Arbitration Court, decided the Harvester case. Higgins was asked to determine the meaning of

“fair and reasonable” wages, a phrase used in the Excise Tariff (Farm Machinery) Act of 1906. His decision set the formula for arriving at a basic wage which lasted for over 50 years.

The minimum wage should be that which enabled a worker to live as a “human being in a civilised community” and to keep himself and his family in frugal comfort. It was based on need. Neither the market value of the labour nor the economic condition of the industry were considered relevant. If the industry could not afford to pay decent wages, it should be abandoned. Higgins defined the role of the Arbitration Court as adjudicator in terms of fairness rather than the market.

The Accord is providing the base for rejuvenating the wages system. Industrially powerful unions have restrained their call on incomes to ensure decent wages are available for those with less bargaining power. All have agreed on processes which will contribute to our industries' survival in international markets.

THE FUTURE

If we accept the ethical objectives of social and economic justice, democratic participation, human rights and environmentally sustainable development as guides to action, what does this mean for the future?

Social and economic justice

Social justice is not achievable through social policy alone. Economic policy interacts with and underpins the delivery of social policy results.

Fundamentally, we must be concerned with generating a sustainable and resilient level of employment. This is a reaffirmation of the directions set by the Accord.

Investment is the key issue in achieving our objectives. We need to invest in infrastructure to make our transport links—for both freight and people—work more efficiently and hence make it possible for industry to develop on an internationally competitive basis. We

need to invest in industry to enhance our capacity to export goods and services, guaranteeing our capacity to continue to generate employment. We need to work out creative partnerships between the public and private sectors to mobilise the capital we need for investment.

We must also be concerned to ensure that all Australians in our Commonwealth can gain access to employment opportunities. We need to address the physical and geographic barriers, such as housing and transport, to education, training and employment. We need to consider the location of the services needed to support people in making the links between home and work, such as child-care. We need to reverse the trend of housing our people in more and more dispersed areas on the fringes of our cities. We also need to recognise the rapidly declining size of Australia's households—and what that means for our cities.

The massive investment we make each year in housing our people must be more carefully directed—to consume less land, to provide better suburbs and to ensure that everyone can play a full role in society through access to employment and services.

Democratic participation

The first task of government in ensuring a truly democratic society, is to ensure that an adequate share of national resources is committed to those functions necessary to achieve participation. In Australia, the Commonwealth Government—which manages the national economy—must be responsible for this.

The second function of government is to implement policies that ensure that those who need support or services can get them.

That is no easy task—particularly at a time when the patterns of household and family formation and participation in the work force are changing so rapidly—and with them the costs of living as a full member in the community.

Clearly the needs of a family with both or all adults required to work full-time, living on the urban fringe and travelling perhaps three hours a day by car, differ markedly from a family with one adult at home and work being 20 minutes away by train.

Precisely how those needs differ and what the policy response should be is as yet unclear.

What is clear is that in developing those policies we need new and practical ways that the three levels of government can work together. In developing new ways of working together, we need to bear in mind our different strengths.

The Commonwealth ought to be strong in empirical analysis—to ensure that adequate resources are available nationally and properly targeted.

The States are in a position to ensure that services and facilities are efficiently and fairly distributed between regions—but may often find it politically harder than the Commonwealth to shift resources between regions as needs shift.

Local Government is in an ideal position to know the detail of how programs should be delivered at the local level—but will rarely be in a position to judge the relative needs of different regions.

In the past, because the approaches of different levels of government have been different, they have been seen to be in conflict. The challenge is to recognise that there is a need for those different roles to be played—and to be synthesised.

To achieve full participation of all in community affairs, the strengths of each level of government must be harnessed to work together rather than in conflict. And that must be done in ways where people are listened to not just through the blunt instrument of the ballot box; but through open processes which allow those affected to be heard by governments as decisions are to be made.

This analysis points to the ethical imperative to restructure our Federation: not to assign functions randomly between governments but rather to work out how each level of government can work most effectively with other governments—and the people affected—to ensure that all are able to participate.

CONCLUSION

The concept of citizenship we need to develop is firmly based on the creation of our Commonwealth and our traditions of social and economic justice and democratic participation.

The history of the welfare state in this country can be seen as “a struggle to transform the liberty conferred by formal legal rights into the freedom guaranteed by shared social entitlement”. The creation of our modern Commonwealth has been the result of the struggles by reformers like Deakin and Higgins and the struggles of the Labor Movement to ensure that the market’s tendency to generate inequality is balanced by entitlement to social provision and a regulated labour market to sustain legal equality. We may accept the operation of markets as efficient allocators of resources but our goals and aspirations as citizens can never be wholly met through the market’s unfettered operations. We need to keep in balance the undoubted efficiency of the market and our democratically determined redistributive policy objectives which make our equality as citizens of the Commonwealth a reality.

Our concept of citizenship needs to be flexible and inclusive. We need to be certain that there is room for all the diverse groups of people who are in Australia or who are arriving here as new migrants to find themselves in our idea of a citizen. We need to be sure that women have equal standing as citizens with men, formally and in reality. The need for flexibility and inclusivity in our concept of citizenship has clear implications for the policy directions we need to pursue to make sure that all citizens’ rights to determine the shape of their lives are respected.

We need a firm and practical approach to the way we want society to be in the next century. Utopian visions will not do. No doubt, many factors, which we have no way of predicting, will affect the way we live our lives over the coming decades. We need to reaffirm that we will be citizens of a Commonwealth which struggles to be just, which respects and enhances people’s rights and entitlements and assists them to meet their obligations.

The Brotherhood, under the leadership of Michael Challen, will continue to contribute to this vital struggle. The objectives of his work must be to continue to empower the people he deals with to actively take control of their lives and to respect the choices that they make.

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